

# By-Laws of Farmers of Orange NC Inc.

(Amended and Approved February 28, 2009)

## Article I – Purpose and Goals

Section 1. Purpose & Goals. Farmers of Orange (FO) is a not-for-profit membership organization that operates in Orange County NC in order to:

- A. create and increase opportunities for farmers to sell their products directly to consumers
- B. create and increase consumers' opportunities to buy local products directly from farmers
- C. bring together families, neighbors, visitors and local food producers to create a sense of community and social gathering
- D. establish vibrant markets that make each market location a destination for tourists and visitors
- E. provide a vehicle to educate the community on the nutritional, environmental, and economic value of buying local, sustainably-produced farm products.

## Article II - Membership and Dues

Section 1. FO Membership. The farm/business of anyone actively engaged in the production of farm products or handcrafted goods for direct sale (i.e., the original producer of all products sold) that meets the qualifications for FO membership as stated in Article II, Sections 5 and 6, and the requirements set forth below, may become a Market Member. The required steps are 1) application, 2) acceptance by the Board of Directors, and 3) payment of all applicable dues and fees.

Section 2. Market Members. A Market Member is a farm or business that produces farm and/or handcrafted goods. A Market Member includes any person or group of people cooperatively producing farm products and/or handcrafted items under one farm/business name. A Market Member must pay applicable dues & fees, and will be allowed use of a vendor space at the Markets for which they have been approved. Only Market Members or designated guest vendors are eligible to sell at the Market. Market Members and guest vendors must abide by FO rules and by-laws. A copy of Market Rules will be given to each Market Member and guest vendor before the start of each season.

### A. Market Vendor Definitions

A farmer vendor grows or raises products sold at the market

A prepared foods vendor produces edible products, shelf stable and unstable food products, which follow all guidelines of Health Department and NC Agriculture Department regulations.

A craft vendor sells non-edible hand-crafted products

A harvester vendor sells edible products harvested or caught in the wild, such as fish and seafood and wild plants that are used for food, medicinals, or crafts.

- B. There shall be two categories of membership: **Full** and **Seasonal**. **Full Member:** A full member meets all membership requirements in these bylaws and sells a minimum of 26 weeks each year at the Saturday market or 16 weeks each year at the mid-week market. A full member is entitled to vote at membership meetings and maintains a reserved space in the next year's market. **Seasonal Member:** A seasonal member meets all membership requirements in these bylaws and sells from 13 to 25 weeks during the year at the Saturday market or 8 to 15 weeks at the mid-week market. A seasonal member is not entitled to vote at membership meetings but does maintain a reserved space in the next year's market.
- C. Each Full Market Member entity is allotted one vote on FO issues brought before the membership.
- D. Each Full Market Member is expected to attend the Annual Membership Meeting held during the first quarter each year.
- E. All Market Members agree to allow their farms/facilities to be inspected by a committee designated by the Board of Directors whenever deemed necessary.
- F. A member in good standing will have sold at a minimum of 13 Saturday markets or 8 mid-week markets during the year. Failure to meet this requirement will require reapplication for membership.

- G. The Board of Directors reserves the right to designate “specialty” vendors. These must be farms/ businesses with very specific seasonal crops, crafts or other products that are under-represented by regular members. The board reserves the right to approve or no approve specific products on a Specialty Vendor application. Specialty Vendors’ farms/facilities must be inspected. Specialty Vendors may attend the market for a term set by the Board of Directors and will be assigned a fee, in addition to weekly stall fees, for the privilege of participating in a FO market. These fees will be set by the Board of Directors. Specialty Vendors are not members of FO. If a Specialty Vendor wishes to become a member, the vendor must apply for membership and pay all appropriate dues and fees. This amendment goes into effect after March 27th, 2011, members approved before this date are grandfathered in.

Section 3. Annual Dues. Annual dues will be set by the Board of Directors and approved by the membership at the Annual Membership Meeting each year. Annual dues must be submitted along with the Returning Member application each year.

