



Bylaws of the McKinney Chamber of Commerce

ARTICLE I General

Section 1: Name

This organization is incorporated under the laws of the State of Texas and shall be known as the McKinney Chamber of Commerce.

Section 2: Purpose

The McKinney Chamber of Commerce is organized to advance and promote the general well being and common good of the McKinney area so that its citizens, businesses and organizations shall prosper and otherwise be successful.

Section 3: Area

The area to be served by the McKinney Chamber of Commerce shall include McKinney, Collin County, Texas and vicinity.

Section 4: Limitation of Methods

The McKinney 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: Term

The term for which it is to exist is perpetual.

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

Application 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: Investment

Membership investments shall be at such a rate or rates, schedule or formula as may be from time to time prescribed by the Board of Directors, payable in accordance with the schedules and at the times specified by the Board of Directors.

Section 4: Termination

- (a) Any member may resign from the Chamber upon written request to the Board of Directors;
- (b) Any member may be expelled for non-payment 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, regardless of the size of the member organization or the amount of its annual investment.

Section 6: Exercise of Privileges

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

ARTICLE III

Meetings

Section 1: Annual Meeting

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

Section 2: Board Meetings and Executive Committee Meetings

Board meetings may be called by the Chairperson of the Board or by the Board of Directors upon written application of five (5) voting members of the Board. Notice (including the purpose of the meeting) shall be given to each Director and the President at least one (1) day prior to said meetings. The Board of Directors will convene a minimum of 6 times per year. Executive Committee meetings may be called at any time by the Chairperson of the Board;

Section 3: General Membership and Task Team Meetings

General meetings of the Chamber may be called by the Chairperson of the Board at any time, or upon petition in writing of any ten (10) percent of members in good standing.

(a) Notice of called meetings shall be sent to each member at least five (5) days prior to such meetings;

(b) (d) Task team meetings may be called at any time by the Chairperson of the Board, the President, Sector Chairs or by the task team leader.

Section 4: Quorums

At any duly called General Meeting of the Chamber, ten (10) percent of members shall constitute a quorum; a majority of voting Directors shall be present to constitute a quorum of the Board of Directors; at Executive Committee meetings three members; and at Management and Compensation Committee meetings four members shall constitute a quorum.

Section 5: Notices, Agenda, Minutes

Written notice sent by any usual means of communication (including electronic) of all Chamber meetings must be given at least one (1) day in advance unless otherwise stated. An advance agenda and minutes must be prepared for general membership, Board of Directors and Executive Committee meetings. The General membership will receive notice of the general membership meetings and the Board of Directors will receive notification of Board and Executive Committee meetings.

Section 6: Actions Without a Meeting:

Any action required to be taken or which may be taken at any meeting of the directors of the corporation may be taken without a meeting if notice is provided to all members entitled to vote at least one (1) day in advance. For the vote to be effective, at least a quorum of directors must respond. The majority vote of the responses received shall serve as the action of the Board. All actions taken without a meeting shall be filed in the minutes of the Board.

Section 7: Attendance

Executive Committee meetings will be attended by the Executive Committee members and Chamber staff, and are open to all elected directors. Invited guests to the Executive Committee must be approved by the Chairperson of the Board at least twenty-four (24) hours in advance. However, the elected directors may convene in Executive Session as deemed necessary by the Chairperson of the Board or the presiding officer.

Section 8: Voting by Proxy

Voting by written proxy shall be allowed for Board of Directors meetings and may be assigned to any other board member or the President.

ARTICLE IV

Board of Directors

Section 1: Composition of the Board

The governance 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.

The Board of Directors shall be composed of a minimum of 15 and a maximum of (17) members with (5) appointed annually as follows:

- The Chairperson who shall serve consecutive one year terms as Chairman then as Immediate Past Chairman.
- The Chair-Elect who shall serve consecutive one year terms as Chair-Elect, then Chairperson, then Immediate Past Chair.
- Up to 15 additional Board members chosen from the general membership serving 3 year terms with 5 rotating each year. This group will include the Treasurer and Sector Chairs.
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Section 2: Selection and Election of Directors and Officers

A. Nominating Committee. In each year at the regular June meeting of the Board of Directors the Chairperson shall appoint, subject to the approval of the Board of Directors, a Nominating Committee to be comprised of not less than five (5) nor more than seven (7) members.

