

Bylaws of the Rotary Club of Merced Sunrise

Effective April 3, 2026

ARTICLE 1 DEFINITIONS

Board	The Board of Directors of this Club.
Bylaws	These Bylaws as approved by the Club; to the extent that a matter cannot be addressed, then RI, its Constitution and Code of Conduct shall be referenced for adjudication.
Club	The Rotary Club of Merced Sunrise, a California domiciled IRC 501(c)4 non-profit corporation and its subordinated Merced Sunrise Rotary Club Charity, a California domiciled IRC 501(c)3 non-profit corporation, whose boards shall be composed of the same Directors using the same Bylaws when necessary and able at all times.
Director	A member of this Club's Board of Directors appointed by the President, which includes select Chairpersons.
District	Rotary District 5220, of which the Club is a member.
Dues	Those monies charged to Members for membership from time to time prescribed by RI, District, Board and Club.
In Writing	A communication capable of documentation, regardless of the method of transmission.
Location	The Club shall regularly meet at Yosemite Station Restaurant at 125A East Yosemite Avenue, Merced, California 95340 for membership business and shall only maintain a separate business address at Post Office Box 3262, Merced, California 95344.
Member	A member, other than an honorary member, of this Club.
Officer	A member of the Club Board of Directors elected by the Club.
RI	Rotary International, Inc.
Year	The twelve-month fiscal period begins 1 July and ends June 30.

ARTICLE 2 BOARD OF DIRECTORS

The Board of Directors shall consist of six Officers and seven Directors.

The Officers shall be:

President President-Elect Vice President Immediate Past President

Secretary Treasurer

The Directors shall be the committee chairpersons of the five standing committees pertaining to:

Club Service Community Service International Service Vocational Service Youth Service

and the Foundation & Grants Committee and the Membership Committee

ARTICLE 3 ELECTION OF OFFICERS

Section 1 Nominations and Terms

In October of each year a Nominating Committee (ARTICLE 9, Section 1) chaired by the President-Elect shall meet to select candidates for Officers. Directors are appointed and are the responsibility of the President-Elect themselves. At a regular meeting of the membership in December of each year, election of Officers shall take place. Nominations from the floor, if offered, shall be accepted at the election meeting in addition to the nominations made by the Nominating Committee. The election of Officers shall be by voice vote unless a written ballot is requested by a Member. The candidates for Officers receiving a majority of the votes shall be declared elected to their respective positions. The customary succession shall be Vice President, President-Elect, President, and Immediate Past President each normally serving one year terms. The terms for the Treasurer and Secretary shall be two years only.

Section 2 Board Vacancy

A vacancy on the Board shall be filled by majority action of the remaining Board members.

Section 3 Officer-Elect Vacancy

A vacancy in the position of any Officer-Elect shall be filled by majority action of the remaining members of the Board-Elect. A vacancy in the position of Director-Elect shall be filled by the President-Elect. No election by the Board-Elect is necessary.

ARTICLE 4 DUTIES OF THE OFFICERS

Section 1 Duties of the President

It shall be the duty of the President to preside at meetings of both the Club and the Board and to perform such other duties as traditionally pertain to the office of President. Other duties of the Club President include:

1. Plan and manage timely weekly meetings and programs, with best practices being a 6:30AM start, a 7AM speaker start time and a 7:30AM close.
2. Introduce guests and visiting Rotarians at weekly meetings.
3. Induct new Members.
4. Oversee all Club committees and activities with the exception of the Audit & Finance Committee.
5. Present awards, as needed, including Paul Harris Fellows.
6. Hold at least two semiannual or quarterly Club Assemblies as needed.
7. Plan and manage Board meetings.
8. Appoint a full Board of Service Directors and committee Chairs.
9. Ensure committees have clear objectives and function consistently.
10. Supervise Club banking, budget and finances.
11. Ensure at least one annual audit is performed with results presented to the Board for inspection.
12. Meet with Area and Merced County Club Presidents for group projects and other Rotary events as needed.
13. Ensure Club representation at District assemblies, training, conference and RI Convention.

14. Attend the District Conference.
15. Cooperate with District Governor and Assistant District Governor on Rotary matters and handle correspondence promptly.
16. Collect committee reports for District and RI officials as needed.
17. Forward important information to Club Members from RI publications, District governor's newsletter, and other sources.
18. Consult with the incoming Club President before leaving office.
19. Arrange joint meetings of incoming and outgoing Boards for continuity.
20. Represent the Club at local activities and ceremonies.
21. Direct the Secretary and Treasurer to annually review Bylaws and related Dues Schedule for timely Board consideration and Club Assembly approval.

Section 2 Duties of the President-Elect

The President-Elect is a Board member and entrusted with additional duties as directed by the President or the Board. Key roles include:

1. Leading the Club's primary charitable fundraising initiatives throughout the year.
2. Shadowing the President to gain valuable training and insights.
3. Chairing the Nominating Committee by October each year, which proposes the Club Officers for the upcoming year.
4. Chairing meetings of both the Club and the Board in the absence of the President, if the President-Elect has completed Presidents Elect Training Seminars (PETS).
5. Undertaking all Rotary training in preparation of their Presidential duties.

