



*Containing all proposed revisions approved by membership vote on January 14, 2015 and restated on January 27, 2016*

## **BYLAWS**

### **A corporation governed by the Not-For-Profit Corporation Law of New York**

#### **Article I: General**

##### **Section 1: NAME AND OFFICES**

The name of the corporation shall be known as the Schoharie County Chamber of Commerce, hereinafter it may be referred to as the Chamber. The principal office of the Chamber shall be at 143 Caverns Road, Howes Cave, County of Schoharie, State of New York. The Chamber may change its principal office or have other offices at such other places within or without this State as the Board of Directors may from time to time determine or the business of the Chamber may require.

##### **Section 2: PURPOSE**

Your Chamber is an organization of business people and other leaders working together to advance the general welfare and prosperity of our community through our endeavors with business, including agriculture, education, government and tourism.

The Chamber and its members are committed to accomplishing these goals without discriminating on the basis of race, color, creed, age, sex, disability, or national origin. The Chamber shall be nonprofit, nonpartisan, and nonsectarian.

The Chamber is organized for purposes under Section 501(c)(4) of the Internal Revenue Code of 1986 as amended (the "Code"). In addition to the foregoing corporate purposes, the Chamber shall have all of the general powers set forth in Section 202 of the New York Not-for-Profit Corporation Law ("N-PCL").

The Chamber is organized as a Type A not-for-profit corporation in New York, as defined in Section 201(b) of the N-PCL.

#### **Article II: Membership**

##### **Section 1: ELIGIBILITY FOR FULL MEMBERSHIP**

Any sole proprietorship, partnership, corporation, association, or government agency having an interest in the purposes and objectives of the organization shall be eligible to apply for full membership. This full membership entitles the organization to be included in Chamber



promotional materials, receive all mailings and other Chamber benefits. The organization shall designate an individual to act as official representative to the Chamber.

## Section 2: ELIGIBILITY FOR INDIVIDUAL MEMBERSHIP

Any individual person who does not, through Chamber membership, represent a business, industry or public service and who has an interest in the purpose and objectives of the Chamber shall be eligible to apply for individual membership. Individuals are not entitled to inclusion in Chamber promotional materials. Individual members are entitled to receive all Chamber mailings and benefits. Any individual who joins the Chamber representing a business concern (e.g., self-employed) shall be considered a sole proprietor eligible for full membership under Section 1.

## Section 3: COMPLIMENTARY MEMBERSHIP

Where deemed appropriate, the Chamber Board of Directors may vote to confer special membership on a non-paying basis to another non-profit organization. This class of membership is a non-voting membership and no benefits of membership shall be passed to any member of these complimentary members.

## Section 4: VOTING RIGHTS

a) Each eligible member in good standing shall be entitled to cast one vote at any meeting of the general membership and during the annual election of the Board of Directors. Otherwise, the elected Board of Directors shall conduct the business of the Chamber at the Board's regularly scheduled monthly business meetings. All Board of Directors' meetings are open for participation to all members on a non-voting basis and one of the rights of any member shall be to attend and be heard at any Board meeting and to request to table any issue at hand for referral to the general membership.

b) Proxy votes shall be permitted only at general membership meetings. Proxies shall be presented in writing to the Secretary prior to the meeting. Proxy votes cast may be withdrawn by written notification to the Secretary or by attendance of the member at the meeting when the proxy shall be considered withdrawn.

## Section 5: APPLICATION FOR MEMBERSHIP

Application for membership shall be in writing, on forms provided for that purpose, signed by the applicant, and accompanied by payment of dues as provided by Section 6 of this



article. All applications for membership shall be referred to the Membership Committee for review and recommendation to the Board of Directors.

#### Section 6: DUES

Membership dues shall be at such rate or rates, schedule or formula as may be from time to time prescribed by the Board of Directors. Members who are not current in their dues payments shall not be eligible to vote. At least two (2) days prior to any scheduled general membership or annual meeting, delinquent members shall receive notice of such ineligibility to vote.

#### Section 7: MEMBERSHIP DETERMINATION

a) Upon recommendation of the Membership Committee, the Board of Directors shall, by majority vote, either accept or reject an application for membership. In the event an application for membership is rejected, such applicant shall have ten (10) days after receipt of the rejection to appeal to the Board of Directors. Within thirty (30) days from the date of the appeal the Board of Directors shall hold a hearing to reconsider the application. Within ten (10) days after the hearing, the Board of Directors shall either affirm or reverse the rejection. The decision of the Board of Directors on appeal shall be conclusive and binding.

b) Any member may resign their membership upon written notice to the Board of Directors.

c) Membership may be automatically terminated if annual dues remain unpaid sixty (60) days past the due date. Confirmed notice of pending termination shall be communicated to the affected member fifteen (15) days prior to the termination.

d) Upon recommendation of the Membership Committee, the Board of Directors may revoke a membership, by a majority vote, for conduct prejudicial to the aims or reputation of the Chamber. The affected member shall be afforded an opportunity to meet with the Membership Committee prior to such recommendation and vote. The decision of the Board of Directors shall be conclusive and binding.

e) Revoked memberships shall not be eligible for any pro-rated return of dues.