Included among the members of the Nominating Committee shall be:

- the Chairperson of the Board,
- the Chair Elect (who shall be the Chair of the Nominating Committee),
- the Immediate Past Chair,
- at least one (1) additional Director
- at least one (1) Chamber member in good standing who is not a director
- the remaining 1 to 2 members may come from the Board or members at large
- the President (shall participate in a non-voting, advisory capacity)

The names of the members of the Nominating Committee shall be published in a notice to the members of the Chamber so that nominations can be encouraged and solicited from the membership. Nominees will be contacted by the Nominating Committee to advise them of the term of service, time commitments, ethics policies, and to secure written permission to submit their names as nominees and their agreement to serve if elected.

The Nominating Committee shall produce a slate of candidates for the following positions:

- Five (5) new Board members to serve three-year terms and replace the directors whose regular terms are expiring. Each candidate must be an active member of the Chamber in good standing and, excluding alternates, not currently a Director.
- Not less than two (2) alternate candidates to be selected to replace any Director who becomes unable to fulfill their remaining term.
- Chair-Elect, shall be a member in good standing with Chamber Board experience. (If the consecutive one year terms as Chair-Elect and then Chairperson overlap a 3 year Board term then an alternate shall be selected to complete the 3 year term).
- Treasurer, who shall be selected from the currently serving Board and who shall have sufficient time remaining in their three year Board term to overlap the one year Officer term for the upcoming year.

The Nominating Committee shall produce a slate of 10 acceptable candidates. The Executive Committee will then select 5 members and 2 alternate members from the Nominating committees slate of 10. The Executive Committee will also nominate the Chair-Elect and Treasurer Positions for the upcoming year. Upon approval of these positions, the Nominating Committee will then present their slate to the Board of Directors.

No later than the September meeting of the Board of Directors, the Nominating Committee shall present to the Board their slate of candidates. The Board may approve the slate as presented by the Nominating Committee or amend the slate of Board members on condition that five (5) and only five (5) names shall be placed in nomination.

Upon approval of the slate by the Board of Directors, the President shall immediately give notice to the membership of the names of persons nominated as candidates for directors and

of the Right of Petition. Additional names of candidates for Directors can be nominated by petition bearing the signature of at least ten (10) voting 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) filed shall be final.

If no petition is filed within the designated period, the nominations shall be closed and the nominated slate shall be declared elected by the Executive Committee at their next regularly scheduled meeting.

If a petition shall present additional candidates, the names of all candidates shall be arranged on a ballot in alphabetical order. Instructions will be to vote for five (5) candidates only. The president shall send this ballot to all active members at least fifteen (15) days before the next Executive Committee meeting.

The ballots shall be marked in accordance with instructions printed on the ballot and returned to the Chamber office within ten (10) days. The Board of Directors, at their regular next Board meeting, declare the five (5) candidates with the greatest number of votes elected.

The Chairperson 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 auditing of the ballots. They shall report the results of the election to the Board of Directors.

B. Officers and Sector Chairs

For continuity, when selecting a Chair Elect we are also selecting the following year's Chairperson and the subsequent year's Immediate Past Chair.

The Treasurer is the officer primarily responsible for all financial activities of the Chamber.

Immediate Past Chair shall serve as an ex-officio member of the Board of Directors and a voting member of the Executive Committee and Management and Compensation Committee.

Sector Chairs are appointed by the Chairperson subject to ratification by the Board of Directors. Appointments for the upcoming year are made by the current Chair Elect subject to approval by the Board of Directors.

C. Board of Advisors

The Board shall elect a Board of Advisors of no more than 15 members to meet quarterly with the Board of Directors. The Board of Advisors may include community partners, major employers and key investors with the meetings reserved for substantive discussion regarding Chamber and community initiatives to gain insights and direction and identify opportunities for partnership and collaboration.

Members of the Board of Advisors may include: Mayor of the City of McKinney, Superintendent of the McKinney Independent School District, President of the McKinney Economic Development Corporation, President of Collin College, and City Manager of the City of McKinney

Appointment of next year's slate of Board of Advisors shall be made by nomination of the Chair Elect and President.

Section 3: Seating of New Directors/Terms of Service

- All newly-elected Board members shall attend the regular December Organizational Board meeting before the start of their term but will not have voting privileges until taking their official position on January 1. Directors shall serve a three year term – a full term will begin on January 1st and end on December 31st. Directors elected to fill the remainder of an unexpired term may be re-elected to serve a full term.

