

# **Sweet Grass County Chamber of Commerce**

## **Bylaws and Constitution**

### **ARTICLE I. NAME OF ORGANIZATION**

The name of the organization is **Sweet Grass County Chamber of Commerce**, here in after called the **Chamber**.

### **ARTICLE II. ORGANIZATION PURPOSE**

#### **Section 1. Nonprofit Purpose**

The Chamber of Commerce is a nonprofit, voluntary organization of businesses and individuals that have joined together for the purpose of promoting business and commerce in Sweet Grass County through tourism, consumer and merchant education, community events, advertising and other activities.

#### **Section 2. Methods**

The Chamber in its activities shall be nonpartisan and nonsectarian.

### **ARTICLE III. MEMBERSHIP**

#### **Section 1. Eligibility for Membership**

Any person, association, corporation, partnership, or firm may become a member of this organization by paying the appropriate membership fees and complying with the conditions of membership.

#### **Section 2. Annual Dues**

Members shall pay dues at a rate determined by the Board of Directors. The Chamber shall notify members one month in arrears. Continued membership is contingent upon being up-to-date on membership dues.

#### **Section 3. Rights of Members**

Each member shall be eligible to appoint one voting representative to cast the member's vote in association elections.

#### **Section 4. Resignation and Termination**

A member can have their membership terminated by a majority vote of the membership.

#### **Section 5. Non-voting Membership**

The board shall have the authority to establish and define non-voting categories of membership.

## **ARTICLE IV. MEETINGS OF MEMBERS**

### **Section 1. Regular Meetings**

Regular meetings of the members shall be held monthly, at a time and place designated by the chair.

### **Section 2. Annual Meetings**

An annual meeting of the members shall be scheduled by the Board of Directors at their discretion to vary the specific date, time and location. At the annual meeting the members shall elect directors and officers, receive reports on the activities of the association, and determine the direction of the association for the coming year.

### **Section 3. Board Meetings**

The Board of Directors may provide for the holding of Board Meetings as necessary, generally to be held during the same week of the monthly general meeting.

### **Section 4. Special Meetings**

Special meetings may be called by the chair or a simple majority of the board of directors. A petition signed by 10 percent (10%) of voting members may also call a special meeting. The purpose of the meeting shall be stated. Except in cases of emergency, at least two days' notice shall be given.

### **Section 5. Notice of Meetings**

Notice of special meetings shall be given in the following manner: by Chamber publication, e-mail, telephone/fax, or publication in the local newspaper. Notices are not required for regular meetings.

### **Section 6. Quorum**

A quorum for a meeting of the members shall consist of no less than three members in good standing present in person.

A quorum for a meeting of the Board of Directors shall consist of 1/3 of the voting members of the board.

### **Section 7. Voting**

All issues to be voted on shall be decided by a simple majority of those present at the meeting in which the vote takes place.

Each member in good standing shall be entitled to cast one vote. In the case of a membership other than an individual, the corporation, partnership, or firm shall designate the individual who shall vote such membership. Absentee voting may be facilitated through a standard legal proxy voting process.

## **ARTICLE V. BOARD OF DIRECTORS**

### **Section 1. General Powers**

The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall have control of and be responsible for the management of the affairs and property of the Corporation including, but not limited to retaining a person to provide office services, Visitor Information Center staffing, or any other such position as needed on behalf of the Chamber, and to set adequate compensation and determine the job duties of such person(s).

### **Section 2. Number, Tenure, Requirements, and Qualifications**

The number of Directors shall be fixed from time-to-time by the Directors but shall consist of no less than three (3) nor more than fourteen (14) including the following officers: the President, the Vice-President, the Secretary, and the Treasurer. The President shall be the chairperson of the Board.

The following positions shall be elected from within the Board of Directors and duties shall commensurate from within job descriptions: President, Vice-President, Secretary, Treasurer.

