

Bylaws of the Rotary Club of

Edgewater, Florida #4359 (As amended March 31, 2022)

Article 1: Definitions

- 1) Board: The Board of Directors of this club
- 2) Director: A member of this club's Board of Directors
- 3) Member:
 - a. A member, other than an honorary member, of this club who is in good standing financially, participates in program activities and supports the tenets of Rotary.
 - b. Honorary Member: Individuals, corporations, government agencies, and Councils and Commissions, who have provided extraordinary service, achievement, historical value to the benefit of the Rotary Club of Edgewater and have been elected by a majority vote of the Board of Directors. The number of Honorees and length of membership is at the discretion of the Board of Directors.
- 4) Quorum:

The minimum number of participants who must be present during a vote: 50% of the club's members for club decisions and a majority of the directors for club board decisions.
- 5) RI: Rotary International
- 6) Year: The twelve-month period that begins on 1 July.

Article 2: Board

Section 1 – The governing body of this club shall be the Board, consisting of 11 members of the club, namely the President, immediate Past President, President-Elect (PE), Vice-President (VP), Secretary, Treasurer, Sergeant-at-Arms and four directors elected in accordance with Article III.

Section 2 – It is recommended that Officers and directors attend 75% of all Board Meetings. Failure to attend may result in removal from the Board of Directors.

Article 3: Elections and Terms of Office

Section 1 – On or before the first board meeting in July, the President shall appoint a Chairperson of the Nominating committee which will consist of at least two(2) additional members bringing the total of the committee to three (3). The Nominating Committee will seek to fill the required spaces on the Slate by willing volunteers. The Slate should be presented to the Board of Directors on or before November 1 . Balloting shall begin no later than December 15th and end no later December 25th. Balloting will be paper, electronic or a combination of both. The results will be presented to the Board of Directors by the nominating committee Chairperson no later than January 1st.

Section 2 – The officers and directors, so elected, together with the immediate past president shall constitute the Board for the coming year.

Section 3 – Candidates receiving the most votes for their designated office shall be considered elected to that office will take office July 1. In the case of a tie, the decision will be made by a flip of the Rotary coin with the President officiating.

Section 4 – The President-Elect will serve as a Board member for the year and will assume the role of Presidency the following year.

Section 5 – If any officer or Board member vacates his or her position, the remaining members of the Board will appoint a replacement.

Section 6 – If any Officer-Elect or Director-Elect vacate a position, the remaining members of the Board-Elect will appoint a replacement.

Section 7 – The terms of office for each role are one year.

Article 4: Duties of Officers

Section 1– President

It is expected that The President is to preside at club and board meetings, is the official representative of the Club both in the community and RI events. The President may direct the President- Elect to attend any functions, per Section 3 of this article

Section 2 – Past President

The immediate Past President serves as a Director on the Board.

Section 3 – President-Elect

The President-Elect serves as a Director and performs such other duties as may be prescribed by the President. The PE shall preside at any meeting of the club and Board in the absence of both the President and Vice President and is responsible for the monitoring progress of the Rotary Citation.

Section 4 – Vice-President

The Vice President will be a seasoned Rotarian who will work with, fill in for the President in his or her absence during the Rotary year, and who will perform other duties as ordinarily pertain to the office of Vice-President.

Section 5 – Secretary

The secretary documents membership, records membership at meetings, records and preserves the minutes of Board meetings, files reports required by RI and performs other duties as ordinarily pertain to the office of Secretary.

Section 6 – Treasurer

The Treasurer has custody of all funds-and will provide a monthly accounting. The Treasurer is also responsible for performing any other duties as pertains to the office of Treasurer. Before leaving office, the Board may conduct a review of all accounts and the treasurer shall turn over all funds, books of accounts, or any other club records to the incoming Treasurer.

Section 7– Sergeant-at-Arms

The Sergeant-at-Arms maintains an orderly, dignified, and effective Rotary Club meeting, one that will make the right kind of impression on club visitors and guests. The Sergeant-at-Arms should be constantly on the alert to prevent any occurrence that might detract from the dignity and prestige associated with Rotary, unobtrusively guiding general conduct. The Sergeant-at-Arms will specifically handle the physical preparations for, and the mechanical

part of, a meeting. The Sergeant-at-Arms is responsible for maintaining the inventory of club assets and for performing, any other duties as required by the President or the Board.

Article 5: Duties of the Directors

Section 1 – A Director attends club and Board meetings. The President-Elect will determine which Director or Officer will be responsible for serving as Chairman for each of the avenues of service the following year: Club Service, Vocational Service, Community Service, International Service, and Youth Service and for the Membership, Foundation and Public Relations Committees.

Article 6: Meetings

Section 1 - An annual meeting of this club is to be held no later than 31 December to recognize the accomplishments of the club, its members and the duly elected Officers and Directors for the coming year.

Section 2 – Regular meetings of the club are held on Thursdays at 6:30 p.m. Reasonable notice of any change or cancellation of the regular meeting will be given to all club members.

Section 3 – The Board of Directors shall normally meet the first Tuesday of each month at 6 PM.

