

## **BYLAWS OF TEXAS CITY ROTARY FOUNDATION, INC.**

### **ARTICLE I**

#### **NAME**

Name. The name of the corporation is the TEXAS CITY ROTARY FOUNDATION, INC.

### **ARTICLE II**

#### **OFFICES**

2.01 **Principal Office.** The location of the corporation's Principal Office shall be in Texas City, Texas.

2.02 **Registered Office and Registered Agent.** The Corporation shall have and continuously maintain in the State of Texas a Registered Agent. The Registered Office shall be the Principal Office of the Corporation located within the boundaries of Texas City, Texas:

The Registered Agent:	Elizabeth Iles
The Registered Office:	2000 Loop 197 North Texas City, Texas 77590

Such Registered Agent and Registered Office may be changed from time to time by the Board of Directors of the Corporation.

### **ARTICLE III**

#### **GENERAL MEMBERSHIP**

3.01 **Members.** All persons who are members in good standing of the Rotary Club of Texas City shall be automatically considered as members of the Corporation. The Board of Directors may nominate one or more persons as advisory members in addition to those eligible for automatic membership. Such advisory members shall be elected by Club members at an annual election held concurrently with the election of Directors of the Rotary Club of Texas City. The term of office of all advisory members shall be six years.

### **ARTICLE IV**

#### **BOARD OF DIRECTORS**

4.01 **Management.** The business and affairs of the corporation shall be managed by the Board of Directors who may exercise all such powers of the corporation and do all such lawful acts and things as are not prohibited by statute or by the Articles of Incorporation or by these Bylaws.

4.02 **Number of Directors.** The Board of Directors of the Corporation shall consist of seven persons, one of whom shall be the then current President of the Rotary Club of Texas City and one of whom shall be the then current President elect of the Rotary Club of Texas City. If a person serving as a Director of the corporation is elected as President or President Elect of the Rotary Club of Texas City, the number of Directors of the corporation shall be automatically reduced to six during such Director's term of office as President of the Rotary Club of Texas City.

4.03 Election of Directors. President of the Corporation shall appoint a nominating committee at least 60 days prior to the date of the annual election of Directors. The nominating committee shall consist of one Director of the Corporation and two non-directors who are members of the Rotary Club of Texas City. The nominating committee shall submit the name of a candidate for each vacant position to be voted upon by the members of the corporation at the next election. Additional nominations may be submitted by any member, provided written notice of such proposed nomination is given to the President of the Corporation, not less than ten days prior to the date of election.

4.04 Term of Office. The current President of the Rotary Club of Texas City shall serve as a member of the Board of Directors of the Corporation during his or her term as President of said Rotary Club. The term of office of all other Directors shall be six years. The initial Board of Directors shall be elected by the membership from persons nominated as provided in Section 4.03 above, within thirty days following the amendment of this Section. Following such election, the six Directors shall draw lots for terms in such manner that one Director shall serve a one year term, one Director a two year term, one Director a three year term, one director a four year term, one Director a five year term, and one Director a six year term. Thereafter, an annual election shall be held concurrently with the election of Directors of the Rotary Club of Texas City to elect a Director for the six-year term to fill the position becoming vacant at the end of the current year.

4.05 Replacement of Director. If a person who is serving as a Director of the corporation shall resign such position, terminate his or her membership in the Rotary Club of Texas City (except in the case of a director not a member of the Rotary Club of Texas City), be removed from office, die or for any other reason cease to serve, the Directors of the Corporation shall appoint within thirty (30) days a person to fill such vacancy for the balance of such term. In the event a director shall be or become incapable of carrying out the duties set forth herein, or should a Director fail to attend at least 50% of the meetings of Directors within a 12-month period, the Board of Directors may, by vote of the majority of the receiving Directors present at a special meeting duly called for such purpose, declare the position of the Director in question to be vacant.

4.06 Meetings. Meetings of the Board of Directors of the corporation shall be held at such regular intervals as the Board may determine, or upon five (5) days written notice upon the call of such meeting by the President, Vice President, or a majority of the Directors of the Corporation. Neither the business to be transacted at, nor the purpose of, any called meeting need be specified in any such notice, unless otherwise provided herein.

