



Rotary International District 5840

Bylaws

May 5, 2018

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Rotary International District 5840

Bylaws

Article 1. Name

This organization is named Rotary International District 5840.

Article 2. District Description

This District of Rotary International is composed of clubs located in Zone 21b (Zone 25b as of July 1, 2019) of Rotary International, as well as any e-club assigned by the board of Rotary International to this District, and within the following 44 counties of the state of Texas, USA: Atascosa, Bandera, Bee, Bexar, Blanco, Caldwell, Comal, Concho, Crane, Crockett, DeWitt, Dimmit, Edwards, Frio, Gillespie, Gonzales, Guadalupe, Hays, Irion, Karnes, Kendall, Kerr, Kimble, Kinney, La Salle, Llano, Mason, Maverick, McCullough, Medina, Menard, Regan, Real, Runnels, San Saba, Schleicher, Sutton, Terrell, Tom Green, Upton, Uvalde, Val Verde, Wilson, Zavala.

Article 3. Purpose

The purpose of this organization shall be to develop, support and strengthen Rotary clubs within Rotary International District 5840.

Article 4. Membership

The membership of this organization shall be the Rotary clubs designated by Rotary International as being within Rotary International District 5840.

Article 5. District Administration

5.010. District Officers

5.020. Qualifications of a Governor-nominee

5.030. Procedure for Nominating Governor

5.040. Appointment of District Secretary and District Treasurer

5.050. Qualifications of District Secretary and District Treasurer

5.060. Election of District Representative to the Council on Legislation

5.070. Council of Governors

5.080. District Leadership Plan

5.010. *District Officers*

The officers of Rotary International District 5840 shall be the district governor, district governor-elect, district governor-nominee, district governor-designate, district secretary, and district treasurer. These officers, along with the most recent past district governor, will serve as the Board of Directors of Rotary International District 5840. The current district governor shall serve as chairperson of the Board.

5.020. *Qualifications of a Governor-nominee*

The qualifications for district governor-nominee shall be those specified in Sections 16.070 of the bylaws of Rotary International.

5.030 *Procedure for Nominating Governor*

The procedure prescribed by Article 14, bylaws of Rotary International, shall be followed, except as hereinafter

added in sections below.

5.030.1 *Nominating Committee for Governor*

The nominating committee for governor-nominee shall consist of the two most recent Past District 5840 Governors, and three current club presidents having been elected as stated below in paragraph 5.030.3, with the past district governor most senior in service acting as chair. If for cogent reasons, one of the district governors is unable to meet with the nominating committee, then the next most recent past district governor will be asked to serve. The committee shall select its own secretary. No member of the committee may serve or be present if a member of his or her own club is being considered for district governor. The committee shall ensure adherence to the Rotary Code of Policy section 19.030.1 and section 11.040.1.

5.030.2 *Alternate Club Presidents*

At the time the three presidents are elected to the nominating committee, an alternate club president shall be elected from each of the three sections of the district. The said alternate shall serve in the absence of the elected current club president from the same section of the district.

5.030.3 *Selection of Club Presidents and Alternates*

For the purpose of electing club presidents as members and alternates of the nominating committee, the district shall be divided into Sections 1, 2 and 3, and the clubs of these sections shall elect their own committee member and alternate, when they are presidents-elect, no later than the District Training Assembly.

- a) Section 1 includes the following counties: Blanco, Comal, Concho, Crane, Crockett, Gillespie, Guadalupe, Hays, Irion, , Llano, Mason, McCullough, Menard, Kendall, Kerr, Kimble, Regan, Runnels, San Saba, Schleicher, Sutton, Tom Green and Upton.
- b) Section 2 includes the following counties: Atascosa, Bandera, Bee, Caldwell, DeWitt, Dimmit, Edwards, Frio, Gonzales, Karnes, , Kinney, La Salle, Maverick, Medina, Real, Terrell, Uvalde, Val Verde, Wilson and Zavala
- c) Section 3 includes the following counties: Bexar, to include the Rotary Club of Fair Oaks Ranch.

5.030.4 *Timetable for Nominating Governor*

The district governor shall send, no later than August 1st, the official Club Suggestion for District Governor Form (Exhibit A) to each club in the district together with a copy of the current Rotary International Governor-nominee Data Form, inviting each club which desires to do so, to submit its suggestion for district governor for consideration by the nominating committee. The suggestion and data forms must reach the nominating committee no later than October 1st. Rotary International's statement of qualifications of a governor-nominee and duties of a district governor (Section 5.020 and 6.010 of these bylaws) will accompany the announcement of the governor, along with the address to which suggestions shall be sent.

The nominating committee will meet no later than November 1st. The nominating committee for governor shall not be limited in its selection to those names submitted by clubs in the district. The committee shall nominate the best qualified Rotarian who is available to serve as governor.

The selected individual will be called governor-designate until July 1st of the following Rotary year, at which time the individual will be called governor-nominee.

