

**APACHE JUNCTION  
CHAMBER OF COMMERCE  
BOARD POLICIES**



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Apache Junction Chamber

# Chapter 1

## The Process for Developing AJCOC Board Policy

### **Purpose 1.1**

The board, as the AJCOC governing body, is entrusted with the authority to establish policy for the governance of AJCOC. Board policy establishes the parameters and guidelines for board members, committees, management and staff.

The purposes of our policies are to:

- Inform of the board's intent, goals and aspirations.
- Prevent confusion among board members, staff and the public.
- Promote consistency of board action.
- Eliminate the need for instant (crisis) policy making.
- Reduce criticism of the board and management.
- Improve public relations.
- Clarify board member, executive and staff roles.
- Give management a clear direction from the board.

### **Management policies are not board policies 1.2**

The AJCOC board makes an important distinction between board policies and management policies. Board policies establish the broad parameters within which board, management and staff will operate. Management procedures developed and implemented by the CEO, outline the specifics of how the organization and staff will operate within board policy.

Personnel policies are an example of management policy developed by the executive.

The CEO develops the personnel policies appropriate to his/her staff.

The CEO then informs the board that personnel policies are in place, and then provides board members with copies of the personnel policy handbook. The board is not directly involved with developing personnel policies other than to ensure that the executive has carried out that project.

Official Board Policy is the standard for dealing with the subject matter covered by the policy.

### **Policy requires a majority vote of the board 1.3**

All policy decisions will be made by majority vote of the board at board meetings, and or on-line vote and or approved by proxy. Before adopting any policy, all board

members will receive a copy of the proposed policy in advance of the meeting at which the vote is to be taken.

### **Source of policies 1.4**

Policies may be recommended to the board by committees of the board, individual board members or the CEO. All proposed policies will be researched to ensure that they are legal, and do not contradict already established policy or bylaws of AJCOC. If approved by the board, policies will be written, coded, dated at time of approval and included in all copies of the board policy manual.

### **Considerations for all policies 1.5**

All policies proposed to the board should be tested.

Is the proposed policy:

- Necessary for good operation of AJCOC?
- Consistent with our mission statement?
- Within the scope of board authority?
- Consistent with local, state and federal law?
- Compatible with other policies of this board?
- Practical?
- Broad enough to cover the subject completely?
- Enforceable?

### **Accountability for carrying out policies 1.6**

The CEO will be accountable to the board for carrying out these policies, ensuring that all policies are effectively explained to the employees and making every reasonable effort to see that they are understood, accepted and complied with.

### **Distribution of policy manual 1.7**

A copy of the board policy manual will at all times be available in the AJCOC office for review and inspection by employees and board members. Each board member will be given a revised policy manual annually if changes have been made.

### **Amendment or suspension of policy 1.8**

All policies will be annually reviewed by the board or a committee of the board for accuracy and appropriateness, and recommendations will be made to the board for amendment, addition or elimination. Except as otherwise provided by law, any policy of the board may be suspended, repealed, amended, or waived by a majority vote of the board, provided that at least two full weeks' notice has been given to all board members of the intention to consider revocation, repeal, waiver, or amendment.

## Chapter 2

# Corporate Structure/Board Organization

### Establishment of the organization 2.1

AJCOC is established as a nonprofit corporation under the laws of this state. The board of directors is established as the authority to operate AJCOC in accordance with bylaws and board policies.

AJCOC business will be conducted in accordance with the laws of this state, the corporation's articles of incorporation, bylaws of the corporation, board policies and generally accepted business practices that will accomplish the AJCOC mission.

### Authority of the board of directors 2.2

Each member of the AJCOC board, is legally and morally responsible for all activities of AJCOC. All members of the board share in a joint and collective authority which exists and can only be exercised when the group is in session.

### Board member commitment 2.3

Serving as a board member of AJCOC involves a very special commitment. To meet that commitment, board members are expected to:

- Ensure adherence to AJCOC's mission.
- Attend and actively participate in all the board's meetings and notify the executive or board chairperson of anticipated absence.
- Review minutes and results of the missed meeting when absent from a meeting.
- Do their homework in preparation to participate fully in board and committee meetings.
- Serve actively on at least two committees and two fund raisers.
- Act only in conjunction with the full board
- Speak for the full board only with the full board sanctions.
- All information given to a Board Member that is marked “**confidential**” either by paper form, email or spoken must never be shared to anyone except another Board member.
- Demonstrate a strong belief and commitment to AJCOC’s mission.

### Board member rights 2.3A

Members of the AJCOC board are granted certain specific rights. All board members have the right to:

- Receive notice of board meetings and the agenda.
- Attend and participate in board meetings.
- Examine AJCOC's books, records, meeting minutes, financial statements and contracts.
- Place items on the board meeting agenda.
- Devote the necessary time to prepare for and participate in board and committee meetings.
- Exhibit high ethical standards and integrity in all board actions.
- Be an enthusiastic advocate for AJCOC.
- Take responsibility and accountability for AJCOC and all decisions made by the board.
- Spend the time necessary to learn how to do the job and maintain an ongoing schedule of in-service to learn how to do the job better.
- Demonstrate willingness to work as a team member with other board members and the CEO.

## **Board member responsibilities 2.4**

Board members are responsible for determining AJCOC policy for oversight, board development, CEO direction, planning, finance, community relations, and organizational operations.

### **Oversight - Board Development/CEO**

- Board membership, which includes recruiting new board members, recognizing and nurturing existing board members, and providing existing board members with opportunities to grow and develop as leaders.
- Personnel policies, which include policies relating to the CEO's employment, and ensuring that the CEO has complete and up-to-date policies in place for management of staff.

