

# McHenry Area Rotary Club

## Bylaws

<b>Article</b>	<b>Subject</b>	<b>Page</b>
1	Definitions .....	2
2	Board .....	2
3	Elections and Terms of Office .....	2
4	Duties of the Officers .....	3
5	Meetings .....	3
6	Dues .....	4
7	Method of Voting.....	4
8	Committees.....	5
9	Finances.....	6
10	Method of Electing Members .....	8
11	Resolutions .....	8
12	Ongoing Bylaw Review .....	8
13	Amendments .....	8

## **Bylaws of the McHenry Area Rotary Club**

### **Article 1 Definitions**

1. Board: The board of directors of this club.
2. Director: A director on this club's board.
3. Member: A member, other than an honorary member, of this club.
4. Quorum: The minimum number of participants who must be present when a vote is taken: one-third of the club's members for club decisions and a numerical majority of the directors for club board decisions.
5. RI: Rotary International.
6. Year: The 12-month period beginning 1 July.

### **Article 2 Board**

Section 1 – The governing body of this club is its board of directors, consisting of, at a minimum, the president, immediate past president, president-elect, secretary, and treasurer.

Section 2 – The board of the club shall always consist of an odd number of directors with voting privileges. If there is ever a time when the board has an even number of voting board members, then the board shall appoint an additional director with voting privileges so that no board votes can end with a split decision.

Section 3 – During the 2020-2021 Rotary Year, there will be two immediate past presidents due to the merger and previous presidents, and to accommodate an odd number of board members, we will also have a “director” board position.

### **Article 3 Elections and Terms of Office**

Section 1 – One month before elections, members nominate candidates for president elect, secretary, treasurer, and any open director positions.

Section 2 – The candidate who receives a numerical majority of votes for each office is declared elected to that office.

Section 3 — If any officer or board member vacates their position, the remaining members of the board will appoint a replacement.

Section 4 — If any officer-elect or director-elect vacates a position, the remaining members of the board-elect will appoint a replacement.

Section 5 - If any Director-elect vacates a position, the remaining members of the board elect will appoint a replacement, without the necessity of a member vote.

Section 6 — If any member of the board holds more than one position, they will only constitute one board position for the sake of voting rights.

Section 7 – The terms of office for all board positions are one year.

Section 8 – Each director shall continue to serve in the capacity of their elected role until a director’s successor is nominated and elected.

Section 9 – Directors may serve more than one continuous term and multiple years if no successor is elected or the director is nominated and elected to continue in their office.

#### **Article 4 Duties of the Officers**

Section 1 — The president presides at club and board meetings.

Section 2 — The immediate past president serves as a director on the club board.

Section 3 — The president-elect prepares for his or her year in office, serves as a director, and presides at club and board meetings when the president is absent.

Section 4 — A director attends club and board meetings.

Section 5 — The secretary keeps membership records and meeting minutes.

Section 6 — The treasurer oversees all funds and provides an accounting of them.

#### **Article 5 Members**

Section 1 — A member in good standing shall be defined as being current on dues or not more than 2 quarters behind.

Section 2 — Only members in good standing can vote on club matters or hold any club position including committee chair, officer or any board position.

Section 3 — Any member 3 or more quarters behind in dues shall be suspended from membership until dues are current.

## **Article 5 Committees**

Section 1 — Club Service duties to include club administration, membership, Paul Harris, Polio Plus, club meeting schedule, meeting set up, speakers for meetings, social calendar and public relations.

Section 2 — Community Service duties include local community projects, Blues Brews and BBQs and vocational project and services.

Section 3 — Project Committee duties include working with other committee chairs and members to review and vet grant requests. The committee may suggest an amount different from the amount requested.

Section 4 — Youth Service duties include youth scholarships and grants, RYLA and Interact.

Section 5 — International Service review and vet international service projects and submit to the project committee for review as necessary.

Section 6 — The president is an ex officio member of all committees.