4.07 Quorum. At all meetings of the Board of Directors a majority of the number of Directors fixed by these Bylaws shall constitute a quorum for the transaction of business.

4.08 Minutes of Meetings. The Board of Directors shall keep regular minutes of its proceedings. The minutes shall be placed in the Minute Book of the Corporation.

4.09 Consent to Action. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if consent in writing, setting forth the action so taken is signed by all the members of the Board of Directors. Such consent shall have the same force and effect as a unanimous vote at a meeting. The signed consent, or a signed copy thereof, shall be placed in the Minute Book.

## ARTICLE V OFFICERS

5.01 Officers. The Corporation shall have a President, Vice President, Secretary and Treasurer. The positions of Secretary and Treasurer may be combined.

5.02 Election of Officers. Persons shall be elected from among the Board of Directors of the Corporation to fill the above positions at the first regular or called meeting of the Directors of the Corporation in May next proceeding the fiscal year for which the persons are to serve. The term of office for each person so elected shall be for one year, or until their replacement is elected. Any vacancy occurring in any office of the corporation (by death, resignation, removal or otherwise) may be filled by the Board of Directors.

5.03 Office of President. The President shall be the chief executive officer of the Corporation; shall preside at all meetings of the Board of Directors; shall have general and active management of the business and affairs of the Corporation; and shall see that all orders and resolutions of the Board are carried into effect. The President shall perform other duties and have such other authority and powers as the Board of Directors may from time to time prescribe.

5.04 Office of the Vice President. The vice President, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the President, perform the duties and have the authority and exercise the powers of the President, and shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the President may from time to time delegate.

5.05 Office of the Secretary. The Secretary shall attend all meetings of the Board of Directors, and shall record all votes and minutes of all proceedings in the book to be kept for that purpose.

5.06 Office of the Treasurer. The treasurer shall have custody of the corporate funds and securities; shall keep full and accurate accounts of receipts and disbursements of the Corporation; shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated from time to time by the Board of Directors; shall disburse the funds of the corporation as may be ordered by the Board of Directors; and shall render to the President and Directors, at regular or called meetings of the Board, or whenever they may require it, an accounting of all transactions as Treasurer and the financial condition of the corporation. The Treasurer shall be responsible for taking such actions as are necessary to maintain the non-profit status of the Corporation; and shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time delegate.

## ARTICLE VI COMMITTEES

6.01 Committees. The Board of Directors may, by resolution adopted by a majority of the Directors, designate and appoint one or more committees each of which shall consist of two or more persons who need not be members of the Board of Directors.

6.02 Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Board of Directors and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member is removed from such committee, or unless such member shall cease to qualify as a member thereof.

6.03 Vacancies. Vacancies shall be filled by appointments made in the same manner as provided in the case of the original appointments.

## ARTICLE VII BUDGET

7.01 Annual Budget. The budget shall comply with the budgeting calendar of the Rotary Club of Texas City, with the fiscal year beginning July 1 of each year and ending June 30 of each year. Such budget shall be submitted to the Board of Directors for approval. Any amendments to the annual budget shall be approved by the Board of Directors.

7.02 Checks and Drafts. All checks, drafts and orders for payment of money, and notes or other evidences of indebtedness issued in the name of the corporation shall be signed by the President and Treasurer or any other designated member of the Board Directors. All funds shall be expended in accordance with the approved budget. The depository shall be designated by the Board of Directors.

7.03 Deposits. All funds of the corporation shall be deposited to the credit of the Corporation in the depository as selected by the Board of Directors.

7.04 Gifts. The Board of Directors may accept on behalf of the Corporation contributions, gifts, bequests or devises for the general purposes or for any special purpose of the Corporation such as endowments or memorials.

7.05 Indebtedness. No indebtedness shall be incurred by this Corporation without prior written approval of the Board of Directors, and shall be expended only in accordance with the annual budget.

