

**Rotary Club of Ames  
Policies and Procedures**

**Adopted July 2019**

**Table of Contents**

<b><u>Topic</u></b>	<b><u>Page</u></b>
Member Policies	2
Code of Conduct	3
Conflict of Interest	4
Electronic Communication	6
Finance and Investments	7
Harassment/Discrimination	8
Minutes	9
Politics, Religion and Fundraising	9

## Member Policies

**Member Qualifications:** Members of Rotary are adults who demonstrate good character, integrity and leadership in keeping with the Four - Way test. They should possess a good reputation within their business, profession and the community, and be willing to serve in the community and internationally where applicable.

**Active Exempt:** In accordance with Rotary International policy, a member of the Rotary Club of Ames who has been an active member of this club for three years prior to their request may become an Active Exempt member if the combination of their age and years as a Rotary member equal or exceed 85. Active exempt members shall pay annual Rotary dues and at the beginning of each quarter shall pay for the meals for the dates the member attended weekly rotary meetings during the prior quarter.

**Leaves of Absence:** Members may request the Board of Directors approve a leave of absence of four weeks to up to six months. During a Leave of Absence members will not be required to pay weekly meal charges. Members must still pay Rotary Membership Dues and contributions during any leave of absence. The Board of Directors may, in its discretion, allow for longer leaves depending on the circumstances.

**Member Service:** Members are encouraged to volunteer their service to the club and the community. Members are encouraged to provide at least 10 hours a quarter in service to the club and/or the community.

**Military Leave of Absence:** A member who notifies the club of active military service or National Guard is eligible to go on a leave of absence. The club will cover membership dues and waive meal fees during a military service leave of absence.

**Member Invoices:** Invoices are billed quarterly. Invoices cover Membership dues, meal costs, Rotary International Foundation Contributions and other expenses. Active Members pay for the current quarter's meals, Active Exempt Members pay for the prior quarter's meals. Members are asked to pay their invoices within 30 days. Members may pay invoices in advance through the current Rotary Year from July 1 to June 30. Paid invoices are not subject to proration for partial terms, refund, reimbursement or transfer to another individual.

**Failure to Pay Invoices:** If a member fails to pay their invoice for the quarter, then the member will be sent an invoice for two quarters. The member will be asked to pay within 30 days of the second invoice or their membership may be terminated. If the invoices are not paid within 30 days, then the member will be sent a final reminder from the club. The final reminder will state that if the member does not pay their invoices within 10 days, they may be subject to termination for non-payment of dues. If the member has not paid the invoices within 10 days, they will be placed on the Board of Director's next agenda for termination of their membership for non-payment of dues.

The Board shall have absolute discretion to terminate a member for non-payment of dues. The Board may consider all known circumstances including medical conditions or other events which might impact a member's ability to pay.

**Reinstatement:** A member terminated for non-payment of dues may be reinstated at any time within one year of termination by paying the back dues and a 10% administrative fee to cover the expense of reinstatement. After one year a member terminated for non-payment of dues may only be reinstated with the approval of the Board and payment the invoices plus administrative fees set by the board. The Board may require pre-payment of dues to maintain membership in the future.

A member terminated for violation of the Club's Constitution, By-laws or other Polices may only be reinstated upon approval of the Board. The Board may set conditions to reinstate as appropriate due to the reason for termination. The Board shall have absolute discretion in reinstating a member terminated for reasons other than non-payment of invoices.

## Code of Conduct

The club is committed to maintaining the highest standards of conduct and ethical behavior and promoting an environment that values respect, fairness and integrity. All employees and board members shall act with honesty, integrity and openness in all their dealings as representatives for the club. Failure to follow these standards will result in disciplinary action including possible termination, dismissal from board duties or Rotary employment and possible civil or criminal prosecution if warranted.

To maintain the highest standards of conduct and ethics, the Rotary Club of Ames will investigate any suspected fraudulent or dishonest use or misuse of club resources or property by employees, board members, or club members. Staff, board members, and club members are encouraged to report suspected fraudulent or dishonest conduct (i.e. to act as "whistle-blower"), pursuant to the procedures set forth below.

**Reporting:** A person's concerns about possible fraudulent or dishonest use or misuse of resources should be reported to the President. If for any reason a person finds it difficult to report his or her concerns to the President, the person may report the concerns to the President – Elect. Alternately, to facilitate reporting of suspected violations where the reporter wishes to remain anonymous, a written statement may be submitted to one of the individuals listed above.

**Definitions:** Fraudulent or Dishonest Conduct: A deliberate act or failure to act with the intention of obtaining an unauthorized benefit. Examples of such conduct include, but are not limited to:

- forgery or alteration of documents;
- unauthorized alteration or manipulation of computer files;
- fraudulent financial reporting;
- pursuit of a benefit or advantage in violation of the Conflict of Interest Policy;
- misappropriation or misuse of club resources, such as funds, supplies, or other assets;
- authorizing or receiving compensation for goods not received or services not performed; and
- authorizing or receiving compensation for time not worked

**Rights and Responsibilities:** Members should report suspected fraudulent or dishonest conduct to the President or President-elect of the club.