### **Planning -**

- Establishing and reviewing AJCOC mission/philosophy/goals.
- Planning which services/programs AJCOC provides.
- Evaluating AJCOC services/programs and operations on a regular basis.

### **Finance -**

- Ensuring financial accountability of AJCOC.
- Overseeing an ongoing process of budget development, approval and review.
- Raising funds and/or ensuring that adequate funds are available to support AJCOC's policies and programs.



- Overseeing properties or investments of AJCOC.

### **Community Relations -**

- Advocating for AJCOC's services/programs, which includes an awareness that board members are always emissaries of AJCOC in the community.
- Cooperative action, which includes determining occasions when AJCOC could/should take part in coalitions, joint operations, etc.

### **Organizational Operations -**

- Ensuring that AJCOC's management systems are adequate and appropriate.
- Ensuring that the board's operations are adequate and appropriate, which includes writing policies for conduct of meetings and operation of board business;
- Ensuring that organizational and legal structure are adequate and appropriate.
- Ensuring that AJCOC and its board members meet all applicable legal requirement of state and local governments.

## **Board member development 2.5**

Apache Junction Board of Directors Process for adding/replacing board members will be held 2 times per year.

### **Replacing Board Members**

If a board member leaves the company they represent, the company can replace the person, as stated in the by-laws.

Nominating Committee does not interview. Person replacing a past board member will commit to complete the remainder of the term for the company (may be less than 3 years).

- Candidate is introduced to the Board
- Board member expectations are reviewed
- Assumption and expectation the company has selected a candidate to represent the company

Board Chairman will call the candidate and will send an official letter to the candidate regarding the board decision and request the signed Commitment Letter for the Board of Directors.

### **Adding Board Members**

The Chair will appoint, subject to approval of the Board a Nominating Committee consisting of:

- 5 members
- The immediate Past Chair may serve as head of the nominating committee.

Nominating Committee will review application(s) and/or recommendations.

Nominating Committee will communicate with the candidate and arrange a meeting.

The invitation will include expectations of board member candidates:

- Have a commitment to the purpose, mission, and values of the association or have a strong interest in working on the advancement of the association
- Have cultural awareness, understanding, and appreciation of different cultural needs
- Act morally and ethically in accordance with the values of the association
- Avoid conflicts of interest
- Understand the need to base decisions on what is good for the association
- Accept accountability for group decisions so that the Board of Directors speaks with one voice
- The caseload will require a candidate to dedicate 3-5 hours a month to your board work for a term of two (2) years

The candidate will be scheduled to be interviewed by the Nominating Committee.

**Board members to assess:**

**Communication skills:** Board members are not only the governing body of your nonprofit; they are also partly the face of your organization. They communicate with large donors, they make speeches on behalf of your nonprofit, and they make statements to the media.

**Fundraising skills:** Although nonprofits are driven by hopes and dreams, these do not fund the organization. It always helps to have board members with some sort of background in fundraising. Their ability to work their networks and bring in additional support is an invaluable skill for any nonprofit.

**Financial management skills:** The board of directors will make decisions that will impact the financial standing of the nonprofit. It's best if most, if not all, of your board

members have some sort of experience in managing finances for organizations (for-profit or nonprofit).

**Teamwork and team management skills:** Teamwork is essential to the success of your organization. Therefore, it's best that each board member has some experience in team management and teamwork-based environments.

Board of Directors will make the selection of new board members by the process of a roll call vote.

Board Chairman or CEO will call the candidate and will send an official letter or email to the candidate regarding the board decision.

### **Board delegation of policy interpretation to staff and public 2.6**

The board delegates to the CEO responsibility for policy interpretation to the staff and public and for rule making, issuance of procedural directives and guides not specifically covered or detailed in the Board Policy Manual. Such interpretations, rules and directives have the force of board regulations unless and until superseded by board action.

### **Duty of board members not to compete 2.7**

A board member may not use his/her position on the AJCOC board to prevent AJCOC from competing with the board member's business. It is expected that board members, even after they complete board service, will not use trade secrets, client lists, or other confidential information acquired by virtue of being a member of the board.

### **Receiving discounts or gifts 2.8**

Members of the AJCOC Board may receive the same discounts and gifts that are afforded to the membership.

### **Board member conflict of interests 2.9**

Board members have a duty to subordinate personal interests to the welfare of AJCOC and those we serve. Conflicting interests can be financial, personal relationships, status or power.

Board members and employees are prohibited from knowingly disclosing information about AJCOC to those who do not have a need to know or whose interest may be averse

to AJCOC, either inside or outside AJCOC. Nor may board members or employees in any way use such information to the detriment of AJCOC.

Board members or employees may not have a significant financial interest in any property which AJCOC purchases, or a direct or indirect interest in a supplier, contractor, consultant or other entity with which AJCOC does business.

Since it is not possible to write a policy that covers all potential conflicts, board members and employees are expected to be alert for and avoid situations which might be construed as conflicts of interests.

Any possible conflict of interests on the part of any board member should be disclosed to the other board members and made a matter of record, either through an annual procedure or when the interest becomes a matter of board action.

Any board member having a conflict of interests or possible conflict of interests should not vote or use his/her personal influence on the matter, and he/she should not be counted as part of a quorum for the meeting. The minutes of the meeting should reflect that a disclosure was made, the abstention from voting and the quorum situation.

These restrictions should not be construed as preventing the board member from briefly stating his/her position in the matter, nor from answering pertinent questions of other board members, since his or her knowledge could be of assistance to the deliberations.