5.030.5 *Official Suggestion Form*

The official suggestion form (see exhibit A attached hereto) must be used as printed. A continuation sheet shall be used for any necessary extension of a numbered item. In addition, the Rotary International Governor-nominee Data Form must also be submitted. (See exhibit C). The suggestions shall be submitted in the form of a resolution adopted at a regular meeting of the club naming the suggested candidate. The resolution shall be certified by the club secretary. A club may suggest only one of its own members as a candidate for governor-nominee.

5.030.6 *Notification of Nomination*

The chair of the nominating committee shall notify the governor of the candidate selected within 24 hours of the adjournment of the nominating committee. The governor shall then publish to the clubs of the district the name and club of the nominee within 72 hours from receipt of the notice from the chair of the nominating committee. Publication of the announcement consists of a written notice by the governor by letter, e-mail or facsimile to the clubs in the district and shall include a deadline for receipt by the governor of challenges on behalf of previously suggested candidates.

5.030.7 *Committee Inability to Select Nominee*

Where the nominating committee cannot agree upon a candidate, the governor-nominee shall be elected in a ballot-by-mail as provided in bylaws of Rotary International section 14.040 Alternatively, the governor-nominee may be selected from among those candidates suggested to the nominating committee at the district conference in accordance with the bylaws of Rotary International section 16.050.

5.030.8 *Challenging Candidates*

Any club in the district may submit a resolution of challenge in accordance with the bylaws of Rotary International section 14.020.8 on or before the date announced by the governor. Such date shall be not more than 14 days after publication of the announcement of the selection for governor-nominee by the governor.

5.030.9 *Concurrence to Challenges*

In the event of receipt of resolutions of challenge by the deadline announced by the governor, the governor shall inform all clubs in accordance with the bylaws of Rotary International section 14.020.9.

5.030.10 *Absence of Challenging Candidate*

The governor shall declare the candidate of the district nominating committee to be the governor-nominee where no such challenging nomination has been received by the established date. Such declaration shall be made to all clubs in the district within 15 days of the deadline.

5.030.11 *Challenging Nominations*

The governor shall notify, within seven days following the deadline, all clubs in the district when a valid challenging nomination has been received by the deadline. The notice shall include the name and qualifications of each valid challenging candidate, the names of the challenging and concurring clubs and state that such candidates will be balloted upon in a ballot-by-mail or alternatively at the district conference if the challenge remains effective up to the date set by the governor. Sections 14.020.13, 14.030, and 14.040 of the bylaws of Rotary International specify the process for ballot at district conference and ballot-by-mail.

5.030.12 *Lack of Valid Challenging Nomination*

When no valid challenging nomination is received, the governor shall declare the candidate of the district nominating committee as governor-nominee. The governor shall notify all clubs in the district of the nominee within 15 days.

5.030.13 *Certification of Governor-nominee.*

The governor shall certify the name of the governor-nominee to the Rotary International general secretary within ten days after such nominee has been declared the nominee. Section 14.060 of the bylaws of Rotary International will be followed in the event that a governor-nominee is rejected or suspended.

5.040. *Vice-Governor*

The nominating committee for governor may select one available past governor, proposed by the governor-elect, to be named vice-governor who shall serve during the year following selection. The role of the vice-governor will be to replace the governor in case of temporary or permanent inability to continue in the performance of the governor's duties. If no selection is made by the nominating committee, the governor-elect shall select a past governor as vice-governor. The Vice-Governor's attendance at Rotary functions shall be determined by the sitting Governor. The District may provide funds for the Vice-Governor to attend any functions that require his or her attendance, according to the approved budget. The Vice-Governor will be an ex-officio member of all committees.

5.050. *Appointment of District Secretary and District Treasurer*

The district secretary and district treasurer shall be appointed by the district governor-elect for a term of one year to serve concurrently during his or her term as governor.

5.060. *Qualifications of District Secretary and District Treasurer*

The district secretary and district treasurer shall be those qualified Rotarians designated by the district governor-elect. The designee for both district secretary and district treasurer must be an active Rotarian currently in good standing in a club in this district. The district treasurer shall have knowledge of simple accounting procedures and be willing and able to fulfill the duties of the office to which he or she is designated. Nothing in these bylaws shall preclude the district from employing a non-Rotarian as an executive secretary or a qualified accountant to assist with the respective duties of the above officers.

5.070. *Election of District Representative to the Council on Legislation*

The election of the district's representative and alternate representative to the council on legislation shall be in accordance with Section 9.070 of the bylaws of Rotary International. The election shall be held at the district conference in the year two years preceding the council.

5.080. *Council of Governors*

5.080.1 *Purpose*

The council of governors is an organization founded voluntarily February 26, 1967 by the past district governors of District 584 (now known as District 5840), free from complexity, for the express purpose of making their services available through coordinated and directed programs to advise and assist the district governor in the Rotary programs of the district.

5.080.2 *How Constituted*

The council of governors is comprised of all past district governors who remain active in a District 5840 Rotary Club. The district governor, the district governor-elect, the district governor-nominee, and the district governor-designate are members.

5.080.3 Administration

The council forms its own rules in concert with the district governor The council holds at least one meeting each year. The district governor serves as ex-officio chair. The senior past district governor present serves as vice-chair and presides over the meeting.