Due to the important yet sensitive nature of the suspected violations, effective professional follow-up is critical. The President or President-elect, while appropriately concerned about "getting to the bottom" of such issues, should not in any circumstance perform any investigative or other follow up steps on his/her own. Members who become aware of suspected misconduct:

- should not contact the person suspected to further investigate the matter or demand restitution.
- should not discuss the case with attorneys, the media or anyone other than the President or President-elect of the club.

**Investigation:** All relevant matters, including suspected but unproved matters, will be reviewed. Appropriate corrective action will be taken, if necessary, and findings will be communicated back to the reporting person. Investigations may warrant investigation by an independent auditor and/or attorney.

## Conflicts of Interest

It is the policy of the Rotary Club of Ames to avoid a Conflict of Interest or the appearance of a Conflict of Interest. Any person with a Financial or Personal Interest in the Rotary Club of Ames' investment of time, money or other resources shall not vote or unduly advocate a position that advances their own personal interest above the general interest of the club.

**Financial Interest:** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- An ownership or investment interest in any entity with which the club has a transaction or arrangement,
- A compensation arrangement with the club or with any entity or individual with which the club has a transaction or arrangement,
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the club is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

**Personal Interest:** A person has a personal interest when action by the club may advance a personal agenda which may be related to past work, a particular organization the person is affiliated with which might benefit from the club's action, the club's action might advance a political cause of the person or advance or endorse an effort of the individual for other than charitable or altruistic purposes.

## **Procedures:**

### **1. Duty to Disclose**

- a. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of any conflict.
- b. The interested person will be given the opportunity to disclose all material facts to the directors and committees considering the proposed transaction or arrangement.

### **2. Determining Whether a Conflict of Interest Exists**

- a. After disclosure of the potential conflict and all material facts, the interested person shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon.
- b. The remaining board or committee members shall decide if a conflict of interest exists.

### **3. Procedures for Addressing the Conflict of Interest**

- a. An interested person may make a presentation at the board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The President or chairman of the committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the club 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.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested members whether the transaction or arrangement is in the best interest of the club, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

### **4. Violations of the Conflicts of Interest Policy**

- a. If the board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

### **5. Records of Proceedings.** The minutes of the board and all committees with board 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 governing boards or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.
6. **Compensation.** A voting member of the board who receives compensation, directly or indirectly, from the club for services is precluded from voting on matters pertaining to that member's compensation.
  7. **Statements.** Each director, principal officer and member of a committee with governing board delegated powers shall sign a statement 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.
  8. **Periodic Reviews.** To ensure the Club operates in a manner that would not jeopardize its non-profit 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.
    - b. Whether partnerships, joint ventures and arrangements with directors, officers and employees conform to the club's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further club purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

## **Electronic Communication**

In order to facilitate communication with our members, the Rotary Club of Ames maintains a Website which includes a public section and a members-only section requiring a password for access. The members-only section includes personal contact information for all members, including email addresses and a system for sending official Rotary emails to members.

Members may use the club's Website for official club business and personal communication. Members may not use the Website for private business or entertainment. Members are not allowed to upload or download copyrighted materials, trade secrets, proprietary financial information or similar materials without prior authorization. Members shall not use the email directory to send solicitations to members.

Members have no privacy rights regarding messages they place on the email system. It is very important to compose email messages that are professional, business-like and in good taste. Email messages may not contain material that is offensive, nor should they contain racial, ethnic, religious or sexual slurs, political statements or any other language that is inappropriate. The club reserves the right to monitor, retrieve and read all e-mail messages.

## Finances & Investments

The fiscal year is July 1 through June 30.

Required worker's compensation insurance will be purchased for club employees. The Rotary Club of Ames will not incur the expense of a complete financial audit on a regular basis. A certified public accountant (CPA) will review the financial statements of the club annually in July and prepare required tax forms. A more comprehensive financial review will be conducted when there is a transition of treasurers.

**Financial Statements and Account Reports:** Financial statements which report financial activity for the previous month shall be prepared monthly by the treasurer and submitted to the Board of Directors for review.

**Reimbursement of Expenses to Members:** Every effort should be made to have the Club pay for expenses directly and may utilize the credit card when possible. The secretary and treasurer are authorized to use the card. The Board may permit others to use the card. Requests for reimbursement must be received by the treasurer prior to the end of the fiscal year in which the expense occurs and must include documentation of the expense. Requests for reimbursement must be consistent with the annual operating budget.

**Form 990:** If a third party requests a copy of the Club's Form 990 Federal Information Return, the President will be notified. All such requests should be in writing and accompanied by a \$10 reproduction and handling fee payable to Rotary Club of Ames.