### **Article III: Meetings**

#### Section 1: ANNUAL MEETING

The annual meeting of the Chamber shall be held in the first quarter of each year. The date, time and place shall be fixed by the Board of Directors and written notice thereof, if sent



via first class mail to each member shall be at least ten (10) days, but not more than fifty (50) days, before said meeting. Such notice may also be provided via e-mail or fax to each member at least thirty (30) days, but not more than sixty (60) days, before said meeting.

## Section 2: BOARD OF DIRECTORS' MEETINGS

The Board of Directors shall meet on a monthly basis to conduct the business affairs of the Chamber. Notices of Board meetings, including the date, time and place, may be sent via first class mail to the general membership at least ten (10) days, but not more than fifty (50) days, before said meeting. Such notice may also be provided via e-mail or fax to the general membership at least thirty (30) days, but not more than sixty (60) days, before said meeting. Regular board meetings established by the Board for a year do not require notice.

## Section 3: ADDITIONAL MEETINGS

a) The President may call special membership meetings at any time, or upon petition, in writing, of any twenty-five (25) members in good standing or application of three (3) members of the Board. Written notice, including the date, time, place and purpose of the meeting as well as a statement regarding who is calling the meeting, may be sent via first class mail to the general membership at least ten (10) days, but not more than fifty (50) days, before said meeting. Such notice may also be provided via e-mail or fax to the general membership at least thirty (30) days, but not more than sixty (60) days, before said meeting.

b) An Organizational Meeting of the Board of Directors shall be held in January for the following purposes: newly elected Directors shall be seated and the Board shall elect officers from among the slate presented by the Nominating Committee and any other nominations, which have been presented. The current President shall preside over the Organizational Meeting until the Board approves a slate of Officers.

c) Committee meetings may be called at any time by the President, respective Vice President, or Committee Chairperson.

## Section 4: QUORUMS

a) At any duly called meeting of the Chamber membership, unless a greater proportion is required by law a quorum shall be established by the presence of the members entitled to cast one hundred (100) votes or one-tenth (1/10) of the total number of votes entitled to be cast, whichever is less. A majority of the seated Directors shall constitute a quorum of the Board of Directors at any Board meeting. At Committee meetings, a majority of the committee members



present shall constitute a quorum. At meetings of the Board of Directors, where no quorum is present, informal business may be conducted, but no business requiring formal decisions or action by vote may be conducted.

b) For the purposes of conducting business at any meeting, decisions by vote shall be decided by a majority of the members present. The President shall serve as a tiebreaker.

c) In the absence of a quorum, a majority of the voting members present may, without giving notice other than by announcement at the meeting, adjourn the meeting from time to time until a quorum is obtained. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

#### Section 5: ACTION WITHOUT A MEETING

Any action required or permitted to be taken by the members, Board of Directors or any committee may be taken without a full meeting, if all members of the general membership, or the Board of Directors or committee, as the case may be, consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto shall be filed with the minutes of the proceedings.

#### Section 6: PARTICIPATION BY TELEPHONE

Any one (1) or more members, Directors or any committee members may participate in a meeting of such membership, board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.



## **Article IV: Board of Directors**

### **Section 1: COMPOSITION OF THE BOARD**

The Board of Directors shall be composed of at least fifteen (15) members and not more than eighteen (18) members, at least one-third (1/3) of whom shall be elected annually to serve for three (3) years, or until their successors are appointed and have qualified. The number of directors may be increased by the Board of Directors by taking action pursuant to this Section at a special meeting or by a written action in lieu of a meeting making specific reference to this Section. Membership of the Board shall, where feasible, be representative of the various sectors and geographic locations within the County. Employees of the Chamber are not eligible to serve as Directors, and a member who presently serves as a Director shall not be employed by the Chamber while they continue to serve or for a period of sixty (60) days following having served as Director. The foregoing sixty (60) day requirement may be waived by a two-thirds (2/3) majority vote of the Board of Directors.

### **Section 2: PURPOSE OF THE BOARD**

The governing and policy-making responsibilities of the Chamber shall be vested in the Board of Directors, which shall control its property, its finances and direct its affairs. The Board's actions shall be reported to the general membership at the Annual Meeting and in periodic mailings or electronic communications to, or through general meetings of, the membership.