5.080. District Leadership Plan

The Rotary International District 5840 Leadership Plan has been previously adopted by the District.

Article 6. Duties of District Officers

6.010. Duties of the District Governor

6.020. Duties of the District Governor-elect

6.030. Duties of the District Governor-nominee

6.040. Duties of the District Secretary

6.050. Duties of the District Treasurer

6.060. Presentation and Availability of Annual Financial Statements

6.010. Duties of the District Governor

The duties of the governor shall be those specified in section 16.090 of the bylaws of Rotary International, section 19.010 of the Rotary Code of Policies, and any specific duties mentioned within these bylaws.

6.020 Duties of the District Governor-elect

6.020.1 Assists District Governor

The district governor-elect shall assist the district governor when requested, and shall perform those duties designated by Rotary International and those specifically mentioned in these bylaws and the current District 5840 District Leadership Plan.

6.020.2 Budget Preparation

The district governor-elect shall work in cooperation with the district finance committee to prepare a proposed operating budget in accordance with section 9.060 of these bylaws.

6.030. Duties of the District Governor-nominee

The duties of the district governor-nominee shall be those specified in the Rotary Code of Policies Section 19.020 and any specific duties mentioned within these bylaws.

6.040 Duties of the District Secretary

6.040.1 Assists the District Governor

The district secretary, in general, assists the district governor in making arrangements for district meetings, handling correspondence as directed, compiling minutes of district meetings, and in keeping records, thereby relieving the district governor of such routine administrative tasks.

6.040.2 File Maintenance

All records shall be maintained in accordance with an acceptable filing system, and shall be delivered, on or before 30 June of each Rotary year, to the person succeeding to the office of

district secretary. Such files may be maintained by the use of an electronic system, such as that provided by an outside service such as ClubRunner, etc.

6.040.3 Type of Files

The district secretary shall maintain files consisting of, but not limited to:

- a) correspondence of reasonably possible value to succeeding district governors,
- b) miscellaneous matters of reasonably possible historical value,
- c) the governor's monthly letters,
- d) district records for prior years delivered by the preceding district governor,
- e) records of proceedings of district committees and subcommittees,
- f) district financial reports,
- g) district conference financial reports and attendance reports, and
- h) district bylaws and resolutions.

6.040.4 Filing Reports

The district secretary shall:

- i) on or before 1 October of each Rotary year, furnish a copy of the annual financial reports of the district treasurer for the preceding Rotary year to all club presidents, and to each member of the district finance committee. (See section 16.060.4 of the bylaws of Rotary International).
- j) on or before December 31st of the current Rotary year, furnish the chair of the ensuing district conference, and the district finance committee chair, a copy of the attendance reports and the financial reports, if available, for the preceding three district conferences.

6.50 Duties of the District Treasurer

The district treasurer is charged with the responsibility of receiving, depositing and disbursing district monies, and accounting for same to the district governor and the district finance committee. In addition, the district treasurer shall perform the following duties:

- a) not later than 15 June of each Rotary year the district treasurer shall meet with the incoming district treasurer to arrange an orderly transfer of funds and records including a financial statement,
- b) the funds in the next Rotary year's district fund shall be released for use on 1 July of the new Rotary year,
- c) the transfer of funds and records shall be completed not later than 15 July of the new Rotary year,
- d) the district treasurer shall make deposits and disbursements in accordance with sections 9.050.2; 9.050.3; and 9.050.4,
- e) the district treasurer shall keep careful, accurate and detailed records of all receipts, deposits and expenditure of district funds,
- f) not later than 7 January of the current Rotary year the district treasurer shall provide the chair of the district finance committee with a report of receipts and expenses as of 31 December, and an itemized estimate of receipts and expenses through 30 June. The district finance chair shall immediately provide a copy of the report to the district governor-elect for budget action pursuant to section 9.060, and
- g) the district treasurer shall prepare financial statements within 90 days of the end of the Rotary year.

Article 7. Committees

7.010. Committees for Next Rotary Year

7.020. District Conference Committees

7.030. Committee Records

7.010 Committees for Next Rotary Year

- a) The district governor-elect shall, before 31 December in the year prior to taking office as governor, appoint all committees required by Rotary International, committees required by these bylaws, and those committees the district governor-elect deems necessary. The district governor may appoint any other committees deemed necessary at any time,
- b) The district governor shall be ex-officio voting member of all district committees, and
- c) The district governor has the authority to call a meeting of any and all district committees at his/her discretion.

7.020. District Conference Committees

The district governor shall appoint committees to function in connection with the district conference as is deemed necessary. (See sections 10.040 and 10.060 of these bylaws.)

7.030. Committee Records

Each district committee and subcommittee chair shall cause accurate records of its proceedings to be prepared and shall furnish a copy of such records and proceedings to the district secretary or upload them to the District 5840 ClubRunner.

Article 8. District Conference

8.010. Time and Place

8.020. How Conducted

8.030. District Conference Treasurer

8.040. District Conference Secretary

8.010. Time and Place

Consistent with section 16.040.1 of the bylaws of Rotary International, the district conference shall be held annually at such time and place as designated by the district governor. The conference dates shall not conflict with the District Training Assembly, the international assembly, or the international convention.

