



District 7450 Bylaws

AMENDED AND RESTATED BYLAWS OF ROTARY INTERNATIONAL DISTRICT 7450, INC.

**A Pennsylvania Not-for-profit
Corporation**

Adopted / modified date

June 24, 2019

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SECTION 1. DISTRICT CORPORATION.

1.1 **Name.**

The name of the incorporated district shall be "Rotary International District 7450, Inc." (Corporation).

1.2 **Purpose.**

Rotary District 7450 (District) exists solely to help and support individual clubs in its jurisdiction and to advance the Object of Rotary as stated in the most recent edition of the *Rotary Code of Policies*. Among other things, Rotary districts are charged to:

- Coordinate collective efforts of individual clubs in the Avenues of Service activities.
- Train club leaders.
- Motivate and inspire clubs to promote Rotary ideals of fellowship and service.
- Be an additional conduit of information between Rotary International (RI) and individual clubs.
- Recruit and train leaders for District positions.

1.3 **Conformity with Rotary International.**

These Bylaws are intended to complement the Constitution and Bylaws of RI and the policies of RI insofar as they apply to the administration of Districts. Nothing in these Bylaws is intended to limit the authority of the District Governor which may be granted by RI. Where any provision of the corporate documents of the Corporation is not in conformity with the Constitution, Bylaws, or policies of RI, the terms of the Constitution, Bylaws, or policies of RI shall prevail at all times.

1.4 **Offices.**

The registered office of the Corporation shall be in the Commonwealth of Pennsylvania in such location as may be established by the Board of Directors (Board). The Corporation may have offices at such other places within the Commonwealth as the Board may from time to time determine.

1.5 **Corporate Seal.**

The Corporation need not adopt a corporate seal, but if one is adopted, the corporate seal shall bear the name of the Corporation between two concentric circles and in the inside of the inner circle shall be the year of incorporation.

1.6 **Proposed Amendments.**

Amendments to these Bylaws must be proposed by a two thirds (2/3) vote of the Board or by the written proposal of at least twenty per cent of the clubs in the District and shall be submitted to the District Governor. The affirmative vote of two thirds (2/3) of all of the member clubs is required in order to adopt such an amendment.



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1.7 Nonprofit Operation.

The Corporation shall be a non-stock not-for-profit entity, and it shall pay no dividend and no part of its money, property or other assets shall be distributed to its members, directors, or officers. No part of the income or assets of the Corporation shall be distributed to its directors or officers without full consideration. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on by a Corporation exempt from federal income tax under section 501(c)(4) of the Internal Revenue Code, or the corresponding section of any future federal tax code. No member of the Corporation has any vested right, interest or privilege in or to the assets, property, functions or activities of the Corporation.

1.8 Fiscal Year.

The fiscal year of the Corporation shall be the period prescribed by RI as the fiscal year of the Corporation.

1.9 Dissolution.

The Corporation shall immediately and automatically cease operations and begin dissolution upon directive of the RI Board or upon the approval of two-thirds of the clubs in a vote at a district wide meeting or in a ballot-by-mail. The District Governor shall provide the RI Board notice of a decision by the District to dissolve the Corporation, and shall provide a final report upon the completion of the dissolution process. Subject in all respects to applicable legal and RI requirements, upon dissolution of the Corporation, any remaining assets shall be disposed of in accordance with the restrictions upon which the same may have been received or in the absence of such restrictions, to another Rotary District as may be approved by the members or to the extent permitted under law, and to the extent no other disposition is provided for, to the constituent Rotary Club members. The Board may apply to any Orphans' Court in the Commonwealth of Pennsylvania having jurisdiction for instructions as to the disposition of the assets of the Corporation at the time of its dissolution.

SECTION 2. MEMBERS OF THE CORPORATION.

2.1 Members.

The Rotary clubs in the District which are in good standing with RI are the members of the Corporation. There shall be no other members. Unless authorized in advance in writing by the District Governor, no member club or any individual member of a member club may represent, directly or indirectly, that any event, activity or organization (including but not limited to any fundraising events or activities) are authorized, endorsed or sponsored by or otherwise associated in any way with the District or RI. The several directories and membership lists published within the District, e.g. district directory, lists of district committee members, alumni directory, and similar lists, are for the sole use of current Rotarians in the District in furtherance



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of Rotary work to which they have been assigned. Directories and lists showing names and addresses of District Rotarians may not be used by any other individual or organization or for any other purpose whatsoever without the prior consent of the District Governor or, as may be applicable, the chairperson of the relevant committee. A membership directory of an individual Rotary club is under the sole control of the club that publishes it and may be used only for the purposes that the club specifies.

