



# **Little Elm Chamber of Commerce**

A Texas Non-Profit Corporation

## **By-Laws**

Adopted March 2, 2012

Amended July 1, 2015

Amended October 14, 2020



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## **ARTICLE I**

### **General**

#### **Section 1: Name**

This organization is incorporated under the laws of the State of Texas and shall be known as the Little Elm Chamber of Commerce, Incorporated.

#### **Section 2: Purpose**

The Little Elm Chamber of Commerce is organized to achieve the objectives of: 1) Preserving the competitive enterprise system of business by: creating a better understanding and appreciation of the importance of business people and a concern for their problems; educating the business community and representing them in city, county, state and national legislative and political affairs; preventing or addressing controversies which are detrimental to expansion and growth of business and the community if they arise; creating a greater appreciation of the value of a more liberal investment of substance and self on behalf of the interests of competitive business; 2) 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 values of the community; and discovering and correcting abuses which prevent the promotion of business expansion and community growth.

#### **Section 3: Area**

The Little Elm Chamber of Commerce shall serve the Little Elm Area or economic region meant to include the Town of Little Elm and surrounding communities and the counties of Denton and its surrounds.

#### **Section 4: Limitation of Methods**

The Little Elm Chamber of Commerce shall observe all local, state and federal laws which apply to a non-profit organization as defined in Section 501 C3 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, or filled out online through the Chamber Website, for that purpose, and signed by the applicant. Any applicant 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 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 chairmen, committees and new members. A detailed outline for orientation of each of these groups shall be a part of this organization's procedures manual or orientation handbook.

## **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 in conjunction with the annual awards meeting during May of each year. The time and place shall be fixed by the Board of Directors and notice thereof furnished 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 Chairman of the Board at any time, or upon petition in writing of any members in good standing:

- a) Notice of special meetings shall be furnished to each member at least five (5) days prior to such meetings;
- b) Board meetings may be called by the Chairman 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 Chairman of the Board, respective department Vice Chairmen, or by the Committee's chairman.

#### **Section 3: Quorums**

At any duly called general meeting of the Chamber, those members present 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**

Published notice of all Chamber meetings must be given at least five (5) days in advance unless otherwise stated. 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 eight (8) members, one half of whom shall be elected annually to serve for two (2) years in even number years and one half in odd numbered years or until their successors are elected and have qualified. The incoming Chairman of the Board may appoint, subject to the approval of the Board from (3) to (6) members to the Board to serve one year terms. The Past Chairman shall serve as a voting ex-officio member of the Board, unless elected as a board member for a new term.

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. Nominations: The week of October 1st, the Executive Director shall solicit requests from members in good standing for nominations to the Board Prior to November 1, the Executive Director shall present to the Chairman a slate of at least four candidates to serve two-year terms to replace the directors whose regular terms are expiring. Each candidate must be an active member in good standing and must have agreed to accept the responsibility of a directorship.
- B. Judges. The Chairman 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 chairman. Such judges shall have complete supervision of the election, including the auditing of the ballots. They shall report the results of the election to the Board of Directors.
- C. Determination. The names of all candidates shall be arranged on a ballot in alphabetical order. Instructions will be to vote for candidates to fill the number of vacancies only. The Chairman shall deliver this ballot to all active members at least 15 days before the regular December Board meeting.
- D. The ballots shall be marked and returned to the Chamber office within ten days. The Board of Directors shall at its regular December Board meeting declare the four candidates with the greatest number of votes elected.

## **Section 3: Seating of New Directors**

All newly-elected and appointed Board members shall be seated at the regular January 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 shall be absent from three (3) consecutive regular meetings of the Board of Directors shall automatically be dropped from membership on the Board unless confined by illness or other absence approved 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. The ex-Board Member shall be notified in writing.

## **Section 5: Policy**

The Board of Directors is responsible for establishing procedure and formulating policy of the organization. It is also responsible for adopting all policies of the organization. These policies shall be maintained in a policy manual, to be reviewed annually and revised as necessary.

## **Section 6: Management**

The Board of Directors shall be managed by the Town of Little Elm Economic Development Corporation Executive Director, or an appointed member of the EDC staff deemed by the Executive Director.

## **Section 7: Indemnification**

The Chamber may, 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.

## **ARTICLE V Officers**

### **Section 1: Determination of Officers**

The Board of Directors (new and retiring) at its regular January meeting shall reorganize for the coming year. At this meeting, the Board shall elect the Chairman of the Board, Vice Chairmen, as well as the Secretary 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. **Chairman of the Board.** The Chairman 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 Chairman of the Board shall, with the advice and counsel of the Executive Director, assign Vice Chairmen to divisional or departmental responsibility, subject to Board of Directors approval.