### **Financial Accounts:**

- a. **Checking Account:** Authorized individuals who have check writing privileges include the treasurer, president, president-elect and president-elect designee. The Board may authorize additional signers. If the president or president-elect is prohibited from serving as a financial agent for the club, the Board may authorize an additional individual.
- b. **Investments:** The treasurer will invest club reserve funds in secure accounts such as certificates of deposit and money market accounts. The required reserve of 25 percent of the previous fiscal year unrestricted expenses shall be maintained. Because the Rotary Club of Ames is a non-profit organization, investments will be made with the intent of preserving principal and generating income.

**Non-Dues Income:** The activities in which the Club and its committees engage to generate non-dues income shall further the Club's objective and functions and shall not conflict with the Club's bylaws and policies.

## **Budgets:**

- a. Operating Budget: The treasurer and president-elect develop and prepare an annual operating budget to be presented to the Board of Directors for approval or amendment by June 30<sup>th</sup> each year. The Board of Directors may amend the budget during the fiscal year.
- b. Unbudgeted Expenditures: Unbudgeted expenditures must be approved by the Board of Directors.

## **Harassment/Discrimination**

The Rotary Club of Ames strives to maintain an environment in which people are treated with dignity, decency and respect. Members and employees of the Rotary Club of Ames are expected to comply with this policy. Appropriate disciplinary action will be taken against any individual who violates this policy.

The harassment of any individual because of race, color, gender, sexual orientation, gender identity, religion, national origin, ancestry, age, marital or parental status, disability, political affiliation or other status protected under state or federal law is strictly prohibited and will not be tolerated.

**Sexual Harassment:** Any unwelcome verbal or written comments of a sexual nature (e.g. jokes, innuendos, or slurs), physical conduct (e.g. touching or gesturing), unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature shall be considered sexual harassment which violates this policy and shall subject the offender to appropriate disciplinary action, up to and including termination of employment or membership.

**Other Forms of Harassment:** Any unwelcome comments or hostile or offensive behavior based on a person's race, color, gender, gender identity, religion, sexual orientation, national origin, ancestry, age, marital or parental status, disability, political affiliation or other status shall be considered harassment which violates this policy and shall subject the offender to appropriate disciplinary action, up to and including termination, when such conduct creates an intimidating, hostile, or offensive environment.

**Procedure for Filing a Complaint of Harassment or Discrimination:** Any individual who believes they have been subject to any form of harassment and/or discrimination by any other individual engaged with the Rotary Club of Ames is encouraged to file a complaint with the President immediately. If for any reason a person finds it difficult to report his or her concerns to the President, the person may report the concerns to the President – Elect. The individual filing the complaint should identify the name of the alleged harasser and specific allegations and witnesses, if any, to allow the complaint to be processed.

If a member of the club becomes aware that harassment or discrimination is occurring, either from personal observation or as a result of an individual coming forward, the employee or member should immediately report it to the President. If for any reason a person finds it difficult to report his or her concerns to the President, the person may report the concerns to the President – Elect. The President or President – Elect will conduct a

prompt and thorough investigation of the alleged incident or behavior named in the complaint to the extent possible, and appropriate corrective action will be taken if warranted.

To the extent consistent with adequate investigation and appropriate corrective action, any complaints of harassment or discrimination will be treated as confidential.

Any individual found to have engaged in any form of harassment and/or discrimination will be disciplined as appropriate, up to and including termination of membership. Founded claims of any form of harassment or discrimination by contractors, vendors, or other outside parties doing business with the Rotary Club of Ames will be dealt with appropriately.

The Rotary Club of Ames will not in any way retaliate against an individual who, in good faith, makes a complaint or report of harassment or discrimination, or participates in the investigation of such a complaint or report. Retaliation against any individual for reporting a claim of harassment or discrimination in good faith or cooperating in the investigation of a claim of harassment or discrimination will not be tolerated and will itself be subject to appropriate discipline.

The Rotary Club of Ames expects all individuals to act responsibly in maintaining an environment free of harassment and discrimination and will take all appropriate steps to enforce this policy.

## **Minutes**

1. Minutes are to be recorded for all meetings of the Board of Directors and the annual meeting of the Rotary Club of Ames.
2. Minutes will be distributed to all club members via the monthly newsletter.
3. Minutes will be stored electronically.
4. Historical records and minutes will be transferred to and retained by the Iowa State University Parks Library Archives.

## **Politics, Religion and Fundraising**

The Rotary Club of Ames is a secular, apolitical, community organization that does not prioritize any issues or causes except as determined by the Board of Directors for the Club as a whole. We do not advocate political agendas or religious views. While we may inform members on issues of interest in the community, the organization will neither advocate nor advance a political or religious cause. Members will not introduce candidates for office for the purpose of allowing the candidate to make a political speech nor will the Club invite individuals to make political or religious statements. Members are encouraged not to debate political issues and to keep comments and questions from advocating a political or religious stance. Members shall refrain from making fundraising requests for individual causes. The Board of Directors shall determine which fundraising causes the Club will advocate as an organization. Individual Members will be allowed to advocate for fundraising and events through "Brag Bucket" donation presentations from the floor of meetings. Violations of this policy may lead to disciplinary action, including termination of membership.