Section 4: Vacancies

A member of the Board of Directors who shall have three (3) unexcused absences from regular

meetings of the Board of Directors within any twelve (12) month period (an unexcused absence is one for which the director has given no prior notification to the Chairperson of the Board or the President) or four (4) absences for any reason from regular meetings of the Board of Directors within any twelve (12) month period may be dropped from membership on the Board.

Vacancies on the Board of Directors shall be filled from the slate of alternates, to complete the unexpired term, by a majority vote of the Board of Directors. Vacancies among the officers shall be filled by a majority vote of the Board of Directors.

Section 5: Policy

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

Section 6: Compensation

No Director or officer of this corporation shall receive, or be lawfully entitled to receive, any salary or remuneration for services connected with the administration of the affairs of this corporation.

ARTICLE V

Officers, Sector Chairs, and Senior Staff

Section 1: Determination of Officers

The Board of Directors (new and retiring) at its regular December meeting, shall conduct an annual organizational meeting for the coming year. At this meeting the Board shall formally elect the nominated slate of upcoming Chair-elect and Treasurer. The out going Chair-elect shall assume the office of Chairperson and all new officers shall take office on the first day of the new fiscal year, January 1 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. Chairperson.

- The Chairperson shall serve as the chief elected officer of the Chamber of Commerce and shall preside at all meetings of the membership, Board of Directors, Board of Advisors, and Executive Committee.
- The Chairperson shall, with advice and counsel of the President, appoint and assign sector chairs, subject to Board of Directors approval.
- The Chairperson shall, with advice and counsel of sector chairs and the President, determine all action area leaders, division, committee and task team leaders, and assist in the selection of team members.

B. Chair-Elect.

- The Chair-Elect shall exercise the powers and authority and perform the duties of the Chairperson in the absence or disability of the Chairperson, until assuming the office of Chairperson the following year.
- The Chair-Elect shall serve as chair of the nominating committee, Article IV, Section 2, paragraph A.
- The Chair-Elect shall serve as a voting member of the CMSI Board of Directors, as subsidiary corporation of the McKinney Chamber of Commerce.

D. 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. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation in amounts that exceed five hundred dollars (\$500) are to be signed by the Treasurer and the President, or in the absence of either or both, by any two officers. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation of five hundred dollars (\$500) or less will require only one signature.
- The Treasurer will cause a monthly financial report to be made to the Board.
- The Treasurer shall serve as chair of the Finance Committee, Article VI, Section 3.

Section 3: Duties of Sector Chairs

A. Sector Chairs.

- The duties of the Sector chairs shall be such as their sector titles by general usage would indicate, as well as those that may be assigned by the Chairperson of the Board of Directors.
- They will also have under their immediate jurisdiction all action areas and task teams pertaining to the general duties within their assigned sectors.
- Unless re-appointed, Sector Chairs shall retire from that service with the outgoing Chairperson at the end of the program year on December 31.

Section 4: Duties of Senior Staff

A. President.

- The President shall be the chief administrator and chief executive for Chamber programs and operations. The President shall appoint a member of the organization's full-time professional staff to be Secretary to the Board, such appointment to be approved by the Board of Directors.
- The President shall serve as advisor to the Chairperson on action planning, and shall assemble information and data and cause to be prepared special reports as directed by the action plan of the Chamber.
- The President shall be a non-voting member of the Board of Directors, the Executive Committee and all action areas, task teams, and committees.
- With assistance from the Sector Chairs, the President shall be responsible for administration and implementation of the action plan in accordance with the policies and regulations of the Board of Directors.
- The President shall be responsible for hiring, terminating, assigning, directing and supervising all employees of the Chamber
- With the cooperation of the Treasurer, Sector Chairs and budget preparation team, the President 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 President shall also be responsible for all expenditures with approved budget allocations.
- In the event of the death or during the absence, incapacity, or inability or refusal to act of the President, the Executive Committee shall designate another person to exercise all of the powers and perform all of the duties of the President. In the absence of a designee, the Chairman may exercise all of the powers and perform all of the duties of the President.

B. Secretary to the Board

- The Secretary shall cause to be prepared notices, agendas and minutes of meetings of the Board of Directors, Board of Advisors, Executive Committee and Finance Committee.

ARTICLE VI

Standing Committees

Section 1: 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 the voting members Chairperson, Chair-elect, Treasurer and Immediate Past Chairperson. The President shall serve as a non-voting member of the Executive Committee. The Chairperson will serve as chairman of the Executive Committee.