2.2 Annual Meeting of Members.

The annual meeting of the members of the Corporation shall be held at a districtwide meeting at such time and place as shall be designated by the Board. The District Governor shall serve as the chairperson of the meeting and shall present a report to the members about the state of the Corporation.

2.3 Special Meetings of Members.

Special meetings of members may be called by the District Governor or by a majority of the Board then in office or by members representing one-third (1/3) or more of the outstanding votes of the Corporation. Special Meetings shall be held within the District. The purpose(s) of each special meeting shall be stated in the notice and no other business may be conducted at such special meeting.

2.4 Notice of Meeting of Members.

Notice stating the place, day and hour of the annual meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered personally or by US mail or by electronic means not less than ten (10) days nor more than thirty (30) days before the date of the meeting. Notice shall be given by or at the direction of the District Governor or the persons calling the meeting to each member. Such notice shall be deemed to have been delivered when sent electronically or when deposited in the US Mail addressed to the president and secretary of the member at the address (postal or electronic) as it appears on the records of the Corporation with postage thereon prepaid if by US mail.

2.5 Waiver of Notice.

A written waiver of notice signed by a member's president or secretary, whether before or after a meeting, shall be equivalent to the giving of such notice. Attendance of the president or designated alternate officer of a member club at a meeting shall constitute a waiver of notice of such meeting, except when the member attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

2.6 Action Without a Meeting of Members.

Any action of the members may be taken without a meeting if (a) the Corporation provides at least 20 days' advance notice to all members setting forth the proposed action; (b) the proposed action is not consummated before the expiration of 20 days from the giving of notice; (c) the notice sets forth the existence of such 20-day period, and (d) the action proposed is consented to in writing (which consent may be in electronic form) by members who would have been entitled to cast a majority of votes or such higher percentage,



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if any, as may be required hereunder to take such action had a meeting been held.

2.7 Member Quorum and Voting.

Unless otherwise required, a quorum shall be the next whole number greater than half of the members. If a quorum is present, unless otherwise provided herein, by law or in the Articles of Incorporation, the affirmative vote of a majority of the members at the meeting entitled to vote on the subject matter shall be the act of the members. If a quorum is not present when a meeting starts, then a majority of the members at the meeting may adjourn the meeting from time to time without further notice until a quorum is present.

2.8 Votes of Members.

The president or the designated alternate officer of each voting member shall be entitled to vote on each matter submitted to a vote at a meeting of members. Each club shall receive the same number of votes as provided in the Bylaws of RI for the election of the District Governor. All votes of a member must be the same.

2.9 Proxies of Members.

Every member entitled to vote at a meeting of members or to express consent or dissent without a meeting may authorize a person of said club to act by proxy. Appointment of proxy shall be in writing and signed by the secretary of the member club. Proxies shall be revocable at the pleasure of the member executing it.

2.10 Roberts Rules of Order.

Roberts Rules of Order shall be the parliamentary authority for all matters of procedure not otherwise specifically covered. These Rules of Order shall not be modified except by a two-thirds (2/3) vote of those present and entitled to vote.

SECTION 3. BUDGET; FINANCE.

3.1.1 Budget.

3.1.1.a Proposed Annual Budget.

The District governor-elect shall work with the incoming chairs of the standing committees for which a line item budget allocation appeared in the most recent district budget to create a proposed District budget for the fiscal year beginning July 1. The District treasurer shall provide the existing and projected financial information with regard to all District income, expenditures, and reserves. The budget must be balanced provided, however, a budget shall be considered balanced when it anticipates using surplus District Funds actually on hand. The proposed budget shall be submitted to the Board for a recommendation of approval. If the Board recommends approval of the budget, the budget shall be submitted for approval of the presidents– elect of the member clubs in accordance with the terms hereof. If the Board does not recommend approval of the budget, the budget shall not be submitted for approval.



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3.1.1.b Final Budget Sent to Clubs.

The proposed budget shall include a proposed district per-capita dues required by RI and shall be sent to the presidents-elect of the member clubs at least 10 days prior to the annual meeting for their consideration at the annual meeting.

3.1.1.c Approval of Budget.

The proposed budget shall be presented by the District governor-elect or other member of the Board as the District governor-elect shall determine. The budget shall be amended and/or adopted by a three-fourths vote of the presidents-elect or authorized representatives present and voting. Only presidents-elect or their authorized representatives may vote.

