

Marshall Area Chamber of Commerce
118 West College Drive
Marshall, Minnesota 56258

Restated Bylaws

August 2008

Amended: December 2009

Amended: October 24, 2012

Article I
General

Section 1: Name

This organization is incorporated under the laws of the State of Minnesota and shall be known as the Marshall Area Chamber of Commerce, Incorporated.

Section 2: Purpose

The Marshall Area Chamber of Commerce is organized to achieve the objectives of: Promoting business and community growth and development by: promoting economic programs designed to strengthen and expand the income potential of all business within the trade area: promoting programs of civic, social and cultural nature which are designed to increase the functional and aesthetic value of the community; and discovering and accessing opportunities which enhance the promotion of business expansion and community growth.

Section 3: Area

The economic area served by the Marshall Area Chamber of Commerce shall include the cities (or communities) of Lyon County Minnesota and the regional market extending there from.

Section 4: Limitation of Methods

The Marshall Area Chamber of Commerce shall observe all local, state and federal laws which apply to a non-profit organization as defined in Section 501(c)(6) of the Internal Revenue Code.

Article II
Membership

Section 1: Eligibility

Any person, association, corporation, partnership, or estate having an interest in the objectives of the organization shall be eligible to apply for membership.

Section 2: Election

Applications for membership shall be in writing, on forms provided for that purpose, and signed by the applicant. Election of members shall be by the Board of Directors at any

meeting thereof. Any applicant so elected shall become a member upon payment of the regularly scheduled investment as provided in Section 3 of Article II

Section 3: Investments

Membership investments shall be at such rate or rates, schedule, or formula as may be from time to time prescribed by the Board of Directors, payable in advance.

Section 4: Termination

a) Any member may resign from the Chamber upon written request to the Board of Directors; b) Any member shall be expelled by the Board of Directors by a two-thirds vote for nonpayment of dues after ninety (90) days from the date due, unless otherwise extended for good cause; c) Any member may be expelled by a two-thirds vote of the Board of Directors, at a regularly scheduled meeting thereof, for conduct unbecoming a member or prejudicial to the aims or repute of the chamber, after notice and opportunity for a hearing are afforded the member complained against.

Section 5: Voting

In any proceeding in which voting by members is called for, each member in good standing shall be entitled to cast one (1) vote.

Section 6: Exercise of Privileges

Any firm, association, corporation, partnership, or estate holding membership may nominate individuals whom the holder desires to exercise the privileges of membership covered by its subscriptions, and shall have the right to change its membership nomination upon written notice.

Section 7: Orientation

At regular intervals, orientation on the purposes and activities of this organization shall be conducted for the following groups: new officers and directors, current officers and directors, committee chairpersons, committees, and new members. A detailed outline for orientation of each of these groups shall be a part of this organization's procedures manual.

Section 8: Honorary Membership

Distinction in public affairs shall confer eligibility to honorary membership. Honorary members shall have all the privileges of members except the right to vote, and shall be exempt from payment of dues. The Board of Directors shall confer or revoke honorary membership by a majority vote.

Article III Meetings

Section 1: Annual Meeting

The annual meeting of the corporation, in compliance with State law, shall be held during November of each year. The time and place shall be fixed by the Board of Directors and notice thereof mailed to each member at least ten (10) days before said meeting.

Section 2: Additional meetings

General meetings of the chamber may be called by the Chair of the Board at any time, or upon petition in writing of any twenty (20) members in good standing; a) Notice of special meetings shall be mailed to each member at least five (5) days prior to such meetings; b) Board meetings may be called by the Chair of the Board or by the Board of Directors upon written application of three (3) members of the Board. Notice (including the purpose of the meeting) shall be given to each director at least one (1) day prior to said meeting; c) Committee meetings may be called at any time by the Chair of the Board, or by the committee's chairperson.

Section 3: Quorums

At any duly called general meeting of the chamber, twenty (20) members in good standing shall constitute a quorum; at a Board meeting, a majority of directors present shall constitute a quorum; at committee meetings, a majority shall constitute a quorum except when a committee consists of more than nine (9) members. In that case, five (5) shall constitute a quorum.

Section 4: Notices, Agenda, Minutes

Written notice (including electronic) of all chamber meetings must be given at least five (5) days in advance unless otherwise stated herein. An advance agenda and minutes must be prepared for all meetings. A detailed outline for preparation of both shall be a part of this organization's procedures manual.