Section 4. Vendor Space Fees. Separate from the annual dues, the Board may establish additional fees as required to support the budget, goals and purposes of FO, including but not limited to a weekly vendor’s space fee.

Section 5. Applying for Membership. Membership applications are to be submitted to the Market Manager according to the written form determined by the Board of Directors, and must obtain a majority vote of the Board of Directors. Applications are approved or denied based solely upon space availability as well as purposes and goals of the market.

- A. The farm/business of anyone actively engaged in the production of products as described in Article II, Section 2A for direct sale (i.e. the original producer of all products sold) may apply to become a Market Member of Farmers of Orange NC, Inc.
- B. Market Member farms/facilities must be within a 60-mile radius of Hillsborough, the approximate geographic center of Orange County. The Board may approve Specialty Vendors outside this radius, This amendment goes into effect after March 27th, 2011, members approved before this date are grandfathered in.
- C. Market Members must allow an initial farm/facilities inspection to be conducted by a committee designated by the Board of Directors to verify to FO that the Market Member is the producer of all goods being sold.

Section 6. Transfer of Membership. Membership in the FO is not transferable or assignable to another party.

Section 7. Resignation and Leave of Absence. A Market Member may resign at any time in writing to the Market Manager or Board of Directors. Resignation will not relieve the Market Member of obligation to pay previously accrued dues, assessments, or other charges, nor will annual dues be prorated or refunded. In the case of prolonged illness or other extenuating circumstances approved by the Board of Directors a member may receive a leave of absence from the market for a specified period without jeopardizing membership status for the following year. Requests for a leave of absence must be made in writing. Members on a leave of absence may not vote at membership meetings. A leave of absence will not relieve the Market Member of obligation to pay previously accrued dues, assessments, or other charges, nor will annual dues be prorated or refunded.

Section 8. Membership Termination. The Board of Directors may vote to suspend for a fixed period of time or expel a Market Member for cause. Market Members have the right to notice before such action is taken. Cause may include but is not limited to:

- A. Failure to submit to or abide by decisions made by the Board of Directors, including the Market Rules, or to accept any ruling of the membership
- B. Selling or offering for sale any product not grown or originally produced by the Market Member
- C. Failure to pay annual dues represents voluntary resignation.

Membership annual dues are not refunded when a Market Member is expelled for any reason.

Section 9. Reinstatement of Former Members. Any lapse in membership for any reason requires submission of a New Member Application.

Section 10. Property. No property rights shall accrue to any Market Member. In case of dissolution, all property assets after payment of debts accrue to FO. No Market Member will be liable for FO's debts or obligations.

Section 11. Agents of Market Members. Any individual may perform activities on behalf of a Market Member, including selling at the Market, as designated by the Market Member.

#### Article III - Meetings of the FO's Membership

Section 1. Annual Membership Meeting. FO's Annual Membership Meeting will be held during the first quarter of each year at a time and place designated by the Board of Directors.

Section 2. Special Meetings. Special meetings of Market Members may be called by the President, the Board of Directors, or by not less than one-fifth of the FO membership.

Section 3. Notice of Meetings. Notice of all annual and special meetings of Market Members will be prepared and mailed at least ten days and not more than 30 days prior to the date of each meeting to the last known postal address of each Market Member. Each notice will include the time, place, and purpose of the meeting.

Section 4. Voting. One vote is allotted per Full Market Member entity. Membership votes may be conducted only at annual or special meetings when a quorum of Market Members is present. A member with outstanding fees may not vote.

Section 5. Quorum. Market Members representing 51% of the Full Members will constitute a quorum. In the event that a quorum is not present, a meeting may be adjourned by the Market Members present until a quorum can be obtained.