Section 4 –The President upon request of two (2) directors can call a change in a date of a meeting with reasonable notice. The secretary via email shall notify members of re-scheduling of either regular meetings or Board meetings.

Article 7: Dues

Section 1 –The cost of active membership is \$410 annually. Dues include RI dues, a subscription to *The Rotarian*, District dues, club fees and any other Rotary, or district per capita dues. Members electing to pre-pay meals will be billed \$40 monthly. Meals paid weekly at the door will be \$15 each. resolutions. A 2/3 vote of the quorum is required for passing all matters.

Section 2 – Any electronic vote by the Board is documented and recorded as part of the following month's minutes.

Article 9: Committees

Section 1 – Club committees coordinate their efforts to achieve the Club's annual long-term goals.

Section 2 – The President is an ex officio member of all committees.

Section 3 – 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.

Section 4 – Committees

Membership – Develops and implements a comprehensive plan for recruiting and retaining members.

Club Public Relations (Media) – Develops and implements plans to promote Club and Club projects including social media.

Club Service– Coordinates all activities associated with the effective operation of the club and will include a subcommittee of Room Maintenance.

Community Service– Develops and implements educational, humanitarian, and vocational projects that address the needs of the community.

Vocational Service – Promotes scholarship and education.

International Service – Develops and implements educational, humanitarian, and vocational projects that address the needs of communities in other countries.

Youth Service – Develops and implements programs for youth including EarlyAct, Interact, and Rotaract.

Rotary Foundation – Develops and implements plans to support the Foundation through education, financial participation, and program participation.

Article 10: Finances

Section 1 –Before each fiscal year starts, the President-Elect and the incoming and outgoing treasurers prepare an annual budget of estimated income and expenditures. The budget shall consist of two separate parts: one for club operations and one for charitable operations and is presented to the Board for approval no later than the first Board meeting of the new Rotary year.

Section 2 – The treasurer maintains, deposits and/or disperses club funds in a financial institution or institutions designated by the Board, divided into separate accounts: one for club operations and one for charitable operations. The Treasurer and President will be signing authorities on these accounts and updated annually.

Section 3 –When approved by two other officers or directors, the Treasurer pays bills in a timely manner.

Section 4 – A qualified person outside of the club conducts a thorough annual review of all financial transactions for the year and prepares the club's IRS filings as required.

Section 5 –Club members will receive a report of club finances as of June 30, which will include bank balances and financial obligations for both accounts and presented no later than September 1.

Section 6 – The fiscal year of this club shall extend from 1 July to 30 June;

Article 11: Types of Memberships

The Rotary Club offers two types of memberships: Active and Honorary

Section 1 – Active

Active Individual

Active Corporate – Company membership that allows different individuals to attend meetings, with one named individual as corporate member

Section 2 – Honorary

An honorary member approved annually by the Board and is an individual who has made significant contributions to the club through service and selected by Board for this designation. The Club will provide *The Rotarian* Magazine. Honorary members do not have any vote in club matters.

Article 12: Method of Electing and Terminating Members

Section 1 – An active member of the club submits prospective member names to the Board in writing through the Club Secretary. A transferring or former member of another club proposes active membership by the former club. The proposal is confidential except as otherwise provided in this procedure.

Section 2 –A prospective member shall attend three meetings within 90 days.

Section 3 – The board shall approve or disapprove the proposal within 30 days of its submission and shall notify the proposer, through the club secretary, of its decision. Prior to Board approval, submission of the membership application and payment of the \$50 installation fee is required.

Section 4 – If the decision of the board is favorable, the prospective member shall be informed of the purposes of Rotary and of the privileges and responsibilities of membership, following which the prospective member shall be requested to sign the membership proposal form and to permit his or her name and proposed classification to be published to the club.

Section 5 -After publishing information about the applicant, members have seven (7) days to respond to the secretary with any objections, stating reasons for their objection. If any such objection is filed with the board, it shall vote on this matter at its next meeting. If approved despite the objection, the proposed member, upon payment of the admission fee (if not honorary membership), shall be considered to be elected to membership.

Section 6 – Following the election, the president shall arrange for the new member's induction, membership card, and new member Rotary literature. In addition, the president or secretary will report the new member information to RI: The new member shall be assigned a mentor and the President, Membership Chairman, and Secretary will coordinate and arrange for Installation.

Section 7 – If the Club elects to have honorary members, the term of membership shall be the current Rotary year; Each June the Board shall vote for continuance. The secretary will notify the member of the Board's decision.

Section 8– Each member has a financial responsibility to the Club. When a member is 60 days in arrears in dues and/or fees, the Board will direct the Secretary to notify the member in writing. This notification will state that after 90 days in arrears, the Board may vote to terminate membership. Terminated members may be eligible for re-instatement following the procedure established for proposed members. No installation fees are charged.

Section 9- From time to time a member in good standing may choose to voluntarily terminate his or her membership in the club for personal or professional reasons. In that event, considering that he or she was a member in good standing with the club, the Board may extend the opportunity to be reinstated to the club for a period of one(1) year. Outside of the one year period the terminated member must follow the guidelines for new membership to be reinstated.