7.06 Audit. The President, with the approval of the Board of Directors, shall appoint a committee of three members of the Rotary Club of Texas City to audit the affairs of the Texas City Rotary Foundation and report to the Board no later than August 1 of each year. No member of the Board of Directors of the Texas City Rotary Foundation shall be eligible for serving on this committee. The audit will be completed as of the close of business on June 30 of each year and a report submitted to the Board of Directors and the Rotary Club of Texas City by September 30 of the same calendar year.

## ARTICLE VIII MISCELLANEOUS PROVISIONS

8.01 Seal. The seal of the Corporation shall be approved by the Board of Directors and maintained by the Secretary of the Corporation.

8.02 Non-Discrimination. The Corporation shall maintain a non-discriminatory policy as to participation in its programs, election of Directors, and its dealings with any other person or business that might be associated with it in any manner.

8.03 Exempt Activities. Notwithstanding any other provisions of these Bylaws, no director, officer, employee or representative of this Corporation shall take any action, or carry on any activity, by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Section 501 (c) (6) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

8.04 Scholarships. The Scholarship Committee of the Rotary Club of Texas City shall recommend annually to the Board of Directors of Texas City Rotary Foundation, Inc. the list of individuals to be awarded annual scholarships. The Foundation Board of Directors shall direct the Secretary/Treasurer to disburse the funds for the awards in accordance with the policy and the Foundation's Budget. The Rotary Club of Texas City has designated guidelines to be followed in awarding scholarships, a copy of which is attached as Exhibit A. These guidelines may be revised from time to time by the Rotary Club of Texas City at its discretion.

## ARTICLE IX AMENDMENTS

9.01 Amendments. These Bylaws may be altered, amended or repealed at any meeting of the Board of Directors at which a quorum is present, by the affirmative vote of the majority of the Directors present at such meeting, provided that notice of the proposed alteration, amendment or repeal is contained in a notice of such meeting mailed to each Director at least ten (10) days prior to the date such meeting is held.

Revised December 6, 2011.

## EXHIBIT A

### **Texas City Rotary Club Scholarship Program**

Revised 5/17/2011

The following revised program incorporates changes to achieve the following:

- 1) More emphasis will be placed on awarding scholarships to students with a real need. The goal is to make a difference i.e. significantly improve the potential for a student (one that otherwise may not have the opportunity) to achieve higher education.
- 2) For two students provide scholarship support (\$2,000 per year) for up to five years.
- 3) For all other recipients increase the scholarship award to up to \$2,000.

#### **Selection Process:**

The full scholarship committee will grade each application using a scale of 0 to 5 (5 being the best) in each of several categories as required by the application (“Need” may awarded additional points as the committee desires). A total score will then be computed and marked on each application.

A final scholarship selection subcommittee consisting of the scholarship committee chairperson, two committee members (selected by the committee chairperson) and a representative from Texas City High School (with additional needs information to help with the needs decisions) will make the final determination of awards.

#### **The Scholarship Awards:**

##### **1) Five Year (\$2,000 per year) Scholarship (two awards)**

Starting this year (2011) two students will be awarded a \$2,000 per college year scholarship to be used for tuition, fees and required books. Any unused monies, each year, may be carried over to use in future years. After completion of the first year and each subsequent year, for next year’s funding, the awardees must show completion of at least 60% of paid courses with a passing GPA or equivalent and plans for continuous enrollment. Additionally, after each college year, the awardees will be invited (not mandatory) to make a presentation of education status to a Texas City Rotary meeting (3 to 5 minute speech). Failure to comply with the above will trigger a review by the scholarship final selection subcommittee to consider termination of future funding of the scholarship.

Next year and each following year this scholarship will be awarded to new students only when one of the current recipients completes college, drops out or incurs funding termination.

##### **2) One time \$2,000 Scholarship (lesser amounts may be awarded with minimum being \$1000 depending on the budget and committee decisions)**

This will be awarded to as many students each year as the budget allows for tuition, fees and required books. Any unused monies, in the first year, may be carried over to use in future years.