Section 6. Order of Business. Annual Membership Meetings will follow a standard order of business:

- A. Officer roll call and quorum determination
- B. Reading and approval of minutes
- C. Officer reports
- D. Committee reports
- E. Unfinished business
- F. New business
- G. Adjournment

#### Article IV - Directors and Officers

Section 1. General Powers. FO affairs will be managed by the Board of Directors. Directors must be residents of the state of North Carolina. Nine members will comprise the Board of Directors, a majority of whom will be farmers; up to two Directors may be community representatives. Vendor directors must be full members in good standing.

Section 2. Election of Board of Directors. The Board of Directors (vendor members and community representatives) will be elected by FO members at the Annual Membership Meeting. Board members will be elected by majority vote of Market Members represented at the meeting, provided a quorum is present. Members will serve two-year terms after an initial organizational setup of one and two-year terms. Board members may serve a maximum of six consecutive years on the Board, and are eligible to be re-elected for additional terms to the Board after not being a member of the Board for two years.

Section 3. Election of Officers. Immediately after each election of the Board of Directors by the Market Members, the Board of Directors will hold a regular meeting and organize by the election of a President, Vice President, Secretary, and Treasurer, each of whom will hold office until the election and qualification of their successor. President and Vice President will be elected by and from the Directors continuing in office. Each officer serves a one-year term and may be re-elected up to a maximum of four consecutive years in the same office.

No Board member will hold simultaneously more than one of the following positions: President, Vice President, Secretary, or Treasurer.

Section 4. Vacancies. Whenever a vacancy occurs on the Board of Directors, other than from the expiration of a term of office, the remaining Directors may select a replacement to serve until the next regular or special membership meeting.

Section 5. Board Meetings. Regular meetings of the Board of Directors will be held at such time and place as the Board determines and shared with all members at the annual membership meeting. All regular Board meetings are open to all members.

Section 6. Special Board of Directors Meetings. Special meetings of the Board of Directors will be held whenever called by the President or by two Board members. Each call for a special meeting will state time, place, and business of the meeting. Notice of special meetings of the Board of Directors must be given to each Director by standard post, e-mail, telephone, or in person at least two days before a special meeting.

Section 8. Quorum. A majority of the Board of Directors constitutes a quorum for the transaction of business at any Board meeting.

Section 9. Compensation. Directors and officers will not receive salaries for their services. Nothing in these bylaws precludes any Director or officer from serving the FO in any other capacity and receiving compensation for such services, with the exception of the Market Manager who may neither be affiliated with a market member nor serve as a Director.

Section 10. Absences & Removal. If a Director, in any calendar year, has absences which total more than 25% of the regularly scheduled Board of Directors meetings, or three consecutive meetings, whichever comes first, the Director is obligated to resign. The Board may consider extenuating circumstances, granting a leave of absence for a specified period if such request is made in writing.

Any Director may be removed for cause by a two-thirds vote of the FO membership at a special or regular membership meeting. Any Market Member may initiate a vote to remove, but the vote may be taken only after the membership has received written notice of at least 30 days but not more than 60 days to indicate the Market Member's intention to initiate a vote to remove.

#### Article V - Duties of the Board of Directors

Section 1. Management of Affairs. The Board of Directors will have general supervision and control of FO's affairs and will make all rules and regulations not inconsistent with North Carolina law or with the FO by-laws for the management of the organization, guidance of agents of FO, and supervision of employees/contractors. This includes the power to levy a fee for any service provided by FO to its members. The Board of Directors has the authority to adopt an ethical code of conduct to regulate the activities of members. The Board of Directors must maintain proper records of all business.

Section 2. Employees/Contractors. The Board of Directors may employ or authorize the employment of employees/contractors as deemed necessary and to set compensation at a fair market value for the services rendered.

Section 3. Insurance. The Board of Directors will provide for the adequate insurance of the FO's property or property stored by the FO, and not otherwise adequately insured. The Board of Directors will provide adequate liability insurance to cover activities of the Board of Directors and potential accidents to all employees and the public.

Section 4. Checks and Drafts. The Treasurer or the Vice President will sign all checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of FO.

