Missouri VEI 11-05

Background: The State of Arizona passed a set of laws in 1998 that specifies a default business structure and the responsibilities of the corporate Officers and members. The default structure and responsibilities conflict with the CoDA organization structure. The State of Arizona recognized that their default rules may not be desirable for all corporations, so many of the requirements allow for alternate structures and changes to the responsibilities of the Officers and members as detailed in either the Articles of Incorporation (AI) or the By-Laws (BL). Arizona provided for corporations incorporated before December 31, 1998 to retain their existing Articles of Incorporation and By-Laws in Chapter 40. See No MO 2011 VEI's Note 1.docx .

CoDA's original Articles of Incorporation do not accurately reflect our current CoDA structure and do not include many of the items that Arizona suggests be included in the Articles of Incorporation. See MO 2011 VEI's Note 2.docx for a partial list. Additionally there are numerous references in Chapters 25 through 40 that allow and require explanation of alternative procedures or responsibilities in either the Articles of Incorporation or the By-Laws. There are additional minor Arizona Laws in Title 10 that could be addressed in addition to those included in Missouri VEI's 11-01 through 11-07.

To address these many conflicts and assert CoDA's intention to operate using our inverted pyramid structure, it is necessary for CoDA to re-state the Articles of Incorporation and/or add Sections to the By-Laws. Each Article or Section should reference the Chapter and Article of Arizona Law that is being modified or nullified.

A proposal for Service Structure Committee to present for CSC approval an Article to the AI (or Section to the BL as they determine appropriate) regarding Requirement for and duties of Board. 10-3801. Requirement for and duties of board (See below)

Proposed new Article/Section: The corporation structure is an inverted pyramid as explained in the By-Laws. Many of the authorities, duties, and responsibilities traditionally assigned to the Board are dispersed to the various Standing Committees of CoDA. Any authorities, duties, and responsibilities of the Board are restricted to those enumerated in the By-Laws. The primary function of the Board is to sustain the corporation business activities while Conference is not in session. The Board may only initiate changes to the organization of CoDA that are approved by the CoDA Service Conference. The Board may not create a committee, task force, work group, or other such entity without the approval of the CoDA Service Conference. The Board may not add or subtract responsibilities from a committee or dictate to them how to accomplish their duties and responsibilities. The Board does not direct, manage, supervise the committees or do their work for them. The Board may not set new policy/procedure or change CoDA Service Conference approved policy/procedure without the approval of the CoDA Service Conference. The Board may not transfer activities presently done by volunteers to paid contractors without CoDA Service Conference approval. The Finance Committee will bring financial policy and procedures to the CSC for approval. The Finance Committee reviews and approves expense reports, approves all corporate expenses, assists the bookkeeper in properly recording transactions, monitors the committee budgets versus spending and advises the Treasurer

regarding all financial issues.  The Finance Committee advises the Board, and monitors all aspects of CoDA finances.

10-3801. Requirement for and duties of board

A. Each corporation shall have a board of directors.

B. All corporate powers shall be exercised by or under the authority of and the affairs of the corporation shall be managed under the direction of its board of directors, subject to any limitation set forth in the articles of incorporation.

C. The articles of incorporation may authorize one or more members, delegates or other persons to exercise some or all of the powers which would otherwise be exercised by a board. To the extent so authorized the authorized person or persons shall have the duties and responsibilities of the directors, and the directors shall be relieved to that extent from those duties and responsibilities.