Article 13: Resolutions

The Club cannot be committed on any matter until the Board has considered it.

Article 14: Conflict of Interest and Compensation Approval Policies

Section 1. Purpose of Conflict of Interest Policy

The purpose of this conflict of interest policy is to protect this tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. Definitions

- a. Interested Person.** Any director, principal officer, member of a committee with governing board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - 1. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement;
 - 2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement; or
 - 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3, paragraph B, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Conflict of Interest Avoidance Procedures

- a. Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors considering the proposed transaction or arrangement.
- b. Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board members shall decide if a conflict of interest exists.
- c. Procedures for Addressing the Conflict of Interest.** An interested person may make a presentation at the governing board 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.
The chairperson of the governing board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the governing board shall determine whether the corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest,

the governing board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the corporation's best interest, 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.

d. Violations of the Conflicts of Interest Policy. If the governing board has reasonable cause to believe a director has failed to disclose actual or possible conflicts of interest, it shall inform the director of the basis for such belief and afford the director an opportunity to explain the alleged failure to disclose.

If, after hearing the director's response and after making further investigation as warranted by the circumstances, the governing board determines the director has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Board and Board Committee Proceedings

The minutes of meetings of the governing board 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 board'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.

Section 5. Compensation Approval Policies

A voting board member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the governing board whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for directors, officers and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the board or a duly constituted compensation committee of the board shall also comply with the following additional requirements and procedures:

- a. the terms of compensation shall be approved by the board prior to the first payment of compensation;
- b. all members of the board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each board member approving a compensation arrangement between this

organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):

1. is not the person who is the subject of the compensation arrangement, or a family member of such person;
2. is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement;
3. does not receive compensation or other payments subject to approval by the person who is the subject of the compensation arrangement; 4. has no material financial interest affected by the compensation arrangement; and
5. does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board.

b. the board shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:

1. compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size, purpose, and with similar resources;
2. the availability of similar services in the geographic area of this organization;
3. current compensation surveys compiled by independent firms;
4. actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement;

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the board will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

d. the terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the board or compensation committee that approved the compensation. Such documentation shall include:

1. the terms of the compensation arrangement and the date it was approved; 2. the members of the board who were present during debate on the transaction, those who voted on it, and the votes cast by each board;
3. the comparability data obtained and relied upon and how the data was obtained; 4. If the board determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the board shall record in the minutes of the meeting the basis for its determination;
5. If the board makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the board meeting;
6. any actions taken with respect to determining if a board member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the director with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a director, the director with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement);

7. The minutes of board meetings at which compensation arrangements are approved must be prepared before the later of the date of the next board meeting or 60 days after the final actions of the board are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the board as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next board meeting following final action on the arrangement by the board.

Section 6. Annual Statements

Each director and principal officer, shall annually 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; and
- d. understands the corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews

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

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 8. Use of Outside Experts

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

Article 15: Amendments

These bylaws may be amended at any regular club meeting. Changing the club by-laws requires review of any proposed amendment by the Board of Directors who will then submit the proposed amendment to the membership with their recommendation for approval or disapproval. Distribution will be electronic or written communication to each member 10 days before the meeting, having a quorum present for the vote, and having two-thirds of the votes support the change. Changes to these by-laws must be consistent with the Standard Rotary Constitution, the RI Constitution and bylaws and the Rotary Code of policies.

APPENDIX

#1- 4.020. Active Membership. A person possessing the qualifications set forth in article 5, section 2 of the RI constitution may be elected to active membership in a club

#2- 4.050. Honorary Membership. 4.050.1. Eligibility for Honorary Membership. Persons who have distinguished themselves by meritorious service in the furtherance of Rotary ideals and those persons considered friends of Rotary for

their support of Rotary's cause may be elected to honorary membership in more than one club. The term of such membership shall be as determined by the board of the club in which they hold membership.

4.050.2. Rights and Privileges. Honorary members shall be exempt from the payment of dues, shall have no vote and shall not be eligible to hold any office in the club. Such members shall not hold classifications, but shall be entitled to attend all meetings and enjoy all the other privileges of the club in which they hold such membership. No honorary member of a club is entitled to any rights or privileges in any other club, except for the right to visit other clubs without being the guest of a Rotarian.

4.060. Holders of Public Office. Persons elected or appointed to public office for a specified time shall not be eligible to active membership in a club under the classification of such office. This restriction shall not apply to persons holding positions or offices in schools, colleges, or other institutions of learning or to persons who are elected or appointed to the judiciary. Members who are elected or appointed to public office for a specified period may continue as such members in their existing classifications during the period in which they hold such office.

4.070. Limitations on Membership. Notwithstanding the provisions of section

2.030., no club, regardless of the date of its admission to membership in RI, may by provisions in its constitution or otherwise, limit membership in the club on the basis of gender, race, color, creed, national origin, or sexual orientation or impose any condition of membership not specifically prescribed by the RI constitution or bylaws. Any provision in any club constitution or any condition otherwise imposed in conflict with this section of the bylaws is null, void, and without effect