



Little Elm Chamber of Commerce

A Texas Non-Profit Corporation

By-Laws

Amended February 14, 2023



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ARTICLE I

General

Section 1: Name and Location

This organization is incorporated under the laws of the State of Texas and shall be known as *Little Elm Chamber of Commerce*. Located in the Town of Little Elm, County of Denton and State of Texas.

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 town, 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

The Corporation shall be non-profit, non-partisan, and non-sectarian, and shall take no part in or lend its influence or facilities, either directly or indirectly, to the nomination, election or appointment or of any person to an elected public office. This limitation does not preclude the Chamber from sponsoring an educational forum open to all candidates.

This limitation does not preclude the Board of Directors from evaluating political issues as they may affect Chamber objectives or policies and from recommending political action to the membership, or making the Chamber views known to various governmental or media entities. The Board of Directors may from time to time propose and adopt position statements relating to any and all legislation, and/or local issues, in accordance with the stated purpose and objectives of the Chamber.

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(c)(6) of the Internal Revenue Code.

Section 5: Parliamentary Procedure

All proceedings of the Chamber shall be governed by and conducted according to the Robert Rules of Order Revised, unless specifically stated otherwise in these by-laws.

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: Admission

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 and Dues

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.
- b) Reinstatement: Any member suspended for non-payment of dues may be reinstated immediately upon payment of delinquent dues and completion of a new application.

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 an individual whom the holder desires to exercise the privileges of membership covered by its subscription, 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 orientation handout explaining benefits, participation options and Chamber programs and events, will be provided to each new member.

Section 8: Non-Profit Membership

Non-profits charitable organizations that benefit the Little Elm community shall have the opportunity to join the Chamber at the entry level fee and receive marketing privileges of the higher membership levels. Prohibited messages are those that advertise the following content: solicitation of sponsors, political or campaign; commercial; religious programming; alcohol or vice; inflammatory, offensive, or derogatory; or other content deemed inappropriate for posting and final determination will be at the will of the Executive Director.

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 January of each year. The new slate of incoming Board Members will be introduced at the awards banquet. The time and place shall be determined by the Board of Directors and notice thereof furnished to each member at least ten (10) days before said meeting.

Section 2: General and Special Meetings

General meetings of the Chamber may be held each month or 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 48 hours 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 48 hours in advance unless otherwise stated. An advance agenda and minutes must be prepared for all meetings.

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. In addition to the eight (8) elected members, there is also a liaison for the Town of Little Elm, which is appointed by the Executive Director for a one-year term, subject to the approval of the Board. The incoming Chairman of the Board may also 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, current with membership dues 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. 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 or cause to be delivered, 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 submit information for a background check prior to being seated in a board position. Effective with 2023 appointments. After evaluating the background summary, applicant may be considered for a seat on the board and will begin their term, January 1, in order to attend the regular January Board Meeting/Program of Works. Retiring directors shall continue to serve until the end of the fiscal year.

Section 4: Removal

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.

Section 5: Vacancies

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 6: 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.

Section 7: 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 8: Compensation and Indemnification

The Board of Directors as such will not receive any stated salaries for their services, but 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. Prior to 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: Election and Term of Office

The Officers of the Corporation will be elected annually by the members at the regular meeting in December. If the election of such officers is not held at such meeting, such election must be held as soon thereafter as is convenient. New offices may be created and filled at any meeting of the Board of Directors, each new office will hold office until his or her successor has been elected and qualified.

Section 3: Removal

Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgement the best interest of the Corporation would be served by such action, but such removal will be without prejudice to the contract rights, if any, of the officer so removed.

Section 4: Vacancies

A vacancy in any office may be filled by the Board of Directors.

Section 5: 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, and assist in the selection of committee personnel, subject to approval of the Board of Directors.

- 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.
- 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. Invoices over \$1000.00 are to be signed by the Treasurer or the Chairman and the Chamber Accountant, or, in the absence of either or both, by the Vice-Chairman and another officer that is on the bank signature card. 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. **Immediate Past Chair.** The immediate Past Chairman shall serve in an advisory and assistance role to the Chairman, and shall perform such duties as may be assigned by the Chairman or by the Board of Directors.

- F. **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.

The Executive Director is the Register Agent with The Secretary of State. Any time there is a change in staff holding the position, Form 401: Statement of Change of Registered Agent Office/Agent will need to be completed and filed to update the Articles of Incorporation for the Little Elm Chamber of Commerce and file the paperwork with the Secretary of State.

Section 6:

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 8 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 mid-sized 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: Contracts

The Board of Directors may authorize any officer or officers, Agent or agents of the Corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation. And such authority may be general or confirmed to specific instances.

Section 2. 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 3: Disbursements

The Executive Director is authorized to make purchases up to \$250.00, and to work with the treasurer and finance committee for all purchases and expenses for the Chamber, over the amount of \$250.00. All expenses over \$250.00, must be authorized by a representative of the finance committee and the Chamber Accountant. 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 4: Fiscal Year

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

Section 5: 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 6: Gifts and Donations

The Board of Directors and Staff may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes, or for any special purpose, of the Corporation.

Section 7. Audit

The accounts of the Chamber of Commerce shall be audited as deemed necessary by the Board of Directors. The audit, if conducted, shall 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)(6).

ARTICLE IX

Amendments

Section 1: Power of Directors to Amend By-Laws

Subject to the limitations of the articles of incorporation, these by-laws, and the Texas Business Organization Code – Nonprofit Corporations, concerning corporate action that must be authorized by or approved 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 two (2) days in advance of the meeting at which they are to be acted upon.

ARTICLE X

Section 1: Enactment

These by-laws shall be effective immediately upon their adoption by a two-thirds vote of the Board of Directors.

Adopted: 3/2/2012
Amended: 7/1/2015
Amended: 10/14/2020
Amended: 4/14/2021
Amended: 2/8/2022
Amended: 2/14/2023