8.020. How Conducted

The district conference shall be conducted in accordance with section 16.040 of the bylaws of Rotary International and articles 20.010. through 20.040. of the Rotary Code of Policies.

8.030. District Conference Treasurer

Within 30 days following the district conference, the district conference treasurer shall submit a financial report to the district treasurer and furnish a copy to the district secretary.

8.040. District Conference Secretary

The district conference secretary (or district secretary, if no conference secretary is selected) will transmit reports of the proceedings of the district conference to Rotary International as prescribed by sections 16.040.5 of the bylaws of Rotary International.

Article 9. District Finance

9.010. District Funds

9.020. District Reserve Fund

9.030. Current Rotary Year's District Operating Fund

9.040. District Finance Committee

9.050. Bank Accounts

9.060. Developing the District Budget

9.070. Annual Statement

9.010 District Funds

9.10.1. Purpose

A District fund is established to handle the necessary finances of the District. The Rotary Foundation Funds and The Rotary District 5840 Foundation are not part of district funds.

9.010.2 Types of Funds

District funds are divided into three separate funds: the current Rotary year's district operating fund, the next Rotary year's district operating fund and the reserve fund. All district funds shall be maintained in a financial institution with deposits insured by an agency of the United States Government.

9.010.3 District Committee Funds

District committee funds are part of the current Rotary year's district fund. Only the youth exchange committee is permitted to maintain separate bank accounts. All bank accounts shall be held in the name of the district. If possible, copies of the monthly bank account statements shall be sent directly by the bank to the district finance committee chair and the district treasurer. Otherwise copies shall be provided to the district finance committee chair within fifteen days of receipt.

9.010.4 Dues

Dues shall be provided by all clubs in the district by way of a per-capita levy. The levy will be the result of the budget developed by the district finance committee along with the district governor-elect and approved by three-fourths (3/4) of the incoming club presidents present at a designated meeting of the presidents-elect, in accordance with Section 16.060.2 of the bylaws of Rotary International

- a) each club shall pay to the district per capita dues, as determined by the budget, for each of its active members on the Rotary International semi-annual report as of 30 June of each Rotary year, and
- b) the per capita levy is payable to the "Rotary International District 5840" on or before October 1st of the Rotary year in which levied.
- c) The per capita levy is mandatory on all clubs of a district. The governor shall certify to the board of Rotary International the name of any club that has failed for more than six months to pay such levy. The board of Rotary International shall suspend the services of RI to the delinquent club while the levy remains unpaid.

9.020 District Reserve Fund

9.020.1 District Emergency Reserve Fund

A district reserve fund of not less than \$5,000 shall be maintained in an interest-bearing account

for use in unusual or emergency conditions to fund shortages in the current Rotary year's district fund.

Appropriations may be made from this fund only upon recommendation of the district governor, followed by majority concurrence of the district finance committee. If any of the district reserve fund is used during any Rotary year, one-half of the funds used must be restored at the beginning of the next Rotary year. The other one-half must be returned at the beginning of the following Rotary year. Any monies in excess of the \$5,000 district reserve fund may be immediately transferred to the current Rotary year's district fund. All interest earnings from this reserve fund should be transferred to the district operating fund at the end of the fiscal year.

9.020.2 District Dues Reserve

A second district reserve fund equal to 50% of the current dues revenue shall be maintained in an interest-bearing account for use only after July 1st of the ensuing Rotary year. This fund is the "next year's district operating fund" and is designed to ensure that the district has sufficient funds at the start of each Rotary year to operate prior to the receipt of the per capita levy referenced in section 9.010.4 of these bylaws. Any monies in excess of the 50% of current dues revenue reserve fund may be immediately transferred to the current Rotary year's district fund. All interest earnings from this reserve fund should be transferred to the district operating fund at the end of the fiscal year.

9.030. Current Rotary Year's District Operating Fund

9.030.1 Composition

The current Rotary year's district operating fund is composed of all district funds except those funds with restrictions (Rotary Youth Exchange, RYLA, Hunger Plus, etc.) At the beginning of each Rotary year, the existing district operating account including any unspent budget items transition to incoming Rotary year's district fund.

9.030.2 Expenditures

Expenditures may be made at the district governor's discretion with certain limitations herein set forth.

9.030.3 Non-Discretionary Budget Allocations

The following expenditures constitute non-discretionary budget allocations which will be included in the budget prepared by the district finance committee in cooperation with the district governor-elect:

- a) an amount to the district governor-elect for miscellaneous validated expenses to prepare for the year,
- b) actual expenses within budget for the district governor, the district governor-elect, and the district governor nominee for actual expenditures to attend the Rotary Institute and Training, Regional Rotary Foundation, Membership, and Public Image Seminars and multi-district meetings,
- c) actual expenses within budget for the district governor-elect to attend the Rotary International Convention (registration, travel, and hotel expenses not covered by Rotary International),
- d) an amount for the district governor-elect to purchase the outgoing district governor's gift,
- e) actual expenses within budget for the district governor, district governor-elect, district governor-nominee, district governor-designate, P.E.T.S. Rangers and faculty members to attend the Lone Star P.E.T.S. and P.E.T.S. training meetings,
- f) actual expenses within budget for district representatives to attend budget-approved, scheduled meetings, for example, membership development, zone director nominating committee, youth exchange, and The Rotary Foundation,
- g) mileage expenses for Assistant Governors for at least one visit per quarter to each of their assigned Rotary clubs, and registration and travel costs to attend Assistant Governor Training, the District Training Assembly, and other training events as required by the district governor. It is understood that the Assistant Governors and Committee members shall be responsible for some of their expenses while serving in these roles.

