

# **Palatine Area Chamber of Commerce**

**3400 W. Stonegate Blvd. Suite 103  
Arlington Heights, IL 60005**

**October, 2024**

## **Organizational Bylaws**

**ARTICLE I  
NAME, PURPOSE, AREA, AND SEAL**

Section 1. NAME:

This organization is incorporated under the laws of the State of Illinois as the Palatine Area Chamber of Commerce, Inc. hereinafter referred to as “the Chamber”.

Section 2. PURPOSE / MISSION STATEMENT:

Foster the advancement of commercial, industrial and civic interests that contribute to the growth and development of its members, the business environment, and a stronger community in the Palatine area.

Section 3. LIMITATION OF METHODS:

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

**ARTICLE II  
MEMBERSHIP**

Section 1. ELIGIBILITY:

Any business, person, civic group, government entity, organization, association, educational entity, community group, for profit or not-for-profit organization in support of the Chamber’s Mission Statement is eligible for membership in the Chamber.

Section 2. APPLICATION FOR MEMBERSHIP:

Application for membership shall be in writing or in electronic forms provided for that purpose. Upon review of dues outlined in Section 3 of Article II, the member will become a member in good standing.

A member in “good standing” is defined as:

Any **eligible** business, person, group, organization, **entity**, for profit or not-for-profit organization, as described above, in support of the Chamber’s Mission Statement that fulfills the requirements as designated by the Board of Directors.

Section 3. DUES:

Membership dues shall be a rate or rates, schedule or formula as adopted by resolution by the Board of Directors

Section 4. DESIGNATED REPRESENTATIVES:

All member(s) in good standing will appoint a primary contact and will have the right to change its primary contact upon communicated notice to the Chamber.

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 vote.

Section 6. RECIPROCAL MEMBERSHIP:

The Board may recommend a reciprocal membership representative to the Board of Directors. Upon approval by the sitting board of directors, the representative of the reciprocal member will be a non-voting member of the board.

Section 7. TERM

All memberships shall be automatically renewed unless terminated as set forth in these By Laws. The Board of Directors are authorized to modify and change memberships terms as needed.

**ARTICLE III  
RESIGNATION, SUSPENSION  
AND TERMINATION OF MEMBERSHIP**

Section 1. RESIGNATION:

Any member may resign from the Chamber upon written request to the Board of Directors.

Section 2. TERMINATION:

A membership shall terminate:

1. Upon the closure of the business or organization
2. For failure to pay dues or indebtedness to the Chamber within such time as fixed by the Board of Directors unless otherwise extended for good cause.
3. Upon removal for conduct detrimental to the mission and functions of the Chamber by majority vote of the Board of Directors at a regular or special meeting.

## **ARTICLE IV GENERAL MEMBERSHIP MEETINGS**

### **Section 1. ANNUAL MEETING:**

The annual meeting of the corporation, in compliance with State law, shall be held at a day, time and place fixed by the Board of Directors.

### **Section 2. ADDITIONAL MEETINGS:**

Special meetings may be held at such times and places as deemed necessary by Board President, the Board of Directors, or by written request of at least 10% of the Chamber current membership.

### **Section 3. QUORUM:**

At any duly called annual or special meeting of the membership of the Chamber, ten (10%) percent of the members shall constitute a quorum.

### **Section 4. MINUTES AND NOTICES:**

Minutes of the annual meeting, and any other special meeting, shall be made and kept in the form as directed by the Board of Directors.

Each member of the Chamber shall be given ten days notice of every annual or special meeting of the membership. Notice can be given by US mail, email or any other type of electronic transmission in compliance with State law.

### **Section 5. LIMITATION OF DEBATE**

Every member shall be entitled to speak and vote on any subject brought before the Chamber for consideration. At the discretion of the Board President, debates may be limited.

### **Section 6. NETWORKING GROUPS AND CHAMBER AFFILIATED GROUPS**

All chamber networking groups and chamber affiliate groups represent the Palatine Area Chamber of Commerce. Each group must operate and do business according to the purpose and mission statement of the Palatine Area Chamber of Commerce, and so that it does not jeopardize the legal status of the Chamber or conflict with the Chamber's purpose and mission. No networking group of other affiliated group will be allowed to operate without approval from the Board of Directors.