### **Section 3: SELECTION AND ELECTION OF DIRECTORS**

a) At the regular September Board meeting, the President shall appoint a Nominating Committee consisting of four (4) members of the Chamber. The President shall designate a Chairperson. The Chairperson of the Nominating Committee shall present to the Board at its regular October meeting a slate of candidates to serve three (3) year terms. The number of candidates shall equal the number of slots open to replace the Directors whose regular terms are expiring and who may cease to be Directors during the current year. The Board of Directors shall approve the slate of candidates at its regular October meeting.

b) The slate of candidates as approved by the Board of Directors shall be provided to the members of the Chamber via electronic mail. The message accompanying such slate shall state that any other member may enter the election by submitting a petition for candidacy to the Board of Directors within thirty (30) days from the date of the electronic mail. Such candidacy must be endorsed by at least twenty-five percent (25%) of the general membership. In the event no petitions for candidacy are submitted within the thirty (30) day time period, the slate of



candidates shall be approved by the members. Such approval shall be evidenced by the acceptance of the slate by the Secretary upon a single vote of approval at a meeting of the Board of Directors. In the event at least one (1) petition of candidacy is appropriately submitted, a special meeting of the members shall be held for the purpose of electing the new board members. Notice of such meeting shall be provided by electronic mail at least thirty (30) days prior to such meeting.

c) The Nominating Committee shall prepare and present at the December Board meeting, a slate of officers to be voted on by the newly constituted Board of Directors at the January Organizational Meeting. Additional candidates may be nominated from the floor at the December Board meeting. In developing a slate of officers for the ensuing year, the Committee should not fail to consider newly elected Directors and should not consider those retiring from the Board.

d) The newly elected Board of Directors shall meet in January at the Organizational meeting prior to the annual meeting for the following purposes: convene the new Board; review the annual report; organize and make initial plans for the coming year; and elect officers from a slate presented by the Nominating Committee.

#### Section 4: SEATING OF NEW DIRECTORS

All newly elected Board members shall be seated at the Organizational Meeting of the Board of Directors.

#### Section 5: RESIGNATION

Any director may resign at any time by giving written notice to the President of the Chamber. Such resignation shall take effect at any time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Upon the resignation, such vacancy shall be filled pursuant to the terms of Article IV, Section 7.

#### Section 6: REMOVAL

Any director may be removed at any time for cause by a vote of a majority of the voting directors at any special meeting of the board called for that purpose, provided that at least one (1) week's notice of the proposed action shall have been given to the entire Board of Directors then in office. For purposes of this paragraph, a director may be removed for cause upon the occurrence of any of the following events: (i) the disability of the director; (ii) the director's willful breach or failure to perform the duties and responsibilities of a director; (iii) a director's commission of any act of fraud, embezzlement, dishonesty or any other willful misconduct that has caused, or is reasonably expected to result in injury to the Chamber; (iv) a director's



conviction by a court of competent jurisdiction of a crime involving moral turpitude or dishonesty; or (v) excessive absences from Board meetings in violation of the Board's current attendance requirements.

#### Section 7: VACANCIES

A member of the Board of Directors who shall be absent from three (3) regular meetings of the Board of Directors within a six (6) month period may be removed from the Board under Section 6, unless the absence is previously excused by the President for special circumstances. In the instance of any vacancy on the Board of Directors due to resignation, death, leave of absence or dismissal, the Executive Committee is empowered to appoint a member to fill the vacancy until the next annual election with special consideration to the candidates based on the results of the annual election for that year.

#### Section 8: TERM LIMITS OF BOARD MEMBERS

Board members are currently elected to serve three year terms and are limited to serving two consecutive three year terms. A board member who is serving an appointed term to fill a vacancy may also serve two consecutive three year terms. After serving two consecutive terms, they must step down as a member of the Board for one full year before being eligible to serve again. During this time, the member can continue to serve as a member of any Chamber committee.

#### Section 9: POLICY

The Board of Directors is responsible for formulating all policies of the organization and distributing those policies to the general membership.

#### Section 10: COMPENSATION

A director or officer of the Chamber may receive, directly or indirectly, salary, compensation or emolument therefrom for his or her service as director, officer or in any other capacity, when authorized by the majority of the voting directors, provided that such compensation is reasonable for the services actually rendered.

### **Article V: Officers**

#### Section 1: DETERMINATION OF OFFICERS





The officers of the Board of Directors of the Chamber shall be elected by and from the Board members in January of each year at the Organizational Meeting of the Board held prior to the Annual Meeting. The new officers shall be presented to membership at the Annual Meeting. Officers to be elected shall include: President, First Vice President, Second Vice President, Secretary and Treasurer. These officers shall serve for a term of one (1) year or until their successors assume the duties of the office, and they shall be voting members of the Board of Directors. In the event that any office shall become vacant for any reason, the vacancy shall be filled at the next regular Board of Directors meeting. Should the office of President become vacant, the First Vice President shall serve as interim President until a successor is elected at the next regular Board of Directors meeting.



## Section 2: DUTIES OF OFFICERS

### a) PRESIDENT

The President shall serve as the executive head of the Chamber and shall preside at all meetings of the membership, Board of Directors and Executive Committee. The President shall, with advice and counsel of the Executive Committee, appoint all committee chairpersons and assist in the selection of committee personnel. The President is responsible to ensure that each member of the Chamber is furnished a list of Directors and Officers with their respective terms of office along with all members of standing committees of the Chamber. This information shall be made available not later than sixty (60) days following the Annual Meeting.