All board members will be required to be a member of the chamber for (1) year prior to the election and complete the "Conflict of Interests" statement. This policy will be reviewed by the board annually and given to each new board member for signature during orientation.

## **Legal obligations of board members 2.10**

The AJCOC board is both responsible and liable for AJCOC. The AJCOC board and the law require every board member to follow the rule of the reasonably prudent person and the principle of good faith.

**The rule of the reasonably prudent person** means the board will not:

- Mismanage AJCOC by deviating from fundamental management principles, such as planning carefully for the future of AJCOC, regularly reviewing the financial status of AJCOC, and monitoring compliance with board policies.
- Fail to govern by utilizing all control systems to govern AJCOC.
- Be involved in self-dealing that provides personal gain to board members.

**The principle of good faith** means that board members will:

- Attend all board and committee meetings to be a part of board actions.
- Read and understand AJCOC's policies and bylaws.
- Pay attention to corporate affairs and keep informed about organization activities.
- Ensure that AJCOC is in compliance with legal requirements.

## **Legal requirements of board members 2.11**

All AJCOC board members will be expected to recognize and accept their legal position as governing agents of AJCOC. A board member of AJCOC occupies the role of a fiduciary with regard to those served. A fiduciary is a person who holds something in trust for another. If AJCOC board members violate their trust or fiduciary duty, they may be subject to legal consequences. The duties and responsibilities of board membership attach automatically when board members accept the office.

There is a certain amount of liability involved with being a board member, so the board will annually discuss the liability issue to be certain that the board is adequately insured to be paid by AJCOC.

## **Maintaining ethical credibility 2.12**

Because the conduct of the board has a direct impact on public and constituent perceptions about AJCOC, board members will maintain an appearance of high credibility in adhering to legal and policy requirements.

Board members will be active and encourage all other board members to be active by attending meetings, studying, questioning, voting on all issues, monitoring progress and maintaining active committees.

Minutes of each meeting should be carefully maintained, and all votes properly recorded.

Policy Committee will formally adopt, by motion, any rules, regulations, policies and budgets.

Board members will keep policy and procedure manuals up to date for ready reference and have rules and regulations available and posted for staff and constituents.

Board Treasurer and Finance Committee will review fiscal records and controls at regular intervals. The board will hold an annual financial review and will have a certified audit every three years.

Executive Board members will ensure that the CEO will file the 990 forms as required by law.

## **P**olitical contributions **2.13**

Members of the AJCOC board must never make political contributions on behalf of AJCOC. If a board member takes an active part in the political process, it must be done at the board member's personal expense. AJCOC will not reimburse anyone for a political contribution.

# **Chapter 3**

## **CEO Responsibilities & Functions**

### **T**he executive's role in the organization **3.1**

In the conduct of the ongoing business of AJCOC, the CEO is responsible for all business operations, including management of the assets of AJCOC; hiring, training, promotion, discipline and termination of employees; and establishing and maintaining the business organization and structure to efficiently conduct the management functions of AJCOC.

The CEO plans and administers a program providing service in accordance with AJCOC's stated purpose and in such a manner that optimum results are achieved in relation to the resources of the agency and operates under the general direction of the AJCOC board of directors.

### **E**xecutive communication/counsel to the board **3.2**

The CEO will provide information and counsel to the board. Accordingly, he/she will:

- Make the board aware of special events, relevant trends, material external and internal changes and the assumptions upon which any board policy has previously been established.
- Submit required monitoring data in a timely, accurate and understandable fashion, directly addressing provisions of the board policies being monitored.
- Marshal as many staff and external points of view, issues and options as needed for fully informed board choices.
- Present information in a form that is understandable and of reasonable length.

## **Delegation to the CEO 3.3**

The board's job is generally confined to establishing the topmost policies, leaving implementation of board policy to the CEO. All board authority delegated to staff is delegated through the CEO.

The CEO is authorized to establish all further policies, make all decisions, take all actions and develop all activities which are true to the board's policies. The board will respect the CEO's choices so long as the delegation continues. This does not prevent the board from obtaining information about activities in the delegated areas.

The Executive Board governs the CEO. No one individual board member, has any authority over the CEO. Information may be requested by such parties, but if such request, in the CEO's judgment, requires a material amount of staff time, it may be refused. Any and all request of employee records must be submitted to the CEO and Chairman for approval. All employee records are on a need to know basis.

Acting with the authority granted above, the CEO may not perform, allow or cause to be performed any act which is unlawful, insufficient to meet commonly accepted business and professional ethics for the "prudent person" test, in violation of funding source requirements or regulatory bodies, or contrary to explicit board constraints on CEO authority.

Should a situation arise wherein the CEO deems it unwise to comply with a board policy, he/she will inform the board of directors. Informing is simply to guarantee no violation may be intentionally kept from the board. It is not for the purpose of receiving approval. Board response at that time does not exempt the CEO from subsequent board judgment of his/her action.

## **Areas of responsibility delegated to the CEO 3.4**

In the area of human resources, the CEO relates both to the board and to the staff of AJCOC but has ultimate responsibility to the board.

For the board of directors, the CEO:

- Develops and recommends to the board of directors, specific, written, long and short-range plans for the development of AJCOC programs and services.
- Maintains appropriate relations with the board and various board committees and keeps them informed.
- Interprets trends in the fields of service in which AJCOC is engaged, by maintaining involvement in the professional field as a whole.
- Assists with orientation and training programs for the board.

For the AJCOC staff, the CEO:

- Supervises and directs key staff in the performance of their duties.
- Evaluates the performance of key staff members.
- Provides overall control of and direction for the personnel of AJCOC, including active participation in or approval of personnel actions and manages volunteer staff activities.