The Chairman of the Board shall, with advice and counsel of Vice Chairman and the Executive Director, determine all committees, select all committee chairmen, assist in the selection of committee personnel, subject to approval of the Board of Directors.

Upon election and acceptance of office the Chairman is to complete the proper forms to update the Articles of Incorporation for the Little Elm Chamber of Commerce and file the paperwork with the Secretary of State.

- B. **Vice-Chairman.** The Vice-Chairman shall exercise the powers and authority and perform the duties of the Chairman in the absence or disability of the Chairman. The Vice-Chairman shall succeed to the office of the Board Chairman in the year following his or her present term of office as a Director. Vice-Chairman shall also serve as head of the Program of Work Committee

of the Chamber. As such, the Vice-Chairman and committee will be responsible for determining that the program activities of the Chamber are designed to deliver value to the members using four specific methods: networks, advocacy, marketing and education.

The Vice-Chairman must be a member of the Finance Committee. Expense and Purchase Requests will be sent to the Vice-Chairman for approval.

- C. **Treasurer.** The Treasurer shall be responsible for the safeguarding of all funds received by the Chamber and for their proper 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 Treasurer and the Chairman, or, in the absence of either or both, by any two officers. The Treasurer shall cause a monthly financial report to be made to the Board.

The Treasurer must sit on the Finance Committee. Expense and Purchase requests will be sent to the Treasurer as a second sign off for approvals.

- D. **Secretary.** The Secretary shall serve as secretary to the Board of Directors, and cause to be prepared notices, agendas and minutes of meetings of the Board with the assistance of the Executive Director.

- E. **Executive Director.** The Executive Director, or appointed member of the staff, of the Little Elm Economic Development Corporation shall serve as advisor to the Chairman of the 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.

With assistance of the Chairman and Vice Chairman, the Executive Director shall be responsible for administration of the Program of Work in accordance with the policies and regulations of the Board of Directors.

The Executive Director shall be responsible for hiring, discharging, directing and supervising all contract employees. All contract employees will have annual contract reviews and renewals.

With the cooperation of the Program of Work Committee and Budget Committee, the Executive 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 Executive Director shall also be responsible for all expenditures with approved budget allocations.

### **Section 3: 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 Chairman of the Board, by and with the approval of the Board of Directors, shall appoint all committees and committee chairmen. The Chairman of the Board may appoint such ad hoc committees and their chairmen as deemed necessary to carry out the program of the Chamber. Committee appointments shall be at the will and pleasure of the Chairman of the Board and shall serve concurrent with the term of the appointing Chairman of the Board, unless a different term is approved by the Board of Directors.

It shall be the function of committees to make investigations, conduct studies and hearings, 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 Chairman 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 chairmen or, in their absence, whom they designate as being familiar enough with the issue, to give testimony to, or make 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.

#### **Section 5: Finance Committee**

The role of the finance committee is primarily to provide financial oversight for the organization. Typical task areas for small and midsized groups include budgeting and financial planning, financial reporting, and the creation and monitoring of internal controls and accountability policies.

#### **Section 6: Program of Works**

The Chamber's Program of Works is its one-year document outlining the works of its committee and the priorities for staff as approved by the Board of Directors. As with all businesses, having a "road map" for the year keeps everyone focused with programs and initiatives that are congruent with the Chamber's mission.

## **ARTICLE VII**

### **Finances**

#### **Section 1: Funds**

All money paid to the Chamber shall be placed in a general operating fund. Funds unused from the current year's budget will be placed in a reserve account.

#### **Section 2: Disbursements**

The Executive Director is to work with the treasurer and finance committee for all purchases and expenses for the Chamber. All expenses must be authorized by a representative of the finance committee. Receipts for all purchases must be submitted to the Board of Directors at each board meeting. Receipts and reports are to be scanned and kept for 2 years before being destroyed.

#### **Section 3: Fiscal Year**

The fiscal year of the Chamber shall be January 1st through December 31st.

#### **Section 4: Budget**

As soon as possible after election of the new Board of Directors and officers, the Finance Committee shall adopt the budget for the coming year and submit it to the Board of Directors for approval.

#### **Section 5: Audit**

The accounts of the Chamber of Commerce shall be audited as deemed necessary by the Board of Directors. The audit shall at all times be available to members of the organization within the offices of 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.

Adopted: 3/2/2012

Amended: 7/1/2015

Amended: 10/14/2020