### b) FIRST AND SECOND VICE PRESIDENT

1) The duties of the Vice Presidents shall be such as the title by general usage would indicate, and such as required by law, as well as those that may be assigned by the President and Board of Directors. They will also have under their immediate jurisdiction all committees pertaining to their general duties.

2) Specifically, the First Vice President shall preside over meetings in the absence of the President and shall be responsible for overseeing the committees and Chamber activities relating to the internal affairs of the Chamber.

3) The Second Vice President shall be responsible for conducting the Chamber's publicity and for overseeing the committees and Chamber activities relating to the external affairs of the Chamber.

### c) TREASURER

1) The Treasurer shall be responsible for the oversight of all funds received by the Chamber and for their proper disbursement. Such funds shall be kept on deposit in financial institutions approved by the Board of Directors, subject to disbursements signed by two (2) of the following: the Treasurer, the President or the Executive Director.

2) The Treasurer shall present a monthly financial report to the Board as well as an annual financial report to the membership at the Annual Meeting.

### d) SECRETARY



The Secretary shall be responsible for overseeing communications, recording minutes of the Board and general membership meetings, keeping records, sending any required notices of meetings, and any other such business as the occasion demands. Where necessary or feasible, the Board may appoint a Recording or Corresponding Secretary or make financial arrangements for assistance with the correspondence and record keeping duties of the Secretary.

### Section 3: OTHER AGENTS

The Board of Directors may from time to time appoint any additional agents as it shall deem necessary, each of whom shall hold office until removed by a majority vote of the Board of Directors, and shall have such authority, perform such duties and receive such reasonable compensation, if any, as the Board of Directors may from time to time determine. To the full extent allowed by law, the Board of Directors may delegate to any officer or agent any powers possessed by the Board of Directors and may prescribe their respective titles, terms of office, authorities, and duties.

### Section 4: REMOVAL

Any officer of the Chamber of the Chamber may be removed, with or without cause, by a vote of a majority of the voting directors then in office.

## **Article VI: Committees and Divisions**

### Section 1: EXECUTIVE COMMITTEE

a) The Executive Committee of the Board shall consist of the officers of the Board, the immediate Past President, and such other Directors as appointed by the President. It shall meet as scheduled by the President or upon the request of at least two (2) of its members for the purposes of planning for and overseeing the business of the Board of Directors and Chamber.

b) In order to provide continuity in the Chamber's work, the Executive Committee shall have and may exercise the authority of the Board of Directors in the interim between meetings of the Board, subject to any prior limitations, which may be imposed by the Board or the N-PCL. It may also make policy decisions during the interim periods, provided such decisions are not inconsistent with those adopted by the Board and provided further that the Committee submits any decisions that it has made during an interim period to the Board of Directors for approval at its next meeting. The Committee shall also be authorized to make necessary interim expenditures without prior Board approval not to exceed five hundred dollars (\$500). The Executive Committee may authorize the Executive Director or other staff to make necessary expenditures in any amount not to exceed two hundred fifty dollars (\$250).



## Section 2: APPOINTMENT AND AUTHORITY

The President shall, with the advice and counsel of the Executive Committee, appoint all other committees and chairpersons. He/she may appoint such committees and their chairpersons, as he/she deems necessary to carry out the programs of the Chamber. Committee appointments shall be at the will and pleasure of the President and in no event shall exceed the term of the appointing President. The Vice Presidents shall be responsible for overseeing the conduct of committees within their respective areas of jurisdiction.



The Executive Committee may also make recommendations to the Board of Directors as to appointments for filling vacant Board of Director seats and officers pro-tem, upon the resignation or removal of the Director or officer.

The Board of Directors shall have the authority to appoint and remove, with or without cause, an Executive Director who shall be the chief administrative officer of the Chamber. The Executive Committee will evaluate the Executive Director's performance and make a report to the Board of Directors at least once a year.

### Section 3: STANDING COMMITTEES

For the purposes of carrying on regular Chamber activities, the following standing committees shall be appointed and remain active on a permanent basis:

- Executive
- Agri-Business
- Membership, Public Relations and Website
- Events and Fund-raising
- Economic Development, Government, Tourism, Business and Education

The Board of Directors shall organize committees, as appropriate, around current Chamber priorities not covered by standing committees. The President, with the approval of the Board, shall appoint all committee chairs for a term of one (1) year. Committees shall be chaired by a current member of the Board of Directors and will consist of Board and non-Board members reflective of the membership of the Chamber. No action by any committee, other than the Executive Committee, shall be binding upon or constitute an expression of the policy of the Chamber until it shall have been approved by the Board.

It shall be the function of all committees to make investigations, conduct studies and hearings, plan and carry out special assigned projects, make recommendations to the Board of Directors and to carry on such activities as may be delegated to them by the Board.