9.30.4 Other Expenditures

All other expenditures must be included in the approved estimated budget or approved by the district finance committee.

9.040 District Finance Committee

9.040.1 Responsibility

The district finance committee works closely with the district governor to supervise the district funds, prepare the budget, recommend the per capita levy amount, and prepare the annual statement. The committee is responsible for maintaining the transparency of district finances and ensuring that proper records of income and expenditures are kept.

9.040.2 Composition

The district finance committee shall be selected by the District Officers, as defined in Section 5.010 of these bylaws. The District Finance Committee shall consist of a total of five (5) members, including three Past District 5840 Governors, and two (2) active Rotarians. The district treasurer shall serve as ex-officio voting member of this committee. Preference shall be given to

individuals with past experience as club treasurer or with accounting/finance backgrounds. The senior past district governor on the committee serves as chair and presides over the meetings. The committee shall select its own secretary.

9.040.3. District Review Committee

The district finance committee shall appoint and supervise a review committee whose duties shall be to review, every six months (or more frequently at the request of the finance committee or district governor), the financial records of the district including the financial records of the district Rotary Youth Exchange Committee. The review committee shall submit a report to the district finance committee, in a timely manner, after each review. The committee shall consist of three active Rotarians. Preference shall be given to individuals with past experience as club treasurer or with accounting/finance backgrounds

9.040.4 Advice and Counsel

A majority of the District Finance Committee may call a meeting of the District Council of Governors for advice and counsel on matters of finance.

9.050 Bank Accounts

All bank accounts are to be established and maintained by and in the name of the district at a financial institution that is federally insured, subject to any terms and conditions that the district governor and district treasurer may from time to time agree on with the financial institution.

9.050.1 Rotary Youth Exchange Committee

In addition, the Rotary Youth Exchange Committee ("RYEC") may establish and maintain bank accounts by and in the name of the district at a financial institution that is federally insured, subject to any terms and conditions that the district governor and RYEC chair may from time to time agree on with the financial institution ("RYE Accounts"). The chair of the RYEC, the district governor and a member of the district finance committee, or their proxies having been approved by the Board of Directors of District 5840, shall be signatories on the RYE accounts in accordance with section 41.070.6 of the Code of Policy of Rotary International. Each withdrawal of funds will require only one authorized signature.

The District Youth Exchange committee shall prepare and submit a budget to the governor-elect and the district finance committee for approval 60 days prior to the meeting of incoming presidents-elect at which the district budget will be presented for approval. The District Youth Exchange committee and district treasurer shall prepare and distribute a financial report on the Youth Exchange committee's activities to the district governor and district finance committee on a semi-annual basis covering the first half and second half of the current Rotary year.

9.50.2. Stamped Endorsements

All checks, drafts, or other instruments, including electronic banking transactions for the payment of money, endorsed on behalf of the district or RYEC for deposit with or collection by the financial institution may be so endorsed in the name of the district or RYEC by written or stamped endorsement, without designation or signature of the person making that endorsement.

9.50.3. Accounts

All checks, drafts, and other instruments, including electronic banking transactions for the payment of money drawn from the Accounts, shall be authorized in writing on behalf of the district by any two of the following: the district governor, district treasurer, or district finance chair. In the case of the RYE Accounts, the authorization may be extended to include the RYE committee chair or the RYE Treasurer. The writing requirement includes handwritten, typed communications, emails and facsimile transmissions. However, it is not necessary for banks to require two signatures on each check.

9.50.4. The Rotary Foundation Funds

The Rotary Foundation rules shall govern the procedures for handling district Rotary Foundation monies.

9.50.5. Online Accounts

Online accounts (such as Business PayPal accounts) may be established in the name of the district for the purposes of accepting online payments, provided that:

- a) The current Rotary year's district operating fund account linked to the online account is the primary bank account of the district, and
- b) A minimum of three email addresses are registered with the account, specifically, an email address of the district governor, and email address of the district treasurer and an email address of the district finance committee chair; and
- c) The email address registered as the primary email address for the online account is the email address of the district finance committee chair, ensuring that he or she is notified of any changes to the account. This is to ensure dual control of the account, and
- d) No disbursements are made from the online account, as its sole purpose is to make possible the acceptance of online payments. The district treasurer shall transfer all funds in the online account(s) to the current Rotary year's district operating fund account not less than weekly.