3.1.2 Maintenance of District Financial Records.

The District treasurer shall maintain records of all district accounts – checking, savings, and other investment instruments. The Board shall establish and maintain a system for authorizing disbursements. All financial records of the District shall be maintained on a commonly used electronic program such as QuickBooks. The District treasurer shall maintain separate financial records of both income and expenditures for the District Conference. Records of all District finances, including those of the district conference, shall be incorporated into one District financial report.

3.1.3 Investment of District Funds.

On resolution of the Board and in accordance with policies of RI, funds not currently needed for District operations may be invested in short term interest-bearing instruments.

3.1.4 Transfer of Financial Records to Incoming Treasurer.

Upon completion of the review by the District Budget Review Committee, but not later than October 15, all financial records of the District shall be transferred to the incoming treasurer. These include all bank accounts that are to be maintained on a permanent basis as well as other investment instruments.

3.1.5 Authority to Exceed Budget Line Items.

With the prior approval of the Board, the District Governor is authorized to change individual line items in the current budget, but subject in all respects to the balanced budget requirements of section 3.1.1 hereof.

3.1.6 Approval of Contracts and Agreements.

Only the Board may authorize contracts or obligations where the total value of the obligation to the District exceeds or may be reasonably anticipated to exceed \$2,500, which may include contracts or obligations involving district conferences, renting office space, purchasing equipment, and hiring personnel. All purchases over an amount to be determined by the Board shall require competitive bids to be obtained before the obligation is incurred.

SECTION 4. BOARD OF DIRECTORS

4.1 General Powers.



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Subject to the limitations of the Articles of Incorporation, these Bylaws, and the nonprofit corporation statutes, the Board shall have oversight of Corporation affairs and shall have authority to act for the Corporation.

4.2 Directors: Number, Qualification, Election and Tenure of Directors.

4.2.1 Qualification.

The Board and officers of the Corporation shall be limited to Rotarians who are members of clubs in the District and who shall have served a full term as a president of a Rotary Club at the time of the election.

4.2.2 Number of Directors.

There shall be seven voting members of the Board. The voting members of the Board shall be:

- a) The immediate past District Governor (or if unavailable the most recent past District Governor available).
- b) The District Governor.
- c) The District governor-elect.
- d) The District governor- nominee.
- e) The three at-large directors as provided below in Section 4.2.5.

In addition, the following shall be non-voting members of the Board:

- a) The vice District Governor.
- b) The Governor -nominee designate.
- c) The secretary of the Corporation.
- d) The treasurer of the Corporation.
- e) The District Rotaract Representative.

4.2.3 Legal Counsel

The District Governor shall appoint legal counsel to advise the Corporation and the Board regarding legal matters that may arise and to ensure that the Board decisions are consistent with the provisions set forth in the Bylaws.

4.2.4 Chairman of the Board.

The District Governor shall serve as chairman of the Board.

4.2.5. Election of At Large Directors.

The election of at-large directors shall be conducted by the District Nominating Committee appointed by the District Governor as described in the District Guidelines (as defined



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hereinafter).

Not later than January 1, the Chair of the District Nominating Committee shall invite the member clubs to nominate qualified Rotarians to serve as at-large director to represent their super area beginning on July 1st of that year using a form provided by the committee and approved by the District Governor. The at-large directors of the Board shall serve for a three-year term, with one at large director elected each year.

Each member club of the super area may nominate only one qualified person who must be an active member of that club. The candidate shall have served a full term as a club president. Rotarians who have been selected pursuant to the above procedure and who have served as a director of the Board within the past two years are not eligible to be elected as an at-large director or appointed to fill a vacancy.

The District Nominating Committee may also solicit candidates. The District Nominating Committee will interview the candidates and nominate the best qualified for the position. The District Governor shall announce the nominee to the member clubs who shall have 14 days to challenge the nomination. The nomination becomes final if no challenge is filed. If a challenge is filed, the District Governor will follow procedures as prescribed by RI to resolve the challenge.

Notwithstanding anything contained herein to the contrary, the foregoing procedures shall be automatically deemed to be modified in the future to conform to any then applicable requirements imposed by RI.

4.2.6. Campaigning Prohibited.

No candidate may campaign for the office of director of the Board. The District Governor is authorized to prohibit any candidate elected in violation of this rule from serving as a member of the Board. The rules against campaigning shall be the same as those involved with the election of RI officers.