### Section 4: LIMITATION OF AUTHORITY

No action by any member, committee, division, employee, director or officer shall be binding upon, or constitute an expression of, the policy of the Chamber until it shall have been approved or ratified by the Board of Directors.

### Section 5: DIVISIONS



The Board may create such divisions, bureaus, departments, or councils as it deems advisable to handle the work of the Chamber. In addition, the Board shall be empowered to hire staff, create an office and related operations, and fix compensation, as it deems advisable to properly conduct the business of the Chamber.

The Board shall authorize and define the powers and duties of all divisions, bureaus, departments, councils and staff. The Board shall annually review and approve all activities and propose programs of such divisions, bureaus, departments, councils, or staff, or more often as is necessary.

## **Article VII: FINANCE**

### **Section 1: FUNDS**

All money received by the Chamber shall be placed in a general operating fund or savings account or invested in interest yielding certificates at the discretion of the Board.

### **Section 2: DISBURSEMENTS**

All disbursements must be signed by any combination of two (2) of the following: the Treasurer, the President or the Executive Director. Upon approval by the Board, the Executive Director is authorized to make disbursements on accounts and expenses provided for in the budget without additional approval of the Board. The Executive Director will report to the Board with respect to any disbursements or expenses above the authorized amount.

### **Section 3: FISCAL YEAR**

The fiscal year of the Chamber shall be the same as the calendar year.

### **Section 4: BUDGET**

A proposed budget shall be prepared by the Executive Director and presented to the Finance Committee for discussion. The annual budget will be presented to the full Board at the November Board of Directors meeting for discussion. The Board shall vote on the budget at its December Board meeting.

### **Section 5: AUDIT**

If deemed necessary by the Board of Directors, a certified public accountant shall audit the accounts of the Chamber. The results of such audit shall be provided promptly to all members of the organization. For the purposes of a full and accurate accounting of the financial



affairs of the Chamber within a given year, the Treasurer on an annual basis shall review revenues and expenses, and monitor such affairs on a monthly basis.

#### Section 6: BONDING

A sufficient Fidelity Bond in an amount set by the Board and paid for by the Chamber as the Board may designate shall bond any officers and staff. If the Board deems appropriate, the bond may be dispensed with for any year.

#### Section 7: INSURANCE

The Chamber, its Board of Directors, officers and staff may be insured against any personal liabilities in the conduct of Chamber business by an appropriate amount of liability insurance, as determined in the discretion of the Board.

### **Article VIII: Meeting Procedure**

#### Section 1: PARLIAMENTARY AUTHORITY

The current edition of Robert's Rules of Order shall be the final source of authority in all questions of parliamentary procedure when such rules are not inconsistent with these Bylaws.

### **Article IX: Dissolution**

#### Section 1: PROCEDURE

The Chamber shall use its funds only to accomplish the objectives and purposes specified in these Bylaws, and no part of said funds shall inure, or be distributed to the members of the Chamber. On dissolution of the Chamber any funds remaining shall be distributed to one (1) or more regularly organized and qualified charitable, educational, scientific or philanthropic organizations to be selected by the Board of Directors as defined in IRC Section 501(c)(3).

### **Article X: Amendments**

#### Section 1: REVISIONS

Amendments or alterations to the Bylaws, after review and approval by the Board of Directors, shall be presented to the membership. Voting to amend or alter the Bylaws shall require a two-thirds (2/3) majority vote of a quorum of the general members.



## **Article XI: Indemnification**

### **Section 1: RIGHT OF INDEMNIFICATION**

The Chamber may, to the fullest extent now or hereafter permitted by and in accordance with the standards and procedures provided for by Sections 721 through 726 of the N-PCL and any amendments thereto, indemnify any person made, or threatened to be made, a party to any action, suit or proceeding by reason of the fact that he or she (or a person of whom he or she is the legal or personal representative or heir or legatee) is or was a director, officer, employee or other agent of the Chamber, or of any other organization served by him or her in any capacity at the request of the Chamber, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees.

### **Section 2: ADVANCEMENT OF EXPENSES**

Expenses incurred by a director or officer in connection with any action or proceeding as to which indemnification may be given under Section 1 of this Article VII may be paid by the Chamber in advance of the final disposition of such action or proceeding to the extent allowed by the N-PCL upon: a) the receipt of an undertaking by or on behalf of such director or officer to repay such advancement in case such director or officer is ultimately found not to be entitled to indemnification as authorized by this Article VII; and b) approval by the Board of Directors acting by a quorum consisting of directors who are not parties to such action or proceeding or, if such a quorum is not obtainable, then unanimous approval by the directors who are not parties to such action or proceeding. To the extent permitted by law, the Board of Directors shall not be required to find that the director or officer has met the applicable standard of conduct provided by law for indemnification in connection with such action or proceeding before the Chamber makes any advance payment of expenses hereunder.