## **ARTICLE V BOARD OF DIRECTORS**

### **Section 1. POWERS AND DUTIES:**

The Chamber shall be governed by its Board of Directors.

The Board shall formulate and adopt all appropriate procedures and policies necessary to carry on the activities of the Chamber. Such activities shall include, but not be limited to, selecting, monitoring, evaluating, compensating and if necessary replacing either a Management Service or Executive Director to carry out these duties. These policies may be maintained in a Policy Manual.

### **Section 2. NUMBER AND TERM OF OFFICE:**

The Board of Directors shall consist of no fewer than 10 nor more than fifteen elected members, which number includes the elected officers of the Chamber who are deemed elected as Directors during their term of office.

Directors are to be elected by majority vote of a quorum of the members at the Annual Membership Meeting as set forth in this article. As nearly as possible, an equal number of terms shall expire each year.

Directors so elected by the membership shall serve a term of two years. In the event a Director is filling the term of a vacancy, that director's term will expire at which time his or her predecessor's term would have expired.

All elected Directors will assume their duties at the conclusion of the annual meeting.

### **Section 3. ELIGIBILITY:**

An individual is eligible for election as a Director if the person is an employee, owner, partner, member, or shareholder of a member in good standing, has not been convicted of a felony crime or a crime involving dishonesty or fraud, and has agreed to accept the responsibility of directorship including but not limited to the attendance of board meetings as set forth in the Director Application.

A director must maintain his/her eligibility through his/her term of office. In the event a Director is no longer eligible as set forth in this Section, that director shall be asked by the Board President to resign, and may be replaced in accordance with Section 7 ("Vacancies") herein.

#### Section 4. LIMITATIONS:

No Chamber member shall be entitled to have more than one designated representative, partner, employee, officer, or member of its Board of Directors serve on the Chamber board at the same time. In the event of a business merger involving two chamber members, the two representatives will fulfill their respective term through the calendar year. At the end of that year, the resulting member will be allowed only one representative on the Board of Directors.

#### Section 5. CONFLICT OF INTEREST

In the event a board member has a conflict of interest on a matter before the board, that member shall not enter into any discussion on the matter and should recuse him or herself from voting. In the event his or her vote is required to reach a quorum for that particular matter, no quorum will then be present.

#### Section 6. DIRECTOR MEETINGS:

- A. Regular meetings of the Board of Directors shall be scheduled annually and shall be held at least the minimum number of meetings as required by state law, statute or regulations. A board meeting may be cancelled by the Board President in agreement with a majority of the sitting board. Notice setting forth the time, place and agenda of the meeting shall be given to each Director at least two (2) days prior to said meeting.
- B. The Board of Directors shall have the right to meet and act by means of any communication agreed to.
- C. Special meetings of the Board may be called by the Board President or at the request of five (5) or more Board members. Notice setting forth the time, place and purpose of the meeting shall be given to each director at least two (2) days prior to said meeting. A special meeting may not be cancelled.
- D. Unless otherwise determined by the Board, all meetings shall be held at the Chamber office.
- E. The board of directors shall have the right to establish a policy as to the attendance of members at board of directors' meetings.

#### Section 7. QUORUM:

A quorum shall be required in order to take binding action on any item before the Board. A majority of the members of the Board who are present, in person or by electronic means, at a meeting will constitute a quorum.

## Section 8. VACANCIES:

Should a vacancy occur on the Board of Directors for any reason, whether a director or officer, the Board of Directors may, by majority vote, appoint a person to serve out the remainder of the unexpired term.

## Section 9. REMOVAL AND TERMINATION OF DIRECTORSHIPS:

- A. One or more directors may be removed from the Board of Directors in accordance with state law, statutes and regulations.
- B. A directorship shall be terminated under the following circumstances:
  - (1) In the event that a sitting member of the Board of Directors terminates employment for any reason with the Chamber member which that Director represented when elected or appointed to the Board, the Director shall automatically and immediately vacate his or her seat on the Board of Directors.
  - (2) In the event that a Chamber member which a Director represented when elected or appointed to the Board resigns, is terminated, or suspended from membership pursuant to Article III, Section 2, or fails to maintain its membership in the Chamber, the Director shall automatically and immediately vacate his or her seat on the Board of Directors.
  - (3) Upon a written resignation by the Director and acceptance by the Board.