9.50.6. Receipts Received for Projects and Programs

A careful distinction should be made between district operating fund

receipts and those allocable to the district projects and programs, such as RYLA, District 5840 Hunger Plus Adopts a Region, etc. The district treasurer is responsible for maintaining records of both receipts and expenditures allocable on an ongoing basis among the funds. At the end of each Rotary year, the district's annual report and financial statement should specify the appropriate restricted net assets of such accounts.

9.60. *Developing the District Budget*

The district governor-elect, with assistance of the other members of the Finance Committee, shall prepare or cause to be prepared a budget of estimated income and estimated expenditures for the next Rotary Year. The budget will include items for each district committee submitted by the committee chair-elect.

Such proposed budget shall consider the report provided per section 6.050(f). The district finance committee shall meet, review and submit the budget of estimated income and estimated expenditures to each district club and incoming club president at least four weeks prior to approval at a meeting of incoming club presidents. The budget shall be approved by three-fourths (3/4) of the incoming club presidents present at said meeting

9.070 *Annual Statement*

9.70.1. *Annual Statement and Report of District Finances*

The governor must provide an annual statement and report of the district finances that have been independently reviewed by a qualified accountant or by a district audit committee to each club in the district within three months of the completion of the governor's year in office. If an audit committee approach is selected, then it must:

- a) be composed of at least three members,
- b) have all the members be active Rotarians,
- c) have at least one member who is a past governor or a person with audit experience,
- d) not allow the following to serve on the audit committee for the year in which they serve in these positions: governor, treasurer, signatories of district bank accounts, and members of the finance committee, and
- e) have the members selected by the district in accordance with the procedures established by the district.

This annual statement and report shall include but not be limited to details of:

- a) all sources of the district's funds (RI, district and club),
- b) all funds received by or on behalf of the district from fundraising activities,
- c) grants received from The Rotary Foundation or funds of The Rotary Foundation designated by the district for use,
- d) all financial transactions of district committees,
- e) all financial transactions of the governor by or on behalf of the district,
- f) all expenditures of the district's funds, and
- g) all funds received by the governor from RI.

9.70.2. Presentation and Availability of Annual Financial Statements

The annual statement and report shall be presented for discussion and adoption at the next district meeting to which all clubs are entitled to send a representative and for which 30 days' notice has been given that the statement and report of district finances will be presented. If no such district meeting is held, the statement and report shall be presented for discussion and adoption at the next district conference. In any event, the district governor shall make available all of the above financial reports to the clubs in the district by 1 October.

9.70.3. Filing Internal Revenue Service Reports

It is the responsibility of the district governor to ensure that all required Internal Revenue Service (IRS) reports relating to the district governor's Rotary year are filed, including, but not limited to, IRS Form 990 as required by the IRS.

Each club shall be responsible for preparing and filing all required Internal Revenue Service reports, including but not limited to, IRS Form 990 as required by the IRS.

Article 10. Legislative Procedures

10.010. Amendment of These Bylaws

10.020. Bylaws Review

10.030. Resolutions

10.040. District Legislative Committee

10.050. Qualified Voters

10.060. Credentials Committee

10.070. Conference Voting

10.10. Amendment of These Bylaws

- a) District clubs, district committees, the district governor-elect, and the district governor may submit proposals to amend these bylaws. Proposals, in writing, must reach the district governor sixty days preceding the convening date of the district conference. The district governor will forward the proposals to the district legislative committee (see section 10.040.) to reach the chair fifty days preceding the district conference.
- b) Proposal format:

Proposed Amendment of Bylaws Proposed by the Rotary Club of XXX City
March 1, 20XX

Be it enacted by district conference that the bylaws of Rotary International District 5840, Section xxxx, is hereby amended as follows:

Secretary Signature

President Signature

- c) A motion to amend a proposed amendment to these bylaws may be made from the floor.

- d) Except for the per capita levy (see section 16.060.2 of the bylaws of Rotary International), the district conference may adopt as amended, reject, or refer proposals to the district governor-elect for further study and report at the next district conference.
- e) The district governor may appoint a committee to review and revise these bylaws and Article 10.010(b) shall not apply as long as the committee complies with the provisions of Article 10.040(c).

10.020. *Bylaws Review*

These bylaws shall be reviewed not less than each year after the publication or revisions to the Rotary International constitutional documents by the Council on Legislation and shall be in harmony with the current Rotary Code of Policies.

10.030. *Resolutions*

- a) Resolutions encompass those matters not appropriate for inclusion in the bylaws, such as, but not limited to congratulatory and special honors.
- b) District clubs, district committees with district governor approval, the district governor-elect, or the district governor may propose resolutions.
- c) Congratulatory and special honors resolutions, in writing, must reach the district legislative committee not later than one day prior to the district conference business session - resolutions on other matters fifteen days prior to convening date of district conference.