## Chapter 4 Board Meetings

### **Conduct of meetings 4.1**

Meetings will be conducted in the most orderly manner, discussion of agenda items will be limited to communications among board members, between the board and the CEO, and among the board, CEO and those the board may request to make presentations.

### **Board retreat 4.2**

Goals and action items will be established by the board annually at the annual retreat. At its annual retreat, the board will determine the regular meeting dates, time and place for the next year.

### **Regular meetings 4.3**

Regular meetings of the board will be held at least (10) ten times annually. So that board members can schedule for the meetings well in advance, the specific dates will be established for the full year at the board's organizational meeting each year. The board will make every effort to maintain those dates as board meeting dates.

### **Special meetings 4.4**

Special meetings of the board should be called only rarely when the business to be addressed cannot wait until the next regularly scheduled meeting. A special meeting of the board may be called by the chair of the board or by petition of a majority of board members. A call for a special meeting will state the business to be addressed by the board at the special meeting. Every member of the board must be notified of the special meeting at least 24 hours prior to the established meeting time.

### **Absence from meetings 4.5**

When a board member is absent from three consecutive regular meetings, and not excused by the board, members of the board may declare the position vacant by a majority vote of the board and will notify the absent member by certified mail.



## **Closed meetings 4.6**

All meetings of the board will not be open to members or the public.

## **Meeting agenda packet 4.7**

All matters to be considered by the board at the meeting will be included on the agenda delivered to board members at least 24 hours prior to the meeting. The board may vote to waive this requirement to discuss only items on the published agenda by a majority vote of the board. The board packets will be at the meeting ready for the board member.

Meeting agendas will be developed by the CEO and approved by the board Chairman prior to distribution to other board members.

All board members will have an opportunity to request items to be placed on the agenda prior to the agenda being published and distributed.

The agenda may be amended after the meeting is convened only in cases where immediate action on the item is necessary, or when the item is for board information, and only by consensus of a majority of the board members. A board member or the executive may request changes to the agenda during the item on the agenda that asks the board to approve the agenda.

## **Meeting agenda other 4.8**

The AJCOC board meeting agenda will approximate the following outline:

- Call to order by the board chairperson or other presiding officer and determination of a quorum
- Approval of agenda
- Approval of minutes of the previous meeting
- Officer Reports
- Chairman
- CEO/President
- EVCCA Update
- Treasurers Financial Report
- Consideration and acceptance of the financial report
- Standing committee reports, City updates and recommendations for board action
- Special committee/task force reports and recommendation for board action and announcements
- Unfinished business
- New business
- Adjournment

## **Meetings by conference call 4.9**

It is not the practice of the AJCOC board to hold meetings by conference telephone calls. However, emergency situations may dictate that some board members cannot attend the meeting in person but may attend via telephone conference call. In those cases, any or all of the board members may participate in the meeting by conference telephone.

All board meetings in which one or more of the board members are participating by telephone will be conducted under the following rules:

- All board members participating in the meeting must be able to hear each other.
- All rules for calling meetings and notification of board members as spelled out in other sections of this policy manual will apply.
- All rules for conduct of meetings, including role call and quorum, will be followed.
- Minutes of the meeting will be kept. Minutes will be reviewed and adopted by the board at the next regularly scheduled board meeting.

## **Staff attendance at board meetings 4.10**

Since it is the policy of the AJCOC board to hold the CEO accountable for all management of AJCOC, it is left to the CEO to invite any staff to the board meeting that the CEO needs as resource for issues the board will consider during the meeting.

## **Electronic recordings of board meetings 4.11**

To ensure the greatest amount of discussion and debate at board meetings and committee meetings, no electronic recording devices will be permitted for use by individual directors or guests at the meeting.

## **Voting 4.12**

All members of the AJCOC board who are present when a question is put to vote will vote upon the question unless excused by the other members present or unless disqualified by conflict of interests. Results of the vote will be recorded.

Voting to elect officers of the board will be by secret ballot.

A board member who is present at a meeting of the board at which action is taken on any corporate matter, will be presumed to have concurred in the action taken unless the dissent of the board member is entered in the minutes of the meeting. Such dissent will be indicated by a simple "no" vote on the action.

A board member who is absent from a meeting of the board at which action is taken will be presumed to have concurred in the action unless the trustee files a written

dissent with the secretary of the board within a reasonable time after learning of the action.

### **Quorum 4.13**

A majority of all currently elected members of the AJCOC board will constitute a quorum for the purpose of conducting official board business.

### **Disqualification for voting 4.14**

No member of the AJCOC board may vote on any matter in which the board member has a direct or indirect financial interest.

No member of the board nor any employee of AJCOC will have proprietary business dealings with AJCOC which directly or indirectly results in gain or profit to such board member or employee unless he/she first files a sworn statement with the president of the board of the intent to have such business dealings, and states therein the nature, type, and extent of the transaction and interest of the board member. Remaining board members must, by majority vote, give approval.

### **Minutes of the board meeting 4.15**

Records of all actions of the board will be set forth in the minutes of the meeting. Minutes will be kept on file as the official record of the AJCOC board.

The office of Secretary of the board will be the custodian of the minutes. However, it is vital that all members of the board and the executive committee be able to fully participate in the discussions and deliberations. Minutes may be taken by a person designated by the Secretary

Minutes of the meeting are a record of the actions of the board, not a record of discussion. Minutes of AJCOC board meetings will include:

- The date, time and place the meeting was called to order.
- The type of meeting--regular, special or continued.
- The name of the presiding officer.
- A statement that a quorum was or was not present.
- The names of board members present, and the names of board members absent from the meeting.
- The exact wording of all motions, whether passed or failed.
- Disposition of each motion made--passed or failed, covered in RONR
- Notation of each committee report.
- Notation that financial reports were examined by the board and filed for the annual audit/review.