## Section 10. SELECTION AND ELECTION OF DIRECTORS:

- A. The nominating committee shall be chaired by the Past President, and three to four members of the Palatine Area Chamber of Commerce which have been appointed by the Board of Directors no later than four months prior to the Annual Meeting. These members cannot be slated for the Board. In the event the Past President is not available, then the President shall appoint a chair.
- B. NOTIFICATION REQUESTING NOMINATIONS: Notification is to be communicated to all members that applications for nomination for election to the Board of Directors are being taken and must be submitted to the Nominating Committee in care of the Chamber office no later than two months prior to the Annual Meeting. Notification shall include the mechanism to be followed by members to communicate to the Chamber their interest in serving on the Board of Directors, and a description of the positioned to be elected at the next Annual Meeting of the Chamber.

- C. All directors, including officers, seeking reelection must also file such an application.
- D. NOMINATING COMMITTEE: The Nominating Committee shall carefully review all applications, including interviews if desired, prior to recommending its slate.
- E. PRESENTATION OF CANDIDATES: The Chair of the Nominating Committee shall deliver the slate of directors to the President of the Board for presentation to the Board of Directors at their next regular meeting but in any event no later than one month prior to the Annual Meeting. The Nominating Committee will then contact all applicants to notify them whether they were slated or not prior to it being made public.
- F. NOTICE TO MEMBERSHIP: The President will publish a written notice to the membership of the Nomination Committee's slate for election at the Annual Meeting of the membership.
- G. ANNUAL MEETING ELECTION: The election of the Board of Directors shall be done by written ballot at the Annual Meeting of the membership. Upon the tally of the ballots, the Board of Directors shall be announced at the Annual Meeting. The current Secretary of the Board of Directors shall record the attendance of members, to insure a quorum, and the outcome of voting by written ballots.

#### Section 11. INDEMNIFICATION:

The Chamber shall indemnify all Officers and Directors of the Chamber to the full extent permitted by the general Not For Profit Act for the State of Illinois and shall be entitled to purchase insurance for such indemnification of Officers and Directors to the full extent as determined from time to time by the Board of Directors of the Chamber.



## **ARTICLE VI OFFICERS**

### Section 1. TITLES:

The officers of the Chamber shall be a President, Past President, Vice-President, Treasurer and Secretary. Any two or more offices may be held by the same person.

### Section 2. TERM AND LENGTH OF OFFICE:

The Board President and Past President shall be for a two-year term and all other offices shall be for a one-year term.

No President shall be eligible to hold the office of President for more than one term (two years) unless in the case of special circumstances. Additionally, in the event a President assumed the office upon the absence or resignation of the prior President, the President may submit their name to the Nominating Committee for an additional term at the meeting following the Annual Meeting of Directors if so elected for a director's term at the Annual Meeting.

The Vice President, Secretary and Treasurer shall not be eligible to hold any one office for more than three consecutive terms unless in the case of special circumstances.

### Section 3. RESIGNATION

Any officer may resign his or her position at any time by submission of notice, either written or electronic, to the Board of Directors.

### Section 4. SELECTION AND ELECTION OF OFFICERS

Within two weeks of the Annual Meeting of Members, the current Board of Directors shall hold a regular or special meeting of the Board of Directors to select officers from the newly elected Board of Directors. At that time, the Nominating Committee Chair may give recommendations, from the list of those interested in an officer position, to the Board of Directors. Each director interested in an officer position may address the board.

The chair shall then pass around written ballots, tally the votes, and the chair shall announce the officers elected for the next term. The newly elected officers shall immediately assume the duties of the office so elected to.

In the event a current president's terms has expired, that president shall continue to act as President until such time as a new President has been elected as set forth in this article.

## Section 5. PRESIDENT DUTIES AND REQUIREMENTS:

The President shall preside at all meetings of the Board of Directors and act as Chair of the Board of Directors. The President may sign contracts or other instruments which the Board of Directors has authorized to be executed or shall be required by law to be otherwise signed or executed, and perform all other duties incident to such office. The President will mentor board members in areas of board governance, bylaws and policy and procedures of the chamber. The President will assist with developing strategic partnerships and sponsorships by communicating the value of chamber resources. The President will chair the by-law committee and will nominate a chair of the financial review committee.

A person eligible for election as President must have been on the Board for at least one previous year.