The members of the Board of Directors shall, upon election, immediately enter upon the performance of their duties and shall continue in office until their successors shall be duly elected and qualified. All members of the Board of Directors and Advisory Council must be approved by a majority vote of the members present and voting. No vote on new members of the Board of Directors shall be held unless a quorum of the Board of Directors is present as provided in Section 6 of this Article.

Each member of the Board of Directors shall be a member of the Corporation whose membership dues are paid in full and shall hold office for up to a three-year term.

Each member of the Board of Directors shall attend at least nine (9) monthly meetings of the Board per year or give prior notice of their absence.

In the event that any director is unable to discharge his/her duties or in the event such director is absent for three or more consecutive meetings without adequate cause therefore, the Board of Directors, by majority vote, may declare such position vacant.

A position also becomes vacant upon resignation of a director. Any such vacancy shall be filled by appointment of the remaining Board of Directors.

### **Section 3. Regular Meetings**

Regular meetings of the Board of Directors shall be held at a time and day each month at a location designated by the Board of Directors. Notice of these meetings shall be sent to all members of the Board of Directors no less than ten (10) days, prior to the meeting date.

### **Section 4. Special Meetings**

Special meetings of the Board of Directors may be called by or at the request of the President or any two members of the Board of Directors. The person or persons authorized to call special meetings of the

Board of Directors may fix any location, as the place for holding any special meeting of the Board called by them.

#### **Section 5. E-Meetings**

E-meetings are allowed so long as all participants are able to “hear” the meeting.

An email sent to all board members shall be considered an e-meeting. The act of a majority of the members of the Board of Directors shall be the act of the Board of Directors.

#### **Section 5. Notice**

Notice of any special meeting of the Board of Directors shall be given at least two (2) days in advance of the meeting by telephone, facsimile or electronic methods or by written notice. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

#### **Section 6. Quorum**

The presence, in person or by e-meeting of at least 50% of current members of the Board of Directors shall be necessary at any meeting to constitute a quorum to transact business, but a lesser number shall have power to adjourn to a specified later date without notice. The act of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these by-laws.

#### **Section 7. Forfeiture**

Any member of the Board of Directors who fails to fulfill any of his or her requirements as set forth in Section 2 of this Article shall automatically forfeit his or her seat on the Board. The Secretary shall notify the Director in writing that his or her seat has been declared vacant, and the Board of Directors may forthwith immediately proceed to fill the vacancy. Members of the Board of Directors who are removed for failure to meet any or all of the requirements of Section 2 of this Article are not entitled to vote at the annual meeting and are not entitled to the procedure outlined in Section 14 of this Article in these by-laws.

#### **Section 8. Vacancies**

Whenever any vacancy occurs in the Board of Directors it shall be filled without undue delay by a majority vote of the remaining members of the Board of Directors at a regular meeting. Vacancies may be created and filled according to specific methods approved by the Board of Directors.

#### **Section 9. Compensation**

Members of the Board of Directors shall not receive any compensation for their services as Directors.

### **Section 10. Informal Action by Directors**

Any action required by law to be taken at a meeting of the Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of all of the Directors following notice of the intended action to all members of the Board of Directors.

### **Section 11. Confidentiality**

Directors shall not discuss or disclose information about the Corporation or its activities to any person or entity unless such information is already a matter of public knowledge, such person or entity has a need to know, or the disclosure of such information is in furtherance of the Corporations' purposes, or can reasonably be expected to benefit the Corporation. Directors shall use discretion and good business judgment in discussing the affairs of the Corporation with third parties. Without limiting the foregoing, Directors may discuss upcoming fundraisers and the purposes and functions of the Corporation, including but not limited to accounts on deposit in financial institutions.

Each Director shall execute a confidentiality agreement consistent herewith upon being voted onto and accepting appointment to the Board of Directors.