- Notation of time of adjournment of the meeting.

Committee reports or resolutions may be attached to the minutes if these items are important clarification for the minutes of the meeting.

## **Parliamentary authority 4.16**

Meetings of the AJCOC board will be governed by the parliamentary rules as outlined in Robert's Rules of Order Newly Revised in all cases where current bylaws and current board policies do not apply.

# **Chapter 5 Organizational Finance**

## **Fiscal year 5.1**

The AJCOC fiscal year will be the first day of January to the last day of December.

## **Financial management 5.2**

Financial resources of AJCOC are the responsibility of the board of directors. The board will:

- have a clear plan for acquisition of financial resources to pay for the programs and services provided by AJCOC.
- provide guidelines for management and allocation of financial resources which will produce optimum benefit for those served.
- monitor and evaluate the financial plans and guidelines of AJCOC to ensure the financial integrity of AJCOC.

## **Budgeting 5.3**

An annual operating budget will be prepared by the CEO, the treasurer and finance committee and presented to the board for approval at its regular board meeting in November. The budget will reflect the cost of carrying out the programs and services of AJCOC for the next fiscal year.

The budget will be viewed by the board as their financial plan for AJCOC, and approval of the budget by the board will be authority for the CEO to manage AJCOC's finances according to the plan without seeking further approval of the board. However, the CEO will keep the board well informed of the ongoing status of the financial plan and will not make expenditures outside of the budget plan without seeking board approval.

to amend the budget. Amendments to the budget will be presented to the board for approval for any of the following reasons:

- AJCOC enters into compacts or contracts that were not included in the approved budget.
- Management proposes a major expenditure that was not included in the approved budget.
- Significant unanticipated revenues are received, or cost overruns occur.

## **Working capital reserves 5.4**

A working capital reserve sufficient to keep AJCOC operating for a minimum 120-day period will be maintained at all times.

## **Accounting 5.5**

The accounting system used by AJCOC will utilize Generally Accepted Accounting Practices that are required and/or recommended by regulatory or lending agencies and the AJCOC auditor.

The accounting practices and procedures used by AJCOC will allow for adequate management of AJCOC's revenues and expenses and will provide adequate systems of monitoring by the board of directors as well as outside auditors.

## **Financial reports and audits 5.6**

Reports reflecting the financial condition of AJCOC will be presented to the board monthly. These financial reports will include:

- Quarterly status of expenditures on major capital projects.
- Balance sheet.
- Monthly revenue and expense statement including the month and year-to-date with comparisons.

An internal audit/financial review process will be established and maintained. The CEO and Board Treasurer will report monthly, any significant findings to the board. Gross violations or breach of trust will be reported to the board immediately upon discovery.

A full audit will be performed by an outside firm every third year and a financial review each of the other years. The scope of those audits or financial reviews will be determined from time to time by the board.

The CEO will solicit bids for the audit or financial review from two or more qualified firms and will recommend to the board a firm to perform the audit/financial review. The board's selection will be considered on cost, professional qualifications, reputation and relevant experience.

## **Signing checks 5.7**

Authorized signatories for all general fund accounts may include the following: Chairman, Vice Chairman, Past Chairman, Treasurer, Secretary of the board, the CEO or anyone deemed necessary by Chairman, designated as signatories by the board.

The CEO may authorize, and sign checks below \$1,000.00. Any check over \$1,000.00 must have two signatures from the listed signatures above.

It is the responsibility of the CEO to ensure that signatures can be gained from appropriate signatories so that payment can be made on obligations of AJCOC. It is also the responsibility of the CEO to ensure that adequate controls and safeguards have been established to ensure disbursement of funds only for proper purposes.

It is the responsibility of all check signers to ensure that there is adequate documentation, consistent with good internal controls, for valid payment of checks they sign.

## **Use of credit cards 5.8**

The CEO will recommend to the board staff members authorized to use AJCOC's credit card. The board will approve and maintain a list of authorized individuals.

AJCOC credit cards will only be used for appropriate AJCOC business, and all uses will be appropriately documented. The AJCOC credit card will not be used for personal expenditures. In order to be reimbursed for authorized expenses, a written expense report, accompanied by receipts of purchase must be submitted.

Monthly reports of CEO credit card billings and expense accounts will be provided to the board or the finance committee for approval.

## **Contracts 5.9**

The CEO may approve service agreements and contracts that cost less than \$5,000.00 annually or over the contract life. The CEO may also approve agreements which continue the same service level and cost from a prior contract.

All service agreements and service contracts shall be awarded on the basis of cost, experience, and references. No contracts may be written or awarded to employees, board members or their immediate family.

At a minimum, all contracts must contain the purpose, effective dates, authorized signatures, amount to be paid, how liability risks are covered or met, and services to be provided.

### **Investment practices 5.10**

Funds not required for current operations will be invested according to an investment plan approved and revised annually by the board.

Investments must be government-secured and guaranteed. Investments may be made at the discretion of the CEO within the plan adopted by the board, with the exception of any investments in securities with a maturity of more than one year, which must have the prior approval of the board.

The CEO will present reports to the board at least quarterly which show the status of all investments, including the rate of return and current market value.