## Section 6. VICE PRESIDENT DUTIES AND REQUIREMENTS:

In the absence or resignation of the President, or in the event of inability, death, or refusal to act, the Vice President shall perform the duties of the President during such absence. He or she shall serve in this capacity until a new President is appointed by the Board of Directors or, if within the final eight months of their term, through the remainder of the term.

The Vice President will be responsible for assisting the Nominating Chair with identifying individuals with the Chamber for future service on the Board of Directors, with outreach to the membership for volunteer involvement, and such other duties as may be assigned from time to time by the President or the Board of Directors.

In the absence or resignation of the Past President, or in the event of inability, death, or refusal to act, the Vice President shall perform the duties of the Past President during the Vice President's term of office.

A person eligible for election as Vice President must have been on the Board for at least one year previously.

#### Section 7: PAST PRESIDENT DUTIES:

The Past President's term shall be a term of two years by virtue of their election as President two years prior.

In the absence or resignation of the Vice- President, or in the event of inability, death, or refusal to act, the Past President shall perform the duties of the Vice President during such absence. He or she shall serve in this capacity until a new Vice President is appointed by the Board of Directors or, if within the final eight months of their term, through the remainder of the term.

The Past President shall serve as a mentor to the President and assist in the smooth transition from one President to the next. Additionally, the Past President shall serve as the Chair of the Nominating Committee as set forth in Article V herein, and such other duties as may be assigned from time to time by the President or the Board of Directors.

#### Section 8. TREASURER DUTIES:

The Treasurer shall maintain an accurate account of the Chamber's finances and financial records, shall be responsible for all funds and securities of the Chamber or which the Chamber may hold in a fiduciary capacity; report at least annually to the membership the financial condition of the Chamber; shall make a statement of the financial condition of the Chamber at each meeting of the Board of Directors; if requested produce statements of any financial records, shall carefully preserve all records the Chamber and deliver the same to such successor or to the Board of Directors upon the expiration of the term of said office. and, in general, shall perform all duties incident to the office of Treasurer and such other duties as may be assigned from time to time by the President or the Board of Directors.

The Treasurer shall oversee the preparation of an annual budget. The Treasurer may have oversight of any fundraising or raffle projects at any networking event. Signing authority for chamber accounts will be vested to such persons as the Board President appoints.

The Treasurer shall be bonded at the Chamber's expense for the faithful discharge of such duties in such sum with such surety or sureties as the Board of Directors determine.

#### Section 9. CORPORATE SECRETARY DUTIES:

The Secretary shall keep the minutes of the meetings of members and of the Board of Directors; give or cause to be given all notices in accordance with the provisions of these by-laws or as required by law;; and, in general, shall perform all duties incident to the office of Secretary and such other duties as may be assigned from time to time by the Chair or the Board of Directors.

#### Section 10. CORPORATE LEGAL COUNSEL:

The board may appoint a representative to serve as Corporate Legal Counsel to the board, serving for a period of one (1) year. Corporate Legal Counsel may attend all meetings of the Board of Directors and any additional committees requested by the President to provide legal expertise, direction, and insight on discussions and or decisions. This position is a non-voting board member.

#### Section 11. RIGHTS OF OFFICERS

Any one or more officers of the corporation shall be a director while he or she holds that office and shall have the same rights, duties and responsibilities as other directors.

### **ARTICLE VII EXECUTIVE DIRECTOR / MANAGEMENT SERVICE**

#### Section 1: Executive Director Appointment:

The Board of Directors shall by resolution, adopted by a majority vote of its current members, appoint and employ either a Management Service (“Service”) or a person as Executive Director (“Director”) of the Chamber. The resolution shall reference the written agreement stating the amount, form and terms of compensation to be paid to the Service or Director. At any time, the Board of Directors may adopt a resolution to change the amount, form or terms of compensation to be paid to the Director or Service, so long as said resolution complies with the terms of any employment or management agreements. The Director or Service, if any, shall serve at the pleasure of the Board of Directors, and such employment may be terminated at any time, with or without cause, by resolution adopted by majority vote of current members of the Board of Directors, so long as said resolution complies with the terms of any employment or management agreements. The person chosen as Director or Service shall accept employment or being retained by affixing the signature to a letter of acceptance of employment or retention under terms specified in the resolution.