Article IV Board of Directors

Section 1: Composition of the Board

The Board of Directors shall be composed of fifteen (15) members, one-third of whom shall be elected annually to service for three (3) years or until their successors are elected and have qualified. The Incoming Chair of the Board may appoint, subject to the approval of the Board, up to three (3) members to the Board to service one-year terms. The Director shall serve as member of the Board in a non-voting capacity.

The government and policy-making responsibilities of the chamber shall be vested in the Board of Directors, which shall control its property, be responsible for its finances, and direct its affairs.

Section 2: Selection and Election of Directors

- A. **Nominating Committee:** At or before the regular June Board meeting the Chair shall appoint, subject to approval by the Board of Directors, a nominating committee of five (5) members of the Chamber. The Chair shall designate the chair of the committee. Prior to the regular August Board meeting, the Nominating Committee shall present to the Director a slate of candidates to serve three-year terms to replace the directors whose regular terms are expiring. Each

candidate must be a member in good standing and must have agreed to accept the responsibility of a directorship. No board member who has served two consecutive three-year terms is eligible for election for a third term. A period of one (1) year must elapse before eligibility is restored.

- B. **Publicity of Nominations:** Upon receipt of the report of the Nominating Committee, the Director shall notify the membership of the names of persons nominated as candidates for directors and the right of petition.
- C. **Nominations by Petition:** Additional names of candidates for directors can be nominated by petition bearing the genuine signatures of at least five (5) qualified members of the chamber. Such petition shall be filed with the Nominating committee within ten (10) days after notice has been given of the names of those nominated. The determination of the Nominating Committee as to the legality of the petition(s) shall be final.
- D. **Determination:** If no petition is filed within the designated period, the nominations shall be closed and the nominated slate of candidates shall be declared elected by the Board of Directors at their regular October Board meeting.

If a legal petition is presented with additional candidates, the names of all candidates shall be arranged on a ballot in alphabetical order. Instructions will be to vote for the number of candidates for which vacancies exist only. The Director shall mail this ballot to all active members at least 15 days before the regular September Board meeting.

The ballots shall be marked in accordance with instruction printed on the ballot and returned to the Chamber office within ten (10) days. At its regular September Board meeting, the Board of Directors shall declare as elected the candidates with the greatest number of votes up to the number of vacancies existing.

- E. **Judges:** The Chair of the Board shall appoint, subject to the approval of the Board of Directors, at least three (3) but not more than five (5) judges who are not members of the Board of Directors or candidates for election. One will be designated chair. Such judges shall have complete supervisions of the election, including the auditing of the ballots. They shall report the results the election to the Board of Directors.

Section 3: Seating of New Directors

All newly elected and appointed Board members shall be seated at the regular October Board meeting and shall be participating members thereafter. Retiring directors shall continue to serve until the end of the fiscal year.

Section 4: Vacancies

A member of the Board of Directors who is absent (unexcused) from four (4) regular meetings of the Board of Directors during a twelve (12) month period, shall automatically

de dropped from membership on the Board unless reinstate by a majority vote of those voting at any meeting thereof. Vacancies on the Board of Directors or among the officers shall be filled by the Board of Directors by a majority vote.

Section 4.2: Proxy

Directors may not vote by proxy, nor designate a representative to attend meetings and vote on their behalf.

Section 5: Policy

The Director is responsible for establishing procedure and formulating policy of the organization and presenting it by formal resolution for adoption by the Board of Directors. The Board of Directors is responsible for adopting all policies of the organization. All policies shall be maintained in a policy manual, to be reviewed as directed by the Board annually and revised as directed by the Board as necessary.

Section 6: Management

The Board of Directors shall employ a Director and shall fix the salary and other consideration of employment.

Section 7: Written Action

Any action required or permitted to be taken at a meeting of the Board may be taken by written action signed, or consented to by Authenticated Electronic Communication, by the number of directors required to take the same action at a meeting of the board at which all directors were present. The written action is effective when signed, or consented to by Authenticated Electronic Communication, by the required number of directors unless a different effective date is provided in the written action. When written action is taken by less than all of the directors, all directors shall be notified immediately of its text and effective date, except that failure to provide such notice does not invalidate the written action.

As used in these bylaws the term “Authenticated Electronic Communication” means any form of communication not directly involving the physical transmission of paper that:

- a) created a record that may be retained, retrieved and reviewed by the recipient of the communication; and
- b) may be directly reproduced in paper form by the recipient through an automated process;
- c) is delivered to the Chamber’s office or to an office or agenda of the Chamber authorized by the Chamber to receive the communication; and
- d) sets forth information from which the Chamber can reasonably conclude that the communication was sent by the purported sender.