Section 7 — The President-Elect, President, and immediate Past President shall work together to ensure continuity of leadership and succession planning for committees. When feasible and to ensure consistency, Committee Members should be appointed to the same Committee for three (3) Years. The President-Elect is responsible for appointing Committee Members to fill vacancies, appointing Committee Chairs, and conducting planning meetings prior to the start of the President-Elect's Year in office as President.

Section 8 — Each committee's chair is responsible for the regular meetings and activities of the committee, supervises and coordinates its work, and reports to the board on all committee activities. Committee chairs are requested to submit reports to the board monthly, to be discussed at the board meeting.

Section 9 — Nominating Committee — The immediate past president, president, and president-elect shall serve as the clubs nominating committee, along with any other club members invited by the president.

## **Article 6 Meetings**

Section 1 — An annual meeting of this club is held no later than 31 December to elect the officers and directors who will serve for the next Rotary year.

Section 2 — This club meets every Wednesday, at 7:30am on the first and third weeks of the month, and 12:00pm on the second and fourth weeks of the month; months with a fifth Wednesday will have a non-business social meeting at a time determined by the

president. Reasonable notice of any change or cancellation of the regular meeting will be given to all club members.

Section 3 – Board meetings are held each month. Special meetings of the board may be called with reasonable notice by the president or upon the request of two directors.

Section 4 – All meetings may be conducted electronically or in person, with the format at the discretion of the president or committee chair, as long as reasonable notice and instructions for attending is provided to all club members relevant to the group called to assemble.

## **Article 7 Dues and Fees**

Section 1 – Annual club dues are \$375.00. They are to be paid quarterly, semi-annually, or annually. Annual club dues include RI per capita dues, subscriptions to an official magazine, district per capita dues, club fees to cover overhead expenses, and any other Rotary or district per capita assessment.

Section 2 - Meals at meetings are not part of club dues and are to be paid by each member individually based on their choice of meal.

Section 3 – If the club decides that a change in dues is required, then it shall be put forth as an amendment to these club bylaws as Article 6 Section 1 would need to be changed. Any change to the dues for the club would go into effect for the Rotary Year following the voted upon change, with the exception of the dues owed for the 2020-2021 Rotary year, as the Rotary year is already underway when dues were being finalized in accordance with the merger proposal voted on by both the Rotary Club of McHenry and the Rotary Club of McHenry-Sunrise.

## **Article 8 Method of Voting**

Section 1 - The business of this club is conducted by voice a show of hands, during club meetings, except in the election of officers and directors, which is conducted by ballot. The board may also provide a ballot for a vote on some resolutions.

Section 2 – If a resolution requires a vote by the club, committee, or board outside of a meeting time may call for a vote via email as long as all members of the club, committee, or board are included in the communication. The vote shall be open for at least seventy-two (72) hours from sending the email. The email vote can be considered decided in less than that time frame if there is a numerical majority of membership, committee, or board votes for or against the proposal within less than seventy-two hours.

Section 3 – For the purposes of voting, all matters shall be resolved with a numerical majority of voting members, with the exception being the amendment of these by-laws which is discussed in Article 13.

## **Article 9 Finances**

Section 1 – The Board shall prepare an Annual Budget of estimated income and expenditures, which shall stand as the limit of expenditures for these purposes, unless otherwise ordered by action of the Board. The Annual Budget shall be broken into two (2) separate parts: one in respect of Club operations and one in respect of charitable/service operations. The proposed budget shall be put forth to the club for a vote before it is enacted.

Section 2 – The treasurer deposits club funds in a financial institution or institutions designated by the board, divided into two accounts: one for club operations and one for service projects.

Section 3 – Bills are paid by the treasurer or another authorized officer and approved by two other officers or directors.

Section 4 – A qualified person conducts a thorough annual review of all financial transactions.

Section 5 – Club members will receive an annual financial statement of the club. A mid-year financial report, with current and previous year income and expenses, is presented at the annual meeting.