## Section 2: Executive Director Duties:

If so employed, The Executive Director shall be the Chief Operating Officer of the Chamber. The Executive Director shall have general supervision over all employees of the Chamber, including the right to employ, discharge, and fix salaries, subject to the salary limitations of the budget. The Executive Director shall perform all such duties as may be incident to such office, subject to the direction of the Board of Directors. At the termination of such employment, the Executive Director shall deliver to the Board of Directors all books, papers, and property of the Chamber. The Executive Director shall report to the Board President on a regular basis regarding the day-to-day activities of the Chamber. The Executive Director shall be an ex-officio member of all committees, but may not be chair of any. The Executive Director's primary objectives is running the day-to-day operations of the Chamber and to foster a relationship with the community and the government bodies. During such term of employment, the Executive Director may never serve as a member of the Board of Directors.

## Section 3: Management Service Duties:

If so retained, the Management Service shall provide all agreed upon management services to the Chamber, which can include but not be limited to services commonly performed by an Executive Director or staff member of a chamber such as membership development, programming, communication to members, general operations, maintaining database, soliciting sponsorships, billing dues, and advocacy. In the event a Service is retained, the Board may grant permission to the Service to operate as "doing business as the Palatine Area Chamber of Commerce", and may grant permission to hold operational control of dues, sponsorship monies, program revenue and the like collected by Management Service pursuant to the terms of any Service Agreement.

## **ARTICLE VIII**

### Section 1. INITIATIVES APPOINTMENT AND AUTHORITY:

The President, by and with the approval of the Board of Directors, shall appoint and may remove the chair and vice chair of all initiatives. Initiatives appointments shall serve concurrent with the term of the appointing Board Chair, unless a different term is approved by the Board of Directors.

### Section 2. LIMITATION OF AUTHORITY:

No action by any member, committee, employee, Director, or Officer shall be binding upon, or substitute an expression of, the policy of the chamber until it shall have been approved by the Board Chair or Board of Directors. Initiatives may be discontinued at the direction of the Board of Directors.

### Section 3. STANDING COMMITTEES:

The President shall establish from time to time, with the advice and consent of the Board of Directors, one or more Standing Committees to assist the Chamber in carrying out its goals and objectives. The President shall appoint a chairperson to head each such Standing Committee and participation shall be open to members of the chamber. Chairpersons shall serve for a two-year term and may be reappointed by the President for subsequent terms. Chairpersons shall regularly report on the status of their committees. Standing committees can include, but not be limited to the following:

- a. By-Laws Review Committee
- b. Nominating Committee
- c. Strategic Planning Committee
- d. Financial Committee

## **ARTICLE IX FINANCES**

### Section 1. FUNDS:

All money paid to the Chamber shall be placed in a general operating fund or as otherwise directed by the financial policy. Funds unused from the current year's budget will remain in the general fund for future use. It will be the goal of the board to establish a cash reserve of at least 6 months' operating expenses.

### Section 2. DISBURSEMENTS:

All disbursements of the Chamber shall be in accordance with the Board of Directors' Policy.

### Section 3. FISCAL YEAR:

The fiscal year of the Chamber shall begin on January 1 and close on December 31 of each year.

### Section 4. BUDGET:

A proposed budget for the coming year shall be submitted to the Board of Directors for approval at its November meeting.

### Section 5. NOTICES:

All notices given pursuant to these by-laws shall be in accordance with state laws, statutes and regulations.

#### Section 6. DIRECTORS, OFFICERS, AND STAFF LIABILITY:

The chamber shall obtain insurance policies used to insure against claims arising from the negligent acts, errors, or omissions alleged to have been committed by present or former directors, officers, or staff of the chamber.

### **ARTICLE X DISSOLUTION, AUTHORITY, BY LAWS AMENDMENTS AND SEVERABILITY**

#### Section 1. DISSOLUTION

The Chamber shall use its funds only to accomplish the objective 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) or (c)(3).

#### Section 2. PARLIAMENTARY AUTHORITY:

The current edition of Roberts Rules of Order shall be used as a guide.

#### Section 3. AMENDMENT OF BY-LAWS:

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 (10) ten days in advance of the meeting at which they are to be acted upon.

#### Section 4. SEVERABILITY

Any determination that any provision of these bylaws is for any reason inapplicable, illegal or ineffective shall not affect or invalidate any other provision of the bylaws.