10.040 *District Legislative Committee*

The district governor shall appoint a district legislative committee with the following responsibilities:

- a) in general charge of voting,
- b) in general charge of election arrangements, including preparation of ballots, issuing ballots, arranging polling places, and conducting voting.,
- c) receive proposals for amendment of bylaws from district governor, organize for presentation to district conference, furnish a copy to each club president and the district governor-nominee twenty days prior to the convening date of the district conference,
- d) receive proposed resolutions from clubs and committees, coordinate with district governor, organize for presentation to district conference,
- e) originate, in concert with the district governor, appropriate congratulatory/special honors resolutions recognizing district conference participants, and
- f) Prepare approved bylaws amendments and resolutions in proper format and pass to district secretary for printing and distribution. (see article 11).

10.50. *Qualified Voters*

10.50.1. *Electors*

Each club in the district shall select, certify and send to the district

conference one (1) elector for every twenty-five (25), or major fraction thereof, of its members, honorary members excepted, based upon the number of members of the club as of as of the last RI semi-annual reported submitted to Rotary International (January 1 Report). The club must have no outstanding indebtedness to Rotary International or Rotary International District 5840 for more than six months preceding that in which the conference is held to be entitled to at least one elector. However, any club whose membership in Rotary International has been suspended by the RI board shall not be entitled to any electors. Each elector shall be an active member of the club and if present at the district conference, shall be entitled to cast one vote on the election of the representative of the clubs of the district to serve as a member of the council on legislation and to cast one vote on the election of a member and alternate member of the nominating committee for director.

10.50.2. Delegates

Every active member in good standing of a club in the district who is present at the district conference shall be entitled to vote on all other matters submitted to a vote at such conference except that any elector shall have the right to demand a poll of the electors upon any matter presented to the conference, in which event the voting shall be restricted to electors.

10.50.3. Proxies

A club may designate a proxy for its absent elector(s). Such club must obtain the consent of the governor for such proxy. The proxy may include a member of its own club or a member of any club in the district in which the club is located. The proxy designation must be certified by the president and secretary of such club. The proxy shall be entitled to vote as proxy for the non-attending elector(s) represented, in addition to any other vote the proxy may have.

10.060. Credentials Committee

The credentials committee, appointed by the district governor, sends credential certificate forms (exhibit B) to each club secretary well in advance of the district conference. Completed certificates are presented by the electors(s) to the credentials committee at the district conference. The credentials committee attests that the electors are duly qualified and in the correct number as specified by section 16.050.1 of the bylaws of Rotary International, and in turn prepares an alphabetized file of all duly qualified electors to be presented to the district legislative committee.

10.070. Conference Voting

Voting of resolutions shall be by voice vote or by standing vote as the legislative chair chooses. A majority vote shall constitute passage. Any delegate shall have the right to demand a vote by written ballot on any matter presented. Voting procedures shall be in accordance with the bylaws of Rotary International section 16.050.2.

Article 11. Distribution and Relations with Rotary International's Bylaws

11.010. Distribution

11.020. Precedence

11.010. Distribution

The district secretary shall distribute a copy of these bylaws, approved amendments thereto, and approved resolutions to the district governor, district governor-elect, district governor-nominee, district governor-designee, past district governors, club secretaries, district treasurer, district legislative committee, and to others as may be appropriate. (See 10.040.(f).)

11.020. Precedence

The bylaws of Rotary International will prevail in the event of conflict with these bylaws.

Article 12. District and Rotary Club Cooperation with Other Organizations

The district or any club may support and cooperate with other organizations in projects and activities provided they follow the requirements set forth in Section 44.020 of the Rotary Code of Policies.

Article 13. Contracts

Only the District Governor and/or a person authorized by the Rotary District 5840's Board of Directors may enter any contract or execute and deliver any instrument in the name of and/or on behalf of RD 5840. The District Governor may not obligate Rotary District 5840 for any funding or financial obligation outside his or her adopted budget without the approval of the D5840 Board of Directors or the District Finance Committee

EXHIBIT A: CLUB SUGGESTION FOR DISTRICT GOVERNOR Form

**CLUB SUGGESTION FOR DISTRICT GOVERNOR
For Rotary Year Beginning July 1, 20_____**

From Rotary Club of:

TO: District Governor and Nominating Committee, Rotary International District 5840

We hereby suggest the following person for Governor of Rotary International District 5840:

1. Name _____
2. Rotary Club _____
3. Classification _____
4. Firm Name _____
5. Number years a Rotarian _____
Years in this club _____
6. Previous Rotary Clubs _____
7. Year Club President _____
Rotary Club of _____
8. Year Vice President _____
9. Year Club Secretary _____
10. Year Club Director _____
11. Club Committee Chairmanships _____

12. District Committees _____

13. Years Attended
 - a. District Conference _____
 - b. District Training Assembly _____
 - c. R. I. Convention _____
14. Evaluation: Low=1, High=5
 - a. Organizational Ability _____
 - b. Speaking Ability _____
 - c. Personality _____
 - d. Energy _____
 - e. Enthusiasm _____
 - f. Rotary Knowledge _____
 - g. Gets Along with Others _____
 - h. General Health _____
 - i. Spouse's Support _____

15. Name of Spouse (if applicable) _____
16. Education _____

17. Community Activity _____

18. Vocational Activity _____

19. Executive Experience _____

20. Additional facts which we believe are pertinent support for this nomination: _____

He or she is fully informed about the time which will be necessary for him/her to devote to this Rotary activity, both in attending the Rotary International Assembly and in making official visits to clubs as well as in making reports and carrying on the other activities incident to the office, and has advised us that, if elected, he or she will be in position to devote the required time for the benefit of Rotary International and the clubs of District 5840.