Section 6 – The fiscal year is from 1 July to 30 June.

### **Section 7 – Foundation**

The Club and its Members elected to form the Rotary Club of McHenry Charitable Foundation, Inc. to fund ongoing charitable/service operations on a tax-exempt basis and to ensure continued sustainability of the Club's charitable/service operations.

(a) General – The Club authorized the Articles of Incorporation (as amended from time to time, the “Foundation Articles”) incorporating the Rotary Club of McHenry Charitable Foundation, Inc. as the Foundation. Such Foundation Articles were executed on December 6, 2007 and filed in the Illinois Secretary of State's Office on December 13, 2007. Thereafter, all Club funding “in respect of charitable/service operations” has been delegated to and accepted by the Foundation. A bank account and investment accounts have been established by the Foundation to manage and invest such funds.

- (b) Foundation Membership – Section FB-3.1. Foundation Membership of the Rotary Club of McHenry Charitable Foundation, Inc. By-Laws (as amended from time to time, the “Foundation By-Laws”) provides: “All Members in good standing of the Club shall be members of the Foundation” and Section FB-3.4 provides: “All funds of the Foundation shall be separated from and not co-mingled with the funds of the Club.” In other words, each Member of the Club is simultaneously a Foundation Member.
- (c) Retained Discretion – Through the Operating Agreement and the Service Projects Committee, the Members of the Club have retained discretion over the Charitable/Service Budget and the distribution thereof pursuant to OA Article 5: Development and Allocations of the Charitable/Service Budget.
- (d) Continued Exercise of Retained Discretion – Such retained discretion is exercised by the Members through Bylaws Article 7: Method of Voting, this Bylaws Article 9: Finances, the Service Projects Committee, Section OA-5.3(d) Member Vote, Bylaws Article 13: Amendments of the Club’s Bylaws, and Article 22: Amendments of the Club’s Constitution.
- (e) Section OA-1.3. Coextensive Operation of the Club and the Foundation – To facilitate the exercise of the retained discretion referenced above and continued exercise of retained discretion, Section OA-1.3. Separate Operation of the Club and the Foundation of the Operating Agreement specifies both the simultaneous matters occurring in the normal course of business of the Club and the Foundation as well as the distinctly separate and different roles of officers and directors of the Club and the Foundation.
- (f)

**Article 10 Method of Electing Members**

Section 1 – A member proposes a candidate for membership to the board and/or the membership committee, or another club proposes one of its transferring or former members.

Section 2 – The board approves or rejects the candidate’s membership within 30 days and notifies the proposing member of its decision. The board will then inform the club of the decision to accept or reject the member. If a club member submits to the board a written objection to their decision within five (5) days of the announced decision, then the board shall review the objections and have a new vote on membership after objections have been considered.

Section 3 – If the board approves the candidate’s membership, the prospective member is invited to join the club.

**Article 11 Resolutions**

The club shall not consider any resolution or motion to commit the club on any matter until the board has considered it. Such resolutions or motions, if offered at a club meeting, shall be referred to the board without discussion, unless a Quorum of Members and a Quorum of the Board are present and at least two-thirds of the Members and two-thirds of the Directors vote to waive this requirement.

**Article 12 Ongoing By-Law Review**

The July board meeting, which should constitute the first board meeting of the new Rotary Year and a new selection of board members, shall start with a review of these club By-Laws by all board members. This discussion over each article and section should act as a clarification for all board members so that there is a thorough understanding of the groundwork behind club function and operations. If there are any changes or updates that are deemed necessary by the Board, they will propose the creation of an amendment or change, following the guidelines indicated in Article 13.

**Article 13 Amendments**

These bylaws may be amended at any regular club meeting. Changing the club bylaws requires sending written notice to each member 21 days before the meeting, having a quorum present for the vote, and having two-thirds of the votes support the change. Changes to these bylaws must be consistent with the Standard Rotary Club Constitution, the RI Constitution and Bylaws, and the Rotary Code of Policies.