### **Section 12. Advisory Council**

An Advisory Council may be created at the direction of the Board of Directors whose members shall be elected by the members of the Board of Directors annually but who shall have no duties, voting privileges, nor obligations for attendance at regular meetings of the Board. Advisory Council members may attend said meetings at the invitation of a member of the Board of Directors. Members of the Advisory Council shall possess the desire to serve the community and support the work of the Corporation by providing expertise and professional knowledge. Members of the Advisory Council shall comply with the confidentiality policy set forth herein and shall sign a confidentiality agreement consistent therewith upon being voted onto and accepting appointment to the Advisory Council. Members of the Advisory Council can be removed by a simple majority vote by the current Board members.

### **Section 13. Parliamentary Procedure**

Any question concerning parliamentary procedure at meetings shall be determined by the President by reference to *Robert's Rules of Order Newly Revised* in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the Chamber may adopt.

### **Section 14. Removal.**

Any member of the Board of Directors may be removed with or without cause, at any time, by vote of three-quarters (3/4) of the members of the Board of Directors if in their judgment, the best interest of the Corporation would be served thereby. Each member of the Board of Directors must receive written notice of the proposed removal at least ten (10) days in advance of the proposed action. An officer who has been removed as a member of the Board of Directors shall automatically be removed from office.

Members of the Board of Directors who are removed for failure to meet the minimum requirements in Section 2 of this Article in these by-laws automatically forfeit their positions on the Board pursuant to Section 7 of this Article, and are not entitled to the removal procedure outlined in Section 14 of this Article.

## **ARTICLE VI. OFFICERS**

The officers of this Board shall be the President, Vice-President, Secretary and Treasurer. All officers must have the status of active members of the Board.

### **Section 1. President**

The President shall preside at all meetings of the membership. The President shall have the following duties:

- a. He/She shall have general superintendence and direction of all other officers of this corporation and see that their duties are properly performed.
- b. He/She from time to time, shall report to the Board of Directors all matters that may affect this program.
- c. He/She shall be Ex-officio member of all standing committees and shall have the power and duties usually vested in the office of the President.

### **Section 2. Vice-President**

The Vice-President shall be vested with all the powers and shall perform all the duties of the President during the absence of the latter. The Vice-Presidents duties are:

- a. He/She shall have the duty of chairing their perspective committee and such other duties as may, from time to time, be determined by the Board of Directors.

### **Section 3. Secretary**

The Secretary shall attend all meetings of the Board of Directors and all meetings of members and will act as a clerk thereof or designate a Board member or staff member to perform the duties of the Secretary at that meeting.

. The Secretary's duties shall consist of:

- a. He/She shall record all votes and minutes of all proceedings in a book to be kept for that purpose. He/She in concert with the President shall make the arrangements for all meetings of the Board of Directors, including the annual meeting of the organization.
- b. Assisted by a staff member, he/she shall send notices of all meetings to the members of the Board of Directors and shall take reservations for the meetings.
- c. He/She shall perform all official correspondence from the Board of Directors as may be prescribed by the Board of Directors or the President.

Chamber staff can fulfill the Secretary's duties with approval from the Board of Directors.

#### **Section 4. Treasurer**

The Treasures duties shall be:

- a. He/She shall submit for the Board of Director's approval of all expenditures of funds.
- b. He/She shall present a complete and accurate report of the finances at each meeting of the members or at any other time upon request to the Board of Directors.
- c. He/She shall have the right of inspection of the funds resting with the Sweet Grass County Chamber of Commerce including budgets and subsequent audit reports.
- d. It shall be the duty of the Treasurer to assist in direct audits of the funds of the program according to funding source guidelines and generally accepted accounting principles.
- e. He/She shall perform such other duties as may be prescribed by the Board of Directors or the President under whose supervision he/she shall be.

#### **Section 5. Election of Officers**

The Board of Directors shall submit at the meeting prior to the annual meeting the names of those persons for the respective offices of the Board of Directors. Nominations shall also be received from the floor after the report of the Board of Directors. The election shall be held at the annual meeting of the Board of Directors. Those officers elected shall serve a term of three (3) years, commencing at the next meeting following the annual meeting.