### **Section 3: AVAILABILITY AND INTERPRETATION**

To the extent permitted under applicable law, the rights of indemnification and to the advancement of expenses provided in this Article VII: a) shall be available with respect to events occurring prior to the adoption of this Article VII; b) shall continue to exist after any rescission or restrictive amendment of this Article VII with respect to events occurring prior to such rescission or amendment; c) shall be interpreted on the basis of applicable law in effect at the time of the occurrence of the event or events giving rise to the action or proceeding, or at the sole discretion of the director or officer (or, if applicable, at the sole discretion of the personal representative of the estate of such director or officer seeking such rights), on the basis of applicable law in effect at the time such rights are claimed; and d) shall be in the nature of





contract rights that may be enforced in any court of competent jurisdiction as if the Chamber and the director or officer for whom such rights are sought were parties to a separate written agreement.

#### Section 4: OTHER RIGHTS

The rights of indemnification and to the advancement of expenses provided in this Article XI shall not be deemed exclusive of any other rights to which any director or officer or other person may now or hereafter be otherwise entitled, whether contained in the certificate of incorporation, these by-laws, a resolution of the Board of Directors or an agreement providing for such indemnification, the creation of such other rights being hereby expressly authorized. Without limiting the generality of the foregoing, the rights of indemnification and to the advancement of expenses provided in this Article XI shall not be deemed exclusive of any rights, pursuant to statute or otherwise, of any director or officer or other person in any action or proceeding to have been assessed or allowed in his or her favor, against the Chamber or otherwise, his or her costs and expenses incurred therein or in connection therewith or any part thereof.

#### Section 5: SEVERABILITY

If this Article XI or any part hereof shall be held unenforceable in any respect by a court of competent jurisdiction, it shall be deemed modified to the minimum extent necessary to make it enforceable, and the remainder of this Article VII shall remain fully enforceable. Any payments made pursuant to this Article VII shall be made only out of funds legally available therefore.

### **Article XII: Office and Books**

#### Section 1: OFFICE

The office of the Chamber shall be located at such place as the Board of Directors may from time to time determine.

#### Section 2: BOOKS

There shall be kept at the office of the Chamber in electronic format, correct books of account of the activities and transactions of the Chamber, including a minute book, which shall contain a copy of the certificate of incorporation, a copy of these by-laws, and all minutes of meetings of the Board of Directors.



## **Article XIII: Conflict of Interest Policy**

### Section 1: PURPOSE

The purpose of the conflict of interest policy is to protect the Chamber's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Chamber or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal law governing conflict of interest applicable to non-profit and charitable organizations.

### Section 2: DEFINITIONS

a) "Interested Person" shall mean any director, principal officer, or member of a committee with Board of Directors delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

b) "Financial Interest". A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

1) An ownership or investment interest in any entity with which the Chamber has a transaction or arrangement;

2) A compensation arrangement with the Chamber or with any entity or individual with which the Chamber has a transaction or arrangement; or

3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Chamber is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Section 3 Subsection b, a person who has a Financial Interest may have a conflict of interest only if the Board of Directors or a committee decides that the conflict of interest exists.

### Section 3: PROCEDURES

a) Duty to Disclose. In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the Financial Interest and be given the opportunity to disclose all material facts to the Board of Directors and members of the committee with Board of Directors delegated powers considering the proposed transaction or arrangement.



b) Determining Whether a Conflict of Interest Exists. After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, he or she shall leave the Board of Directors or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if the conflict of interest exists.

c) Procedures for Addressing the Conflict of Interest. An Interested Person may make a presentation at a meeting of the Board of Directors or committee, but after the presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest. The President of the Board of Directors or chairperson of the committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the Board of Directors or committee shall determine whether the Chamber can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Chamber's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, the Board of Directors or committee shall make its decision as to whether to enter into the transaction or arrangement.

d) Violations of the Conflict of Interest Policy. If the Board of Directors or committee has reasonable cause to believe a director, officer or committee member has failed to disclose actual or possible conflicts of interest, it shall inform the director, officer or committee member of the basis for such belief and afford the director, officer or committee member an opportunity to explain the alleged failure to disclose. If, after hearing the director, officer or committee member's response and after making further investigation as warranted by the circumstances, the Board of Directors or committee determines the director, officer or committee member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

#### Section 4: RECORDS OF PROCEEDINGS

The minutes of the Board of Directors or committee with delegated powers shall contain:

a) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors or committee decision as to whether a conflict of interest in fact existed; and



b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the context of the discussion, including any alternatives to the proposed transaction or the arrangement, and a record of any votes taken in connection with the proceedings.

#### Section 5: COMPENSATION

A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Chamber for services is precluded from voting on matters pertaining to that director's or officer's compensation. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Chamber for services is precluded from voting on matters pertaining to that member's compensation. No voting director or officer of the Board of Directors or any committee member whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Chamber, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

#### Section 6: ANNUAL RESOLUTION

Each director, principal officer and member of a committee with Board of Director delegated powers shall annually sign a resolution which affirms such person:

- a) Has received a copy of the conflicts of interest policy;
- b) Has read and understands the policy;
- c) Has agreed to comply with the policy; and
- d) Understands the Chamber is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

#### Section 7: PERIODIC REVIEWS

To ensure the Chamber is operated in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a) Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining; and
- b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Chamber's written policies, are properly recorded, reflect reasonable investment



or payments for goods or services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

#### Section 8: USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in Section 7, the Chamber may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

### **Article XIV: Code of Ethics**

#### Section 1: GENERAL

As a matter of fundamental principle, the Chamber, its Board of Directors, officers and volunteers should adhere to the highest ethical standards.