4.3 Vacancies.

The District Governor shall appoint a qualified person from the same super area, to fill a vacated seat until the end of the term with the approval of the Board. Absence from two Board meetings in a row by an at large director, absent good cause accepted by the District Governor may be deemed to be a resignation from the board. Upon such deemed resignation, and a good faith determination of the Board, determined by a vote of at least four of the other Board members, that the at large director is not willing or able to fulfill his or her responsibilities as a director, such vote to be taken after not less than fifteen (15) days written notice from the District Governor, such at large director position shall be deemed vacant. It is the intention hereby not to be punitive but to make sure that all super areas of the district have a functioning representative on the Board.

4.4 Regular Meetings of the Board.

Regular meetings of the Board may be held with due notice at such time and at such place as shall be determined from time to time by the District Governor. Regular meetings shall be held at least quarterly and a quarterly meeting may also serve as the annual meeting.



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4.5 Special Meetings of the Board.

Subject to Section 4.8 hereof, the District Governor or District governor-elect or any two (2) directors are authorized to call special meetings of the Board, and to fix a reasonable time and place for such special meetings.

4.6 Telephone Meetings of the Board.

Directors may participate in meetings of the Board by means of a conference telephone or similar communications equipment by which all persons participating can hear each other at the same time, and participation by such means shall constitute presence in person at such a meeting.

4.7 Action without Meeting of the Board.

Any action of the Board may be taken without a meeting only if consent in writing setting forth the action so taken shall be signed by all of the directors who would be entitled to vote at a meeting for such purpose and shall be filed with the secretary of the Corporation.

4.8 Notice and Waiver of Meetings of the Board.

Notice of any special meeting shall be given at least seven (7) days prior thereto by written notice delivered personally, by mail, e-mail or by fax transmittal with confirmation to each director at his address. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail with postage prepaid. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of such meeting or the manner in which it has been called or convened, except when a director states at the beginning of the meeting any objection to the transaction of business because the meeting is not lawfully called or convened.

4.9 Quorum and Voting of the Board.

The presence of a majority of directors in office shall constitute a quorum for the transaction of business. The vote of a majority of directors present at a meeting at which a quorum is present shall constitute the action of the Board. If less than a quorum is present, then a majority of those directors present may adjourn the meeting from time to time without notice until a quorum is present. See 15 Pa.C.S. §1527(a).

4.10 Presumption of Assent of Directors.

A director of the Corporation who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless the director votes against such action or abstains from voting because of an asserted conflict of interest.

4.11 Committees

The Board may by resolution establish one or more committees to consist of one or more directors of the Corporation. Any such committee, to the extent provided in the resolution of the Board or in these Bylaws, shall have and may exercise all of the powers and authority of the



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Board, except that no committee shall have any power or authority as to the following:

1. The submission to members of any action required by statute to be submitted to the members for their approval.
2. The filling of vacancies in the Board.
3. The adoption, amendment or repeal of the bylaws.
4. The amendment or repeal of any resolution of the Board.
5. Action on matters committed by the Bylaws resolution of the Board to another committee of the Board.

The President, vice-president and the current District Governor Nominee shall be ex officio voting members of all committees.

4.12 Other Responsibilities of the Board.

The Board shall:

1. Cause a record to be maintained of all persons appointed to positions by the District governor-elect and the District Governor and the duration of their appointment.
2. Authorize the treasurer to collect and disburse funds as provided in the District budget and for other items that it deems necessary.
3. Oversee the work of the District treasurer to insure proper use of and accounting for corporate funds.
4. Invest idle corporate funds in securities approved as legal investments for Pennsylvania trust funds or savings banks.
5. Assign one member to handle insurance matters.
6. Recommend a budget for approval to club presidents-elect.
7. Supervise expenditures as provided in Section 3.

SECTION 5. DISTRICT GOVERNOR

5.1 Nomination and Election of District Governor.

The District Governor shall be nominated and elected in accordance the procedures set forth in the RI Bylaws, it being acknowledged that, pursuant to RI Bylaw 14.020.1, the Corporation had decided by resolution adopted at a district conference that the District shall select its District Governor-Nominee pursuant to the nominating committee procedure as described in the RI Bylaws. The members of the nominating committee to select the District Governor-nominee shall be appointed by the District Governor-elect and shall consist of 5 members, each from a different Rotary club in the District. Three members shall be past presidents who are not past District Governors and two members shall be past District Governors. None of the committee members shall have served on the nominating committee the previous year. The District Governor-elect shall appoint one of the past District Governors as chairman and publish that



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person's name but shall not disclose the names of the other committee members until the committee's recommendation for District Governor-nominee is published. In the years in which the nominating committee also selects the representative and alternate to the RI Council on Legislation, a candidate for representative shall not be eligible to serve on the committee.