Officers of the Board of Directors shall be eligible to succeed themselves in their respective offices for three (3) consecutive terms only.

#### **Section 6. Removal of Officer**

The Board of Directors with the concurrence of 3/4 of the members voting at the meeting may remove any officer of the Board of Directors and elect a successor for the unexpired term. No officer of the Board of Directors shall be expelled without an opportunity to be heard and notice of such motion of expulsion shall be given to the member in writing twenty (20) days prior to the meeting at which motion shall be presented, setting forth the reasons of the Board for such expulsion.

#### **Section 7. Vacancies**

The Board of Directors shall also be responsible for nominating persons to fill vacancies which occur between annual meetings, including those of officers. Nominations shall be sent in writing to members of the Board of Directors at least two (2) weeks prior to the next meeting at which the election will be held. The persons so elected shall hold membership or office for the unexpired term in respect of which such vacancy occurred.

### **ARTICLE VII. COMMITTEES**

#### **Section 1. Committee Formation**

The Board of Directors may create committees as needed, such as fundraising, housing, public relations, data collection, events etc. The Board chair appoints all committee chairs.

## **Section 2. Budget and Finance Committee**

The treasurer is the chair of the Budget and Finance Committee and is composed of other members as appointed by the Board of Directors. The Finance Committee is responsible for developing and reviewing fiscal procedures, fundraising plans, and the annual budget with staff and other board members. The committee shall prepare and present to the Board an annual budget to be approved no later than the February meeting. The Board must approve the budget and all expenditures must be within budget. Any major change in the budget must be approved by the Board. The fiscal year shall be the calendar year, ending the 31<sup>st</sup> day of December. Annual reports are required to be submitted to the Board showing income, expenditures, and pending income. The financial records of the organization are public information and shall be made available to the membership, Board members, and the public.

## **Article VIII. Financial Structure**

### **Section 1: Disbursements**

No disbursements of funds of the Chamber shall be made unless the same shall be approved, authorized and ordered by the Board. All disbursements shall be made by check and signed by any two of the following: president, treasurer, or any person designated by the Board.

### **Section 2: Loans**

No loans shall be contracted on behalf of the Chamber and no evidences of indebtedness shall be issued in its name unless authorized by special meeting. Any loans so authorized may be contracted and evidence of indebtedness therefore may be issued by the treasurer on behalf of the Chamber. The repayment of such loans shall be the sole obligation of the Chamber. The treasurer and/or any other director or member shall not be personally liable therefore.

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

The fiscal year shall end the 31<sup>st</sup> day of December.

## **ARTICLE IX. CORPORATE STAFF**

### **Section 1: Executive Director**

The Board of Directors shall hire an Executive Director who shall serve at the will of the Board. The Executive Director shall have immediate and overall supervision of the operations of the Corporation, and shall direct the day-to-day business of the Corporation, maintain the properties of the Corporation, hire, discharge, and determine the salaries and other compensation of all staff members under the Executive Director's supervision, and perform such additional duties as may be directed by the Board of Directors. No officer or member of the Board of Directors may individually instruct the Executive Director or any other employee. The Executive Director shall make such reports at the Board meetings as shall be required by the President or the Board. The Executive Director shall be an ad-hoc member of all committees.

The Executive Director may be hired at any meeting of the Board of Directors by a majority vote and shall serve until removed by the Board of Directors upon an affirmative vote of three-quarters (3/4) of the members present at any meeting of the Board Directors. Such removal may be with or without cause. Nothing herein shall confer any compensation or other rights on any Executive Director, who shall remain an employee terminable at will, as provided in this Section.

## **Article X. – Liability**

### **Section 1: Bonding**

Any or all members of the Board of Directors may be bonded at the discretion of the Board.

### **Section 2: Liability**

Neither the Board of Directors as a whole or an individual Board member shall be held personally liable for the debts, liabilities or obligations of the Chamber. The private property of the members shall be exempt from execution or other liability for the debts of the Chamber and no member shall be individually liable or responsible for any debts or liabilities of the Chamber.