#### Section 2: PERSONAL INTEGRITY

Each director, officer and volunteer will:

- a) Respect and seek out the truth and avoid misrepresentation;
- b) Ensure fairness and objectivity in all activities;
- c) Set an example for the highest standards of professionalism;
- d) Honor the right of privacy of all people, including contributors and beneficiaries; and
- e) Promote public confidence in philanthropic institutions.

#### Section 3: PERSONAL EXCELLENCE

The Chamber promotes professional excellence and encourages open and honest communication among all directors, officers, and volunteers to create an atmosphere conducive to personal growth and development. All directors, officers and volunteers will:

- a) Refuse to engage in or tolerate any fraud, misuse, abuse, or waste of the Chamber's resources;
- b) Exhibit mutual respect for all those whom they come in contact with;



c) Comply with all other laws and regulations affecting the organization and their personal obligations; and

d) Encourage the reporting of violations of the code of ethics as set forth in this Article and protect those who report in good faith.

#### Section 4: ACCOUNTABILITY AND EFFICIENCY

The Chamber has responsibilities to its donors and organizations to which grants are made. To uphold this trust, directors, officers and volunteers will:

a) Make full and fair disclosure of all relevant information to donors who have a right to know how their dollars are spent;

b) Spend donors' money wisely, efficiently and objectively; and

c) Fairly distribute grants to organizations that will directly advance the Chamber's mission.

#### Section 5: PERSONAL GAIN

No directors, officers or volunteers should accept any gratuity or favor for doing his or her job. Accordingly, directors, officers and volunteers do not:

a) Accept or offer gifts, gratuities or favors;

b) Accept food, transportation, or entertainment unless directly related to the Chamber's business; and

c) Use the Chamber's resources for personal gain.

#### Section 6: CONFIDENTIAL INFORMATION

Confidentiality is a hallmark of professionalism. Each director, officer and volunteer will ensure that all information which is confidential or privileged or which is not publicly available is not disclosed inappropriately.

#### Section 7: LOBBYING AND POLITICAL ACTIVITY

Lobbying by charitable organizations is subject to a number of restrictions under Sections 501(c)(3) and 501(h) among other provisions of the Code. Each director, officer and volunteer



will refrain from any lobbying or political activity in which that director, officer or volunteer could reasonably appear to be representing the Chamber.

## Section 8: ETHICS OFFICER/REPORTING VIOLATIONS

The President of the Chamber shall be designated as the Chamber's Ethics Officer. The Ethics Officer shall:

- a) Help the Board of Directors implement and realize the values and standards articulated in the code of ethics;
- b) Make available the Chamber's code of ethics to the directors, officers, volunteers and the general public; and
- c) Review annually the code of ethics with the directors, officers, and volunteers and maintain a record of signed code of ethics certificates for directors and officers.

Directors, officers, and volunteers are obligated to report violations of the code of ethics. Violations may be reported to a direct supervisor, the President or the Vice President.

## **Article XV: Whistleblower Policy**

### Section 1: GENERAL

The Chamber expects its directors, officers, and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

### Section 2: REPORTING RESPONSIBILITY

It is the responsibility of all directors, officers and volunteers to report Wrongful Conduct, as defined in Section 3 below, in accordance with this Whistleblower Policy.

### Section 3: WRONGFUL CONDUCT

"Wrongful Conduct" is defined as (i) a serious violation of Chamber policy; (ii) a violation of applicable state and federal law; or (iii) the use of the Chamber's property, resources or authority for personal gain or other non-business related purpose. This definition of Wrongful



Conduct is not intended to be an exclusive listing of the illegal or improper activity encompassed by the Whistleblower Policy. Rather, the Whistleblower Policy is intended to serve as a means of reporting all serious improprieties that potentially impact the integrity and effective operation of the Chamber.

#### Section 4: NO RETALIATION

No director, officer or volunteer who in good faith reports Wrongful Conduct will suffer harassment, retaliation or adverse consequence. Any director, officer or volunteer who retaliates against anyone who has reported Wrongful Conduct in good faith is subject to discipline up to and including removal from the Board of Directors, or the person's position as an officer or volunteer, as applicable. This Whistleblower Policy is intended to encourage and enable directors, officers, volunteers and others to raise serious concerns within the Chamber prior to seeking resolution outside the Chamber.