Section 6. OFFICERS.

6.1 Officers.

The officers of the Corporation shall consist of the District Governor, who is the President of the Corporation, the District Governor- Elect who shall serve as the Vice-President, a Secretary, a Treasurer and such other positions as the Board itself shall determine. The officers shall have the authority and duties as may established by resolution or order of the Board, subject to any restrictions and limitation set forth herein.

6.1.1 President.

The President shall be the chief executive officer of the Corporation; he shall preside at all meetings of the Members and Directors; she shall have general and active management of the affairs of the Corporation; shall see that all orders and resolutions of the Board are carried into effect, subject however to the limitations contained herein and to the right of the Directors to delegate any specific powers, except such as may be by statute exclusively conferred on the President, to any other officer or officers of the Corporation. Subject in all respects to the limitations contained herein, the President shall have the general powers and duties of supervision and management usually vested in the office of President.

6.1.2 Vice President.

The Vice President shall act in all cases for and as the President in the latter's absence or incapacity, and shall perform such other duties as may be required from time to time.

6.1.3 Appointment of District Treasurer.

The governor-elect in consultation with the District Governor and governor-nominee shall appoint a qualified Rotarian as district treasurer to serve for a three year term. The District treasurer shall be eligible for one additional consecutive three-year term.

6.1.4 Duties of District Treasurer.

The District treasurer shall maintain such records of accounts as required herein and shall perform all other duties connected with this office and as are required by RI. The treasurer shall be empowered, upon authorization of the Board when necessary, and the District Governor, to sign checks for the disbursement of district funds. The annual report to the clubs shall include a statement showing receipts and disbursements and the assets and liabilities of the District. The District treasurer shall also submit a quarterly financial report to District officers, the club presidents, and district committee chairs not later than 30 days after the close of each quarter. All financial reports shall be subject to audit. The treasurer shall be responsible for all funds of the district. No committee may maintain a separate bank or investment account. All checks for payment for district events, including the district conference, shall be made payable to Rotary District 7450.



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6.2.2 Expenses of District Treasurer.

An appropriation recommended by the Board and approved by the incoming club presidents shall be available to the District treasurer for the conduct of that office.

6.3 Appointment of District Secretary.

Annually the governor-elect shall appoint a qualified Rotarian to serve as District secretary. The secretary shall be eligible for additional one-year terms.

6.3.1 Responsibilities and Duties of District Secretary.

The District Secretary shall keep and prepare minutes all meetings of the Board and, when directed, other district meetings that may be assigned by the District Governor and shall handle correspondence and other duties assigned by the District Governor.

6.3.2 Expenses of District Secretary.

An appropriation recommended by the Board and approved by the incoming club presidents shall be paid to the District secretary toward expenses for the operation of the office.

SECTION 7. INDEMNIFICATION.

7.1 Indemnification.

The Corporation shall indemnify each officer and director, including former officers and directors, to the full extent permitted by the Pennsylvania Nonprofit Corporation Act.

7.2 Limitation on Liability of Director.

A director shall not be personally liable, as such, for monetary damages for any action taken unless:

- (1) the director has breached or failed to perform the duties of his office under this subchapter; and
- (2) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

7.3 Advancement of Expenses:

Expenses (including attorneys' fees) incurred in defending any action or proceeding referred to in this subchapter may be paid in advance of the final disposition of the action or proceeding upon receipt of an undertaking by or on behalf of the representative to repay the amount if it is ultimately determined that such person is not entitled to be indemnified by the Corporation as authorized in this subchapter or otherwise. Advancement of expenses shall be authorized by the Board. Section 5728 (relating to interested members, directors or officers; quorum) shall not be applicable to the advancement of expenses under this section.

SECTION 8: DISTRICT GUIDELINES.

8.1 District Guidelines

The Board is authorized to adopt, amend and repeal non-binding guidelines for the operation and



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affairs of the District and its members ("District Guidelines") which shall be consistent with these Bylaws. If there is any conflict between these Bylaws and the District Guidelines, the Bylaws shall control.

District Secretary

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Adopted as of _____

June 24, 2019