Section 2: Management and Compensation Committee

The Executive Committee shall serve as the Compensation Committee, with the Chairperson presiding. This committee shall:

- Be responsible for hiring, terminating, directing and supervising the job performance of the President Prepare an annual written review of the President's performance and compensation.
- Review the salaries and other considerations of employment (these must be in writing and fall within any parameters set by the finance committee and supported by

comparative market data and surveys) as recommended by the President.

Section 3: Finance Committee

The Executive Committee shall form a Finance Committee comprised of the Chairperson, Immediate Past Chairperson, Treasurer, Chair-Elect, CMSI Chair, one (1) or two (2) at large members, and the President as a non-voting member.

The Finance Committee shall assist the Board of Directors by providing monthly oversight of financial transactions to help ensure transparency and accountability in safe guarding all funds and resources of the McKinney Chamber.

The Treasurer shall serve as the chair of the Finance Committee.

The Finance Committee shall meet monthly before the Board meeting to review and act on financial transactions, including but not limited to:

- Review monthly financials (Cash position, P & L, Balance Sheet, etc.) for budget performance.
- Annual review of budget, financial policies, and reports from the compensation committee.

ARTICLE VII

Sectors, Action Areas and Task Teams

Section 1: Appointment and Authority

The Chairperson, by and with the approval of the Board of Directors, shall appoint Sector Chairs. The Chairperson may appoint such ad hoc committees and teams and their leaders as deemed necessary to achieve the purpose and mission of the Chamber. Sector, Committee, action area and team appointments shall be at the will and pleasure of the Chairperson and shall serve concurrent with the term of the appointing Chairperson.

Section 2: Limitation of Authority

No action by any member, committee, team, sector, 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.

Task teams shall be discharged by the Chairperson 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 team.

Section 3: Divisions

The Board of Directors may create such divisions, bureaus, departments, councils, or subsidiary corporations as it deems advisable to conduct 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, including collection and disbursement of funds.

No action or resolution of any kind shall be taken by divisions, bureaus, departments, councils, or subsidiary corporations having bearing upon or expressive of the Chamber unless approved by the Board of Directors.

ARTICLE VIII

Finances

Section 1: Funds

All money paid to the Chamber shall be placed in the appropriate cost center fund. Surplus funds from the various cost centers may be transferred to the general operating fund at the end of the fiscal year. The use of funds unused from the current year's operating budget will be determined by the Board of Directors and in compliance with any approved reserve fund policies.

Section 2: Disbursements

Upon approval of the budget, the President 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 in accordance with the bylaws and adopted financial policies.

Section 3: Fiscal Year

The fiscal year of the Chamber shall close on December 31.

Section 4: Budget

The Executive Committee shall adopt the budget for the coming year and submit it to the Board of Directors for approval by its December meeting.

Section 5: Financial Audit

The Chamber Board of Directors shall cause an annual financial audit of the Chamber's books by a qualified accounting firm other than the Chamber's regular bookkeeping firm.

The Chairperson shall appoint an Audit Committee with financial expertise, to review, accept, and recommend the financial audit to the Board. The Committee shall be composed of five members not including the Board Officers (Chairman, Chairman Elect, and Treasurer), three (3) Board members who are not on the Executive Committee and two (2) Chamber member in good standing who are not on the Board of Directors.

Section 6: Indemnity

The Chamber will provide Officers and Directors Insurance, by resolution of the Board, provide the indemnification by the Chamber of any and all its directors and former directors 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 party, by reason of having been directors of the Chamber, except in relation to matters as to which the director shall be judged in such 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 IX
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 in a manner deemed appropriate by the Board of Directors.

**ARTICLE X
Authority**

Section 1: Parliamentary Authority

The current edition of *Robert's 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 XI
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 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: August 28, 1997

Amended: August 2001

Amended: April 2005

Amended: November 2006

Amended: November 2007

Amended: June 2009

Amended: September 2010

Amended: October 2013

Important Dates:

January 1	New Board members, officers, vice chairs, and all other positions assume their office
January	Annual membership meeting – notice must be sent at least 10 days in advance
February	Staff reviews due.
June	Board of Directors meeting approves the Nominating Committee members
By September	Board of Directors meeting approves the slate from the Nominating Committee
By October	Executive Committee meeting held and candidates are declared elected or coordinate an election by the members
November	Budget review and next year's budget preparation begins.
By December	Board of Directors annual organization meeting is held to organize and install and ratify the incoming officers, sector chairs, and all other positions. Further to review and ratify the financial policies, budget, and plan of work for the upcoming year.