Section 8: Removal of Directors

A director may be removed from office, with or without cause, by the affirmative vote of a majority of the directors present at a duly held meeting provided that no less than five (5) days and nor more than thirty (30) days notice of such meeting shall be given to each director.

Section 9: Indemnification

The Chamber shall, by resolution of the Board of Directors, provide for indemnification by the chamber of any and all current or former officers, directors, and employees against expenses actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which they or any of them are made parties, or a party, by reason of having been officers, directors or employees of the chamber, except in relation to matters as to which such individuals shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability for negligence or misconduct.

Section 10: Special Meetings

Special meetings of the board may be called at any time upon request of the board's chair or any three (3) directors, provided that any such request shall specify the purpose or purposes for the meeting. The board's chair shall set the date for the special meeting within three (3) working days of making or receiving such request and shall give not less than one (1) nor more than thirty (30) days written notice of the time, place and purpose of such special meeting

Section 11: Electronic Meetings

Any meeting among the directors may be conducted solely by one or more means of Remote Communication through which all of the directors may participate in the meeting, if the same notice is given of the meeting as required by these Bylaws, and if the number of directors participating in the meeting is sufficient to constitute a quorum at the meeting. A director may participate in a meeting of the board by means of conference telephone or, if authorized by the board, by such other means of Remote Communication, in each case through which that director, other directors so participating, and all directors physically present at the meeting may participate with each other during the meeting. Participation in a meeting by any of the above-mentioned means constitutes presence at the meeting. As used in these Bylaws, "Remote Communication" means communication via electronic communication, conference telephone, video conference, the Internet, or such other means by which persons not physically present in the same location may communicate with each other on a substantially simultaneous basis.

Article V Officers

Section 1: Determination of Officers

The Board of Directors (new and retiring) at its regular September meeting shall reorganize for the coming year. The Nominating Committee for Directors shall also nominate officers each year. At this meeting, the Board shall elect the Chair of the Board, Chair-elect, as many Vice Chairs as is deemed necessary to conduct the activities of the chamber, and the Treasurer. Officers will be elected from members of the new Board. All officers shall take office on the first day of the new fiscal year and serve for a term of one

(1) year or until their successors assume the duties of office. They shall be voting members of the Board of Directors.

Section 2: Duties of Officers

- a. **Chair of the Board:** The Chair of the Board (Chair) shall serve as the chief elected officer of the chamber of commerce and shall preside at all meetings of the membership, Board of Directors, and Executive Committee. The Chair shall, with the advice and counsel of the Director, assign Vice Chairs to divisional or departmental responsibility, subject to Board of Directors approval.

The Chair shall, with advice and counsel of Vice Chairs and the President, determine all committees, select all committee chairpersons, and assist in the selection of committee personnel, subject to approval of the Board of Directors.

- b. **Chair-elect:** The Chair-elect shall exercise the powers and authority and perform the duties of the Chair in the absence or disability of the Chair. The Chair-elect shall also serve as head of the Program of Work Committee of the chamber. As such, the Chair-elect and executive committee will be responsible for determining that the program activities of the chamber are of such duration as is required, at all times being alert to assure that the activities of the chamber are directed toward achieving business and community needs in the area served by the chamber.
- c. **First Vice Chair:** The First Vice Chair shall serve as the Chair of the Finance Committee, and shall be responsible for the safeguarding of all funds received by the chamber and for their disbursement. Such funds shall be kept on deposit in financial institutions, or invested in a manner approved by the Board of Directors.

Checks are to be signed by the First Vice Chair and the Director, or, in the absence of either or both, by any two officers. The First Vice Chair shall cause a monthly financial report to be made to the Board.

- d. **Director:** The Director shall be the chief administrative and executive officer of the chamber. The Director shall serve as secretary to the Board of Directors, and cause to be prepared notices, agendas, and minutes of meetings of the Board. The Director shall serve as advisor to the Chair of Board and Program of Work Committee on program planning, and shall assemble information and data and cause to be prepared special reports as directed by the program of the chamber.

The Director shall be a non-voting member of the Board of Directors, the Executive Committee, and all committees. In collaboration with the Chair-Elect, the Director shall be responsible for administration of the program of work in accordance with the policies and regulations of the Board of Directors. The Director shall be responsible for hiring, discharging, directing, and supervising all employees.