## **Article XI. – Referendum**

### **Section 1:**

The board may from time to time feel the need for guidance from the general membership in reaching a decision on a particular issue or problem. In such instances, the Board shall conduct a referendum of the membership and shall be bound by the majority decision of the membership voting.

### **Section 2:**

Upon the decision of the board to hold a referendum, the secretary or such other person as appointed by the Board, shall within ten (10) calendar days contact each member in good standing with the Chamber via mail or email to notify them of the referendum. Notice will be sent to the most current mailing address. Referendum votes may be taken at any regular or special meeting of the Chamber or by proxy. In the event of a time relevant emergency, votes may be taken via fax or email. The Board shall provide for a committee of not less than three (3) members to count the ballots in a referendum vote taken at a meeting or by mail, and to certify the results of the referendum.

## **ARTICLE XII. – Conflict of Interest and Compensation**

### **Section 1: Purpose**

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. 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, or member of a committee with governing board delegated powers, 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 Organization has a transaction or arrangement,
2. A compensation arrangement with the Organization or with any entity or individual with which the Organization 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 Organization 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 Article III, Section 2, 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. 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 and members of committees with governing board delegated powers 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 or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

c. Procedures for Addressing the Conflict of Interest

1. An interested person may make a presentation at the governing board or committee 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.
2. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

3. After exercising due diligence, the governing board or committee shall determine whether the Organization 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.
  4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization'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
1. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
  2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

#### **Section 4. Records of Proceedings**

The minutes of the governing board and all committees with board delegated powers 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 or committee'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**

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

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

## **ARTICLE X. INDEMNIFICATION**

### **Section 1. General**

To the full extent authorized under the laws of Montana, the organization shall indemnify any director, officer, employee, or agent, or former member, director, officer, employee, or agent of the corporation, or any person who may have served at the corporation's request as a director or officer of another corporation (each of the foregoing members, directors, officers, employees, agents, and persons is referred to in this Article individually as an "indemnitee"), against expenses actually and necessarily incurred by such indemnitee in connection with the defense of any action, suit, or proceeding in which that indemnitee is made a party by reason of being or having been such member, director, officer, employee, or agent, except in relation to matters as to which that indemnitee shall have been adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty. The foregoing indemnification shall not be deemed exclusive of any other rights to which an indemnitee may be entitled under any bylaw, agreement, resolution of the Board of Directors, or otherwise.

### **Section 2. Expenses**

Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the organization in advance of the final disposition of such action, suit, or proceeding, if authorized by the Board of Directors, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

### **Section 3. Insurance**

The corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, officer, employee, or agent against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the organization would have the power or obligation to indemnify such person against such liability under this Article.

## **Article XI. Dissolution**

### **Section 1. Dissolution**

Upon dissolution of the Sweet Grass County Chamber of Commerce, the property and assets of the Chamber are to be sold and the proceeds there from, after payment of all debts legally owing by the Chamber and payment of all costs of such sale, are to be distributed to recognized charitable agencies as selected by the Board of Directors.

## **ARTICLE XII. AMENDMENTS**

### **Section 1. Bylaws**

The Board of Directors may amend, alter, or repeal these Bylaws by two-thirds vote of those present at any regular or special Board of Directors meeting. Written notice setting forth the proposed amendment or summary of the changes to be effected thereby shall be given to each Director within the time and the manner provided for the giving of notice of meetings of Directors.

The Board of Directors will conduct an annual review of the Bylaws.

### **ADOPTION OF BYLAWS**

We, the undersigned, are all of the initial directors or incorporators of this corporation, and we consent to, and hereby do, adopt the foregoing Bylaws, consisting of the 13 preceding pages, as the Bylaws of this corporation.

ADOPTED AND APPROVED by the Board of Directors on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Monte Koch, President – Sweet Grass County Chamber of Commerce

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ATTEST: Bonnie Ferguson, Secretary – Sweet Grass County Chamber of Commerce