### **Executive limitation 5.11**

The CEO may not risk financial losses to AJCOC beyond those that may occur in the normal course of business. The CEO will:

- Ensure against embezzlement, casualty losses to full replacement value, and against liability losses (to board members, organization or staff) beyond the minimally acceptable prudent level.
- Ensure that all personnel with access to significant amounts of AJCOC money are appropriately bonded.
- Ensure that facilities and equipment are properly maintained.
- Limit exposure of AJCOC, the board or staff to claims of liability.
- Disburse funds only under controls sufficient to meet the board-appointed auditor's standards.
- Invest operating capital only in secure short-term investments.
- Ensure off-site backup of all computers and other financial records necessary for uninterrupted operation of AJCOC.

### **Spending authorizations 5.12**

The CEO may make expenditures consistent with the board-approved budget without further board approval. However, expenditures that are not within the board-approved budget must be formally approved by the Executive Board

A list of anticipated major capital expenditures should be included with the annual budget that is submitted to the board for approval.

Unbudgeted emergency repairs to the physical building or equipment that must be completed immediately and cannot be practically submitted to the Executive board may be authorized by the CEO. The board of directors will be informed of the expenditures as soon as possible.

### **Delegation of spending authority 5.13**

The board of directors is recognized as the ultimate spending authority for AJCOC. To more efficiently conduct AJCOC business, the CEO will annually, recommend for board action the delegation of authority to specific employees to approve various types of expenditures of AJCOC funds. That authority will remain in effect for one year unless specifically revoked by the board. Clear restrictions and controls will apply to all expense approval levels.

The employee or board member officially holding an authority to approve expenditures of funds is expected to personally exercise that specific authority. Allowing another person to use the authorized signature is not acceptable.

The use of a signature stamp for authorizing signatures is prohibited.

Members can submit a bid. If there is a potential conflict, the employee should not see the bid. Approval must be at the next highest level of authority.

Approval of travel and personal expenses will always be at the next highest level of authority for every employee. CEO expenses will be approved by the board treasurer or Chairman. Board member expenses will be approved by the full board.

No employee shall approve a transaction in which a conflict of interest exists.

If there is any doubt about the propriety of an expenditure, the employee should not approve the expenditure, but rather refer approval from a higher authority.

### **Insurance/bonding protection of AJCOC 5.14**



The CEO will recommend to the board all necessary bonding of staff members who handle AJCOC funds and recommend to the board any appropriate insurance protection to protect the finances of AJCOC.

### **Charitable donations by AJCOC 5.15**

Because of the nature of the mission of this organization, AJCOC does not make charitable contributions, unless by authority of the Board of Directors.

### **Bad debts owed to AJCOC 5.16**

If the total receivable from any one individual or organization is \$500 or less, the CEO may authorize the debt to be written off if he/she believes the debt is uncollectible. The CEO will report at next Board meeting in the CEO report.

Write-off of debts over \$500, which the CEO believes are not collectible, may be authorized only by a vote of the AJCOC board of directors.

Delinquent accounts may be assigned for collection to either legal counsel or a collection agency, or taken to small claims court, as the CEO deems appropriate. Collection efforts will continue even after write-off until actually collected or the attorney, collection agency or small claims court deems further efforts will be futile or not cost-effective.

## **Chapter 6 Employment Policies**

### **Chain of command 6.1**

The AJCOC board believes strongly in the chain of command:

**Board of Directors**

◇

**CEO**

◇

**Staff**

The board is concerned about the needs and success of staff and will work through the chain of command to facilitate the success of all AJCOC staff.

The board expects all staff to respect and follow the chain of command when registering complaints, making suggestions and in any other way communicating with the board

about the business of the organization. Staff members who take complaints, requests, criticism or other organization business directly to the board or individual board members without working through the CEO will be considered insubordinate and subject to disciplinary measures by the CEO.

The Executive board expects all board members to respect and follow the chain of command when communicating with staff about the business of the organization. Board members will not take complaints, suggestions, requests or demands to the staff except through the CEO. When a board member receives a complaint or suggestion from a staff member other than the CEO, the board member will remind the staff member of this board's policy about following the chain of command. The board member will also report the staff communication to the CEO.

## **Personnel policies 6.2**

Appropriate and complete personnel policies will be adopted by the CEO and reviewed by executive board for accuracy and completeness. The CEO will report to the board that this has been done and will report annually that all personnel policies have been reviewed and updated.

Personnel policies are published in a separate Personnel Policy Manual. All employees will be given a copy of the most recent and updated Personnel Policy Manual and will sign acknowledgment of such receipt.

Implementation and administration of all personnel policies are the responsibility of CEO.

## **Professional memberships 6.3**

The board recognizes the importance of employees staying current in fields related to their employment and the importance of maintaining professional status. Therefore, AJCOC may pay for the cost of professional memberships for CEO within the limits of the budget and provided such membership is in the best interest of AJCOC.

AJCOC will pay the cost for CEO to attend meetings related to their professional memberships if the meeting is judged to be in the best interest of AJCOC.

Requests for reimbursement must be made to the chairman and be given prior approval by the executive board.

# Chapter 7

## Board Officers

### Officers of the board and job definitions 7.1

Officers of the board will be a chairperson, vice-chairperson, past-chair, secretary and treasurer elected by a majority vote of the board. The Chairperson must be a member of the board for (1) one year.

**The Chairperson** of the board will collaborate with the CEO to prepare board meeting agendas, preside at board meetings, appoint committees and committee chairpersons, sign official documents requiring signature, and may represent the board in public and official capacities as instructed by the board.