Section 5. Contracts. The Board of Directors may authorize by resolution any officer of the FO to execute and deliver a contractual instrument in the name of the FO. Such activity may be general or confined to specific instances.

Section 6. Gifts. The Board of Directors may accept on behalf of FO any contribution, gift, or bequest for the general purpose or any special purpose of FO.

Section 7. Audits. From time to time and at least once a year, the Board of Directors will review FO's financial records. Once each year the Board of Directors may secure the services of a competent and disinterested public auditor or accountant and submit a written report based on the findings to the FO's membership.

Section 8. Depository of Funds. The Board of Directors will use a federally insured bank to deposit FO's funds.

#### Article VI - Duties of Officers

Section 1. Duties of the President. The President will:

- A. Lead the Board of Directors
- B. Preside over FO's meetings
- C. Preside over meetings of the Market Members
- D. Call special meetings of the Board of Directors
- E. Supervise employees/contractors
- F. Sign all papers for the Board of Directors except (see Article V, Sections 4, 5). The President will perform such other duties as may be prescribed by the Board of Directors.

Section 2. Duties of the Vice President. The Vice President will:

- A. Assist the President and will perform the duties of the President in his/her absence
  - B. Perform such other duties as may be prescribed by the Board of Directors.
  - C. Prepare Board meeting packets to include agenda, financial report, previous meeting minutes, and any relevant documents
- Section 3: Duties of the Secretary. The Secretary will:
- A. Be responsible for keeping the archive of FO records and documents, including a complete record of FO meetings and meetings of the Board of Directors
  - B. Serve all notices, including state and federal legal and tax documents, required by law and by the FO bylaws
  - C. Make a full report of all matters and business pertaining to the office of Secretary at the Annual Membership Meeting
  - D. Participate in the compilation of reports required by FO or the Board of Directors
  - E. Retain a current, complete list of Market Members, agents, and employees/contractors of the FO and their contact information, as compiled by the Market Manager
  - F. Turn over all records and documents and other FO property in his/her possession upon election of a successor

Section 4: Duties of the Treasurer. The Treasurer will:

- A. Perform all duties with respect to FO finances as prescribed by the Board of Directors and as provided in Article V, Section 4
- B. Deliver a written statement on the FO's financial affairs at each regular Board meeting
- C. Make a full report of all matters and business pertaining to the office of Treasurer at the Annual Membership Meeting
- D. Turn over all books and other FO property in his/her possession upon election of a successor.

Section 5. Succession of Officers. In case of death or resignation of an officer or the inability of an officer to perform his/her duties, the Board of Directors may declare the office vacant and elect the officer's successor as provided in Article IV, Section 4.

#### Article VII - General Provisions

Section 1. Fiscal Year. The FO's fiscal year will be January to December.

Section 2. Inspection of Records. All FO books and records may be inspected by a representative of any Market Member or its attorney for any proper purpose at any reasonable time. Documents will be made available within two weeks of receipt of a written request for such an inspection.

Section 3. Committees. The Board of Directors may delegate any business function of FO to a committee. Committees will investigate, plan, regulate, and oversee any function of FO within the approval of the Board of Directors. However, the Board of Directors may not avoid their responsibilities for FO business by delegating to committees. A committee may elect a committee chairperson.

Section 4. Market Manager. When the membership of the market meets or exceeds 24, the Board of Directors may employ/contract a Market Manager. The Market Manager may not be a FO member or family member of a FO member. The Board of Directors will approve in December of each year a contract delineating the responsibilities of the Market Manager for the coming year.

#### Article VIII - Amendments

Section 1 Amendments to the By-Laws. The by-laws may be altered, amended, or replaced by a vote of two thirds of the FO membership at any regular or special meeting, provided a quorum is present. Intention to seek a change in the by-laws must be filed with the Secretary in writing at least ten days before the meeting during which the change is to be considered and before the notice of the meeting has been sent to Market Members.