With the cooperation of the First Vice Chair and the Finance Committee, the Director shall be responsible for the preparation of an operating budget covering all activities of the chamber, subject to approval of the Board of Directors. The Director shall also be responsible for all expenditures for budget allocations.

Section 3: Executive Committee

The Executive Committee shall act for and on behalf of the Board of Directors when the Board is not in session but shall be accountable to the Board for its actions. It shall be composed of five voting members of the Board of Directors including the Chair of the Board, Chair-elect, additional Vice Chairs as deemed necessary, and the Director.

Section 4: Indemnification

The chamber may, by resolution of the Board of Directors, provide for indemnification by the chamber of any and all of its officers or former officers as spelled out in Article IV, Section 7 of these bylaws.

Article VI Committees and Divisions

Section 1: Appointment and Authority

The Chair of the Board, by and with the approval of the Board of Directors, shall appoint all committees and committee chairpersons. The Chair of the Board may appoint such ad hoc committees and their chair as deemed necessary to carry out the program of the chamber. Committee appointments shall be at the will and pleasure of the Chair of Board and shall serve concurrent with the term of the appointing Chair of the Board, unless a different term is approved by the Board of Directors.

It shall be the function of the committees to make investigations, conduct studies and hearing, make recommendations to the Board of Directors, and to carry on such activities as may be delegated to them by the Board.

Section 2: Limitation of Authority

No action by any member, committee, division, employee, director or officer shall be binding upon, or constitute an expression of, the policy of the chamber until it shall have been approved or ratified by the Board of Directors.

Committees shall be discharged by the Chairperson of the Board when their work has been completed and their reports accepted, or when, in the opinion of the Board of Directors, it is deemed wise to discontinue the committees.

Section 3: Testimony

Once committee action has been approved by the Board of Directors, it shall be incumbent upon the committee chairs, or, in their absence, other committee or board members they designate as being familiar enough with the issue, to give testimony to, or make public presentations before, civic and governmental agencies.

Section 4: Divisions

The Board of Directors may create such divisions, bureaus, departments, councils, or subsidiary corporations, as it deems advisable to handle the work of the chamber. The Board shall authorize and define the powers and duties of all divisions, bureaus, departments, councils, and subsidiary corporations. The Board shall annually review and approve all activities and proposed programs of such divisions, bureaus, departments, councils, or subsidiary corporations having bearing upon or expressive of the chamber, unless approved by the Board of Directors.

ARTICLE VII Finances

Section 1: Funds

All money paid to the chamber shall be placed in a general operating fund. Minimum of 20% of the annual operating budget must be held in the reserve account.

Section 2: Disbursements

Upon approval of the budget, the Director (in counsel with 1st Vice Chair) is authorized to make disbursements on accounts and expenses provided for in the budget without additional approval of the Board of Directors. Disbursement shall be by check.

Section 3: Fiscal Year

The fiscal year of the chamber shall close on September 30.

Section 4: Budget

In September of each year, the Finance Committee shall adopt the budget for the coming year and submit it to the Board of Directors for approval at its September board meeting.

Section 5: Annual Audit

The accounts of the chamber of commerce shall be audited annually as of the close of business on September 30, by a public accountant. The audit shall be made available to board members of the organization within 30 days of the completion of the audit. Annual 990 T shall be maintained in the offices of the chamber and shall be made available upon request.

Section 6: Bonding

The Director and such other officers and staff as the Board of Directors may designate shall be bonded by a sufficient fidelity bond in the amount set by the Board and paid for by the chamber.

ARTICLE VIII Dissolution

Section 1: Procedure

The chamber shall use its funds only to accomplish the objectives and purposes specified in these bylaws, and no part of said funds shall inure, or be distributed, to the members of the chamber. On dissolution of the chamber, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific or philanthropic organizations to be selected by the Board of Directors as defined in IRS Section 501(c)(3).

ARTICLE IX

Section 1: Parliamentary Authority

The current edition of Roberts Rules of Order shall be the final source of authority in all questions of parliamentary procedures when such rules are not inconsistent with the charter or bylaws of the chamber.

ARTICLE X Amendments

Section 1: Revisions

These bylaws may be amended or altered by a two-thirds (2/3) vote of the Board of Directors, or by a majority of the members at any regular or special meeting, providing the notice for the meeting includes the proposals for amendments. Any proposed amendments or alterations shall be submitted to the Board or the members in writing, at least ten (10) days in advance of the meeting at which they are to be acted upon.