The chairperson will also:

- Chair the Executive Committee.
- Make special assignments and appoint representatives to other organizations.
- Act as liaison between board and executive board.
- Encourage the board to do long-range planning.
- Assist board members in building their board skills.
- Act to discipline board members who violate ethical standards of the board.
- Encourage all board members to participate in board activities.
- Ensure that all board members' views are represented in board meetings.

**The vice-chairperson** will preside at board meetings in the absence of the chairperson and assume the office of the chairperson when the board determines that the chairperson can no longer serve.

The vice-chairperson will also:

- Serve on the Executive Committee.
- Work with the chairperson to be prepared to assume that office if necessary.
- Manage special assignments as requested by the board chairperson.

**The secretary** will oversee the records of the board, including meeting minutes, the charter and any historical documents. When required, the secretary will also sign notes, contracts and other official agreements on behalf of AJCOC and at the direction of the board.

The secretary will also:

- Ensure that all official documents are safely passed to the next secretary.

- Research AJCOC records when necessary for information for the board.

The **treasurer** will oversee but not manage the financial records of AJCOC and ensure that the board regularly receives good reports of the financial condition of AJCOC.

The treasurer will also:

- Assist the board to understand the annual budget before approval.
- Present the current financial statement and bank balances at each board meeting.
- Chair the Finance Committee.
- Ensure that the board arranges for an annual audit of the AJCOC books.

The Immediate **Past Chairman** may serve on the Executive Committee. If the Immediate Past Chairman's term as a board member has expired; his/her term may be extended by one year. The immediate past Chairman shall exercise the powers and duties of the Chairman/Vice-Chairman in his/her absence or disability.

## **Officer election process 7.2**

Officers will be elected immediately after reorganization of the board when new or reelected board members are confirmed. The Executive Board of directors will follow the following procedures in electing its officers if there are open officer positions:

- Election will be at the Board meeting at which a quorum of Board members is present.
- The Nominating Committee will meet to elect its officers when an officer position is open.
- Only members present for elections will be allowed to vote for officers. There will be no "absentee ballots," or telecommunications voting.
- Officer candidates must have consented to seek office before their name is placed in nomination.
- Nominations will be open for any eligible candidate who has given prior consent.
- Board members will encourage candidates to disclose their interest in the office.

## **Terms of office 7.3**

Terms of all officers will be for two years. Only properly elected or appointed members of the board may serve as officers of the board. Each officer may be reelected for a second consecutive term to the same office, and then may stand for election for that same office again only after at least one year of absence from that office.

## **Officer authority 7.4**

Officers of the board are elected to be servant leaders of the board. All authority of the officers is delegated to them by the board of directors. No officers will have any authority to speak or act on behalf of the board other than that authority specifically granted in the AJCOC bylaws, board policy or by majority vote of the board of directors.

## **Vacancies of officer positions 7.5**

If a vacancy occurs in any elected office because of resignation, death, ineligibility to hold the office or formal removal of an officer by the board, the board shall proceed to fill the vacancy at the earliest possible time.

If the vacancy occurs in the chairperson's office, the vice-chairperson will assume the office as soon as the board of directors declares the position vacant. The vice-chairperson will hold the office of chairperson until the board elects a new chairperson.

A vacancy is filled in the prescribed manner of election of officers in this policy. A board member or officer must be on the board for one year to become chairman.

## **Removal of officers 7.6**

The AJCOC board has the right to remove any officer from that elected position by the same authority that elected the officers. Officers may be removed from office for:

- Gross or willful neglect of the duties of the office.
- Misuse of AJCOC funds.
- Conviction of a felony.
- Intentional lack of public support for the AJCOC mission, staff or programs.
- Failure to inform the board about issues that might impact board decisions.
- Engaging in criminal conduct or acts of violence or making threats of violence toward anyone on AJCOC premises or when representing AJCOC; fighting, or provoking a fight on AJCOC property; any disorderly or antagonistic conduct on AJCOC premises
- Threatening, intimidating or coercing fellow AJCOC employees, Board members, vendors, or visitors on or off AJCC premises at any time for any purpose.
- Engaging in any act of sabotage; or negligent damage of AJCOC property or the property of AJCOC employees, vendors, members or visitors.

Procedure for removal of any officer from office will be a simple majority vote of the board.

## **Chapter 8**

# **Committees of the Board**

The Board of Directors may create divisions, bureaus, departments, councils or subsidiary corporations. The Board shall authorize and define their powers and duties and annually review and approve all their activities and proposed programs, including collection and disbursement of funds.

### **Committee purpose 8.1**

It shall be the function of the committees to make investigations, conduct studies and hearings, attend related meetings, make recommendations to the Board of Directors and to carry on such activities as may be delegated to them by the Board.

### **Committee authority 8.2**

All official actions by any member, committee, division, employee, director or officer shall be approved and ratified by the Board of Directors.

### **Committee accountability 8.3**

Committees are a subsidiary of the board and will be expected to report their work to the full board on a regular basis. Each committee will be expected to make recommendations to the board for action, such recommendations to be made by a member of the committee in the form of a motion at a full board meeting.

The AJCOC board will annually review the work of each committee and determine which committees will be reappointed and which committees will be abandoned as no longer necessary.

### **Appointment of committees 8.4**

The Board of Directors shall appoint all committees and committee chairpersons, taking into consideration the preference of the board members for committee assignment.

### **Ex officio committee members 8.5**

The Board may appoint ex-officio, non-voting members of the Board of Directors and ad hoc committees and their chairpersons as deemed necessary to carry out the goals and responsibilities of the Chamber.