In conformity with formal action taken by our club at its regular meeting on _____, we hereby submit this suggestion for your consideration.

Rotary Club	Date
President	Secretary

THIS FORM MUST BE USED AS PRINTED. USE CONTINUATION SHEET(S) FOR ANY NECESSARY EXTENSION OF NUMBERED ITEMS.

EXHIBIT B: DISTRICT CONFERENCE CREDENTIALS CERTIFICATE

DISTRICT CONFERENCE CREDENTIALS CERTIFICATE

Date: _____

To: The Credentials Committee of the Annual Conference of District 5840

From: Rotary Club of _____

In accordance with section 11.040. of the Bylaws of Rotary International, this club has selected the following elector(s):

The total membership (exclusive of honorary members) of this club on the first day of January 20____ was _____.

President Secretary

Note: Prepare in duplicate. Retain one copy for files and give other to the elector(s) to take to the conference to present to the credentials committee.

Section 16.050.1 of the bylaws of Rotary International provides:

"Each club in a district shall select, certify and send to the annual district conference at least one elector. Any club with a membership of more than 25 shall be entitled to one additional elector for each additional 25, or major fraction thereof, of its members. Such membership shall be determined by the number of members in the club as of the date of the most recent club invoice preceding the date on which the vote is to be held..."

Membership	<u>37 or less</u>	<u>38 to 62</u>	<u>63 to 87</u>	<u>88 to 112</u>	etc.
Number of Electors:	1	2	3	4	

EXHIBIT C: Rotary International Form H: Governor-nominee Data Form



Governor-nominee Form

District governor candidate:

Please complete and sign this form, have your club secretary sign it, and submit it to the district nominating committee.

Governor year of service _____ District _____ Zone _____ RI membership ID number _____

Family name _____ First name _____ Middle initial _____

Name as it should appear on your badge _____

Member, Rotary Club of _____ Classification _____

Please ensure that your contact information (e-mail, postal address and phone number) is up-to-date in My Rotary!

Language(s) in which you are fluent (listed in order of fluency):

Language(s) you wish to use for communicating with RI (listed in order of fluency):

Read _____ Speak _____

For each of the following categories, please circle only one language per category.

International Assembly:	English French Japanese Korean Portuguese Spanish
Publications available in 6 languages:	English French Japanese Korean Portuguese Spanish
Publications available in 9 languages:	English French German Italian Japanese Korean Portuguese Spanish Swedish
Publications available in 14 languages:	Arabic Chinese English Finnish French German Hindi Italian Japanese Korean Portuguese Spanish Swedish Thai

Spouse/Partner Information (if applicable)

Family name _____ First name _____ Middle initial _____

Name as it should appear on your badge _____

E-mail _____ Gender Male Female

For each of the following categories, please circle only one language per category.

International Assembly:	Chinese English French German Hindi Italian Japanese Korean Portuguese Spanish Swedish
Publications available in 6 languages:	English French Japanese Korean Portuguese Spanish

For Rotarian Spouses/Partners only:

Member, Rotary Club of _____ RI membership ID number _____



Governor-nominee Data Form

All signatures on this page must be handwritten (electronic signatures are not acceptable).

CANDIDATE’S STATEMENT

I hereby state that I understand clearly the qualifications, duties, and responsibilities of the office of district governor as set forth in the RI Bylaws and that I am fully qualified for said office and willing and able, physically and otherwise, to assume and fulfill the duties and responsibilities of that office and to perform them faithfully. Further, I have read and agreed to abide by the district governor code of ethics, as detailed in the Rotary Code of Policies. I agree in advance to accept the decision of the RI Board concerning my election to office without recourse to any non-Rotary agency or other dispute resolution system and further accept that any court costs and attorney's fees incurred by RI in enforcing this agreement shall be reimbursed by me in their entirety. I understand that if selected, I must attend, for their full duration, the governors-elect training seminar in my zone and the International Assembly to be held the Rotary year before taking office. I have read this form in its entirety and certify that all the information provided on this form is true and correct.

Date _____ Signature _____

CLUB’S STATEMENT OF CANDIDATE’S QUALIFICATIONS

The candidate herein mentioned is a member in good standing of the Rotary Club of _____.
The club further attests that this member has been duly suggested for the office of district governor under RI Bylaws 14.020.4 and meets the qualifications as specified in RI Bylaws 16.070 and that the club membership information on this form is accurate.

Date _____ Club Secretary’s Name _____ Club Secretary’s Signature _____

CERTIFICATE OF NOMINATION

The Rotarian named on this form is a member in good standing of the Rotary club listed and was duly nominated for district governor in accordance with the provisions of the RI Bylaws.

Date _____ District Governor’s Name _____ District Governor’s Signature _____

District governor: Please e-mail this form to your [CDS representative](#) by 30 June.