#### Section 5: REPORTING WRONGFUL CONDUCT

The Chamber encourages its directors, officers and volunteers to share their questions, concerns, suggestions or complaints with someone who can address them properly. Any director, officer or volunteer may report Wrongful Conduct to the President. If the Wrongful Conduct implicates the President or if the reporting individual is not comfortable with or not satisfied with the response of the President, the issue may be reported to any member of the Board of Directors. The President and all members of the Board of Directors to whom a report of Wrongful Conduct is made are required to immediately advise the full Board of Directors of such report of Wrongful Conduct.

#### Section 6: ACTING IN GOOD FAITH

Anyone filing a complaint of Wrongful Conduct must be acting in good faith and have reasonable grounds for believing the information disclosed indicates Wrongful Conduct. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as serious disciplinary offense.

#### Section 7: CONFIDENTIALITY

Reports of Wrongful Conduct or suspected Wrongful Conduct may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of Wrongful Conduct or suspected Wrongful Conduct will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

#### Section 8: HANDLING OF REPORTED WRONGFUL CONDUCT





A representative of the Board of Directors will notify the sender and acknowledge receipt of the reported Wrongful Conduct or suspected Wrongful Conduct within five (5) business days, unless such report was submitted anonymously. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

### **Article XVI: Record Retention Policy**

#### Section 1: GENERAL

The information listed in the retention schedule below is intended as a guideline and may not contain all the records the Chamber may be required to keep in the future. Questions regarding the retention of documents not listed in this chart should be directed to the President.

#### Section 2: LEGAL HOLD

From time to time, the President may issue a notice, known as a “legal hold”, suspending the destruction of records due to pending, threatened or otherwise reasonably foreseeable litigation, audits, government investigations or similar proceedings. No records specified in any legal hold may be destroyed, even if the scheduled destruction date has passed, until the legal hold is withdrawn in writing by the President.

#### Section 3: DOCUMENT RETENTION

a) Corporate Records. Corporate records shall be kept according to the following schedule:

- 1) Annual reports to the Secretary of State or Attorney General – Permanent;
- 2) Articles of Incorporation – Permanent;
- 3) Board meeting and board committee meeting minutes – Permanent;
- 4) Board policies and resolutions – Permanent;
- 5) By-Laws – Permanent;
- 6) Fixed asset records – Permanent;



7) IRS Form 1023 Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code – Permanent;

8) IRS determination letter – Permanent;

9) State sales tax exemption letter – Permanent;

10) Contracts – 7 years after the expiration of all obligations under the contract; and

11) General correspondence – 3 years.

b) Accounting and Corporate Tax Records. Accounting and corporate tax records shall be kept pursuant to the following schedule:

1) Annual audits and financial statements – Permanent;

2) Depreciation schedules – Permanent;

3) General ledgers – Permanent;

4) Annual federal and state income tax returns – Permanent;

5) Business expense records – 7 years;

6) IRS 1099s – 7 years;

7) Journal entries – 7 years;

8) Invoices – 7 years;

9) Sales records – 5 years;

10) Petty cash vouchers – 3 years;

11) Cash receipts – 3 years; and

12) Credit card receipts – 3 years.

c) Bank Records. Bank records shall be kept pursuant to the following schedule:

1) Check registers – Permanent;



- 2) Bank deposit slips – 7 years;
  - 3) Bank statements and reconciliations – 7 years; and
  - 4) Electronic fund transfer documents – 7 years.
- d) Contribution Records. Contribution records shall be kept pursuant to the following schedule:
- 1) Donor records and acknowledgment letters – 7 years;
  - 2) Grant applications and contracts – 5 years after completion; and
  - 3) Documents evidencing expenditure responsibility for grants made to other organizations – 5 years.
- e) Legal, Insurance and Safety Records. Legal, insurance and safety records shall be kept pursuant to the following schedule:
- 1) Appraisals – Permanent;
  - 2) Copyright registrations – Permanent;
  - 3) Environmental studies – Permanent;
  - 4) Insurance policies – Permanent;
  - 5) Real estate documents – Permanent;
  - 6) Stock and bond records – Permanent;
  - 7) Trademark registrations – Permanent
  - 8) Leases – 6 years after expiration; and
  - 9) OSHA documents – 5 years.

#### Section 4: ELECTRONIC DOCUMENTS AND RECORDS

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the above schedules will be



maintained for the appropriate amount of time. If a user has sufficient reason to keep an email message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder. Backup and recovery methods will be tested on a regular basis.

#### Section 5: EMERGENCY PLANNING

The Chamber’s records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping the Chamber operating in an emergency will be duplicated or backed up at least every week and maintained offsite.

#### Section 6: DOCUMENT DESTRUCTION

The President is responsible for the ongoing process of identifying records which have met the required retention period and for overseeing their destruction. Destruction of financial and volunteer related documents will be accomplished by shredding. Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

#### Section 7: COMPLIANCE

Failure on the part of anyone to follow this policy will subject such person to disciplinary action. The President will periodically review these procedures with legal counsel or the Chamber’s certified public accountant to ensure that they are in compliance with new or revised regulations.