### **Duties of committee members 8.6**

Duties of the members of individual board committees will vary, but certain basic committee member responsibilities remain the same for all committees. Those responsibilities include:

- Attending all meetings of the committee to which the board member is assigned.
- Preparing for committee meetings and researching issues to be discussed at committee meetings.
- Actively participating in discussions at committee meetings.
- Following through promptly on any assignments for the committee.
- Supporting committee recommendations before the full board.

### **Committee meetings 8.7**

The committee chairperson will convene all meetings of the committee or a majority of the committee members may call a committee meeting. Meeting dates will be coordinated with the CEO to avoid conflict and to ensure completion of staff support and research for the committee.

Committees will present committee actions and recommendations to the board in the board meeting at which committee recommendations will be considered.

### **Guidelines for the committee chairperson 8.8**

The committee chairperson will be expected to lead the committee just as the board chairperson is expected to lead the board. The committee chairperson is accountable for ensuring the productivity of the committee by:

- Planning the agenda for the committee meetings.
- Ensuring that all members of the committee are notified of committee meetings.
- Convening committee meetings and keeping meetings on track.
- Appointing a member of the committee to keep a written record of committee actions.
- Encouraging the committee to take action on the issues discussed by the committee.
- Ensuring that reports and recommendations for action from the committee are presented to the full board.
- Leading the committee to evaluate its own operations.

### **Executive committee 8.9**

The executive committee will consist of the officers of the AJCOC board. This committee will meet as necessary to prepare issues to be presented to the full board and or to make emergency decisions on behalf of the board when it is not possible to assemble a quorum of the board. This committee will have no power other than

emergency action or other powers as may be delegated to it by the full AJCOC board from time to time.

### **Board development committee 8.10**

The board development committee will be responsible for improving the operations of the AJCOC board of directors by:

- Recommending potential new board members to Board of Directors for vote and appointment.
- Serving as the nominating committee to nominate persons for board membership.

## **Chapter 9 AJCOC Facilities**

### **Limited use of AJCOC facilities by outside organizations 9.1**

The board recognizes the need by the community for adequate spaces for meetings and programs of various groups and organizations, and the responsibility of AJCOC as a good corporate citizen to help meet this need. Therefore, it is the policy of the AJCOC board to allow limited use of AJCOC facilities by community organizations and groups.

### **Conflict of usage 9.2**

Individuals, groups or organizations may be given permission to use AJCOC meeting rooms for indefinite or extended periods of time or on a regular schedule, such as a specific date or dates in each week or month. This will be reviewed annually. Such permission may be granted by the CEO.

Requests for use of AJCOC facilities for other than AJCOC business will not be granted until it is clear that such use will in no way hinder the full use by AJCOC. A calendar of approved requests will be maintained to avoid scheduling conflicts. The AJCOC can charge a fee for the use of the facility.

### **Accountability for proper and safe usage 9.3**

Requests must be made in writing by one person, representing a group or organization, which will be obligated to AJCOC for the safe and proper use of AJCOC facilities.

Individuals belonging to a group whose request is approved will be required to comply with the security procedures which are established by AJCOC when using AJCOC facilities.



A record will be maintained of each request received showing the name of the individual, group or organization requesting use of AJCOC facilities, the date and hours of use.

## **Eligibility of users 9.4**

The board, through the provisions of this policy, authorizes the use of AJCOC facilities as outlined below:

- Individuals may request the use of facilities for and on behalf of a group or organization but may not use any facilities for private use.
- Groups and organizations that are members such as the following may be granted use of AJCOC facilities:
  - Civic clubs--Lions, Rotary, Kiwanis
  - Community organizations--Red Cross, United Way, Boy Scouts, Girl Scouts
  - Educational organizations--school boards, community college if a member of AJCOC and for a fee.
  - Each member can use the facility one time a year for free. Any other time will have a fee rate.
    - AJCOC facilities cannot be used by persons, groups or organizations for purely commercial or social purposes, political party activities or any private or public activity that will be considered controversial in the judgment of the CEO.

## **AJCOC Equipment 9.5**

All items purchased belong to AJCOC and are to be used for AJCOC needs. When practical, some items may be loaned or used by employees outside normal work hours, provided that:

- There is insurance covering the “non-deductible” value of the items.
- It is not used for an economic gain for the person borrowing.
- Does not cost AJCOC additional expense.
- Being unavailable does not prevent AJCOC from using the equipment for the reason purchased.

Prior permission must be granted by the CEO before any equipment is borrowed from AJCOC.

## **Accessibility of facilities 9.6**

It is the policy of AJCOC board that all facilities will be physically accessible according to the guidelines of the Americans with Disabilities Act (ADA). The CEO will annually review the facilities to ensure that all facilities meet the minimum standards of ADA.

## **Gifts acceptance 9.7**

The AJCOC board encourages gifts of materials, equipment, money or gifts in kind. However, the board also recognizes that all gifts may not be acceptable to AJCOC needs or principles and may involve expenses beyond the value of the gift.

Therefore, before acceptance, all gifts must be approved by the CEO as appropriate for AJCOC needs and within the boundaries of the established mission and philosophy of this organization. If there is question about the appropriateness of the gift, the CEO will bring the issue to the board for resolution.

The AJCOC board encourages those who give gifts to the organization to allow the most appropriate use of the gift to be determined by the board, CEO and staff who will give serious consideration to the wishes of the donor. However, final decision of how a gift will be used always remains with the board, CEO and staff of AJCOC. If the donor cannot accept this regulation, the gift will not be accepted by AJCOC.

AJCOC will provide acknowledgement of receipt of all gifts accepted by the organization, but AJCOC will not be responsible for appraisal of the value of a gift for income tax or other purposes.