Section 3 Duties of the Vice President

The Vice President is a Board member and entrusted with additional duties as directed by the President or the Board. Key roles include:

1. Arranging weekly professional speakers for the President's program, using DACdb via the Secretary for final scheduling. Vice Presidents shall gather and share speaker details with the President for introductions and be available for introductions at the President's direction. The President and Vice President will consult with each other on all speaker matters and with the Rotary Missions and Monthly Themes as outlined in Article 8.
2. Coordinating and setting-up audio/video/computer equipment for programs/speakers, as directed by the President.
3. Participating in the Nominating Committee to nominate Club Officers for the next Rotary year.
4. Chairing meetings of both the Club and the Board in the absence of the President, though only if the Vice President has completed Presidents Elect Training Seminars (PETS).
5. Serving on the Membership Committee.
6. Shadowing the President-Elect, particularly in major fundraising efforts, for training and continuity.

Section 4 Duties of the Secretary

The Secretary is a Board member and entrusted with additional duties as directed by the President or the Board. Key roles include:

1. Maintain accurate membership records at all times for RI, District, and Club invoicing and other purposes, including an accurate semi-annual census on December 31 and June 30 of each year for RI and District Dues invoicing.
2. Track and report Member attendance for District and Club purposes and other attendance reports, as needed.
3. Maintain an accurate DACdb Event Calendar and issue public notices for District, Board, Club, committee and regular meetings.
4. Record minutes of Board, committee, and Club actions and publish and archive the same within thirty (30) days of approval.
5. Conduct and coordinate an annual review of Bylaws changes based upon: RI Council on Legislation decisions, District guidance, Board, Member, and legal counsel recommendations for Board consideration and Club approval.
6. Prepare and publish the Secretary's Annual Report in consultation with the subject President and related Board members.
7. Be the official point of contact between the Club and members as needed.

Section 5 Duties of the Treasurer

The Treasurer is a Board member and entrusted with additional duties as directed by the President or the Board. Key roles include:

1. **Financial Management.**
Oversee financial planning, budgeting, and forecasting. Manage cash flow, investments, and financial risk. Ensure compliance with accounting principles and nonprofit financial regulations.
2. **Financial Reporting.**
Prepare and present accurate and timely financial statements. Provide financial reports to the Board and relevant committees on a consistent basis. Communicate financial information to the Club.
3. **Budget Oversight.**
Develop, monitor, and analyze the organization's budget. Collaborate in a timely manner with incoming and outgoing Board to ensure budget adherence and financial goals.
4. **Audit and Compliance.**
Support Audit & Finance Committee. Ensure compliance with legal and regulatory requirements. Address audit findings and implement necessary improvements.
5. **Grant Management.**
Oversee financial aspects of grant applications and management. Ensure compliance with grant reporting requirements.
6. **Internal Controls.**
Establish and maintain internal financial controls. Mitigate financial risks through effective internal control measures.
7. **Tax Compliance.**
Ensure compliance with tax regulations applicable to California and federal nonprofit organizations. Coordinate with tax advisors for filings and reporting.
8. **Treasury Management.**
Manage banking relationships and optimize cash management. Monitor and project cash flow to meet organizational needs.

9. **Strategic Financial Planning.**
Contribute to the development and execution of the Club's financial strategy. Provide financial insights to support strategic decision-making.
10. **Board Interaction.**
Engage with the Audit & Finance Committee and present financial updates. Collaborate with the Board on financial strategies and risk management.
11. **Policy Development.**
Develop and update financial policies and procedures. Ensure adherence to established financial policies.
12. **Staff Leadership.**
Supervise and mentor finance and accounting staff. Foster a collaborative and accountable financial team.
13. **Technology Integration.**
Implement and leverage financial technology systems for efficiency. Stay abreast of advancements in financial management tools.
14. **Donor Communication.**
Collaborate in fundraising efforts to communicate financial information to donors and other stakeholders.

Section 6 Duties of the Immediate Past President

The Immediate Past President is a Board member and entrusted with additional duties as directed by the President or the Board. Key roles include:

1. Lead Club and Board Meetings in President’s absence.
2. Serves on the Nominating Committee.
3. Consults on the preparation of the Secretary's Annual Report.
4. Officiate the annual President kick-out party.

Section 7 Club Financial Support for Officer and Member Rotary Events

The Club is part of a larger Rotary confederation composed of RI, its 34 Zones, and 529 Districts. From time to time, Club officers and certain members are required to attend Rotary events for training, collaboration, and development. Some of these events require international travel and other costs. To maintain the Club's influence across Rotary, the Club may financially support certain members to attend and leverage designated events.

The Board and Club may create an estimated annual budget to attend the following Rotary events, including a routine analysis of membership dues to provide financial support through the Operational and/or Charity Budgets:

Event	Attendee	Club Reimbursement/ Payment	Frequency
RI Conference	President-Elect +1	<ul style="list-style-type: none"> ● Event Registration ● Air-Land Travel ● Hotel ● Event Formal Meals ● Airport Parking 	June
District	President +1	<ul style="list-style-type: none"> ● Event Registration 	June

Conference		<ul style="list-style-type: none"> ● Hotel ● Event Formal Meals 	
	President-Elect + 1	<ul style="list-style-type: none"> ● Event Registration ● Hotel ● Event Formal Meals 	
	Area Governor +1 (If Club Member)	<ul style="list-style-type: none"> ● Event Registration ● Hotel ● Event Formal Meals 	
President-Elect Leadership Seminar (PELS)	President-Elect +1	<ul style="list-style-type: none"> ● Event Registration ● Land Travel ● Hotel ● Event Formal Meals 	February
District Foundation Dinner	Any Member	<ul style="list-style-type: none"> ● Member Pays/ ● Budget Discretion 	November
District Assembly	Any Member	<ul style="list-style-type: none"> ● Event Registration 	As Called
District Committee	Any Member	<ul style="list-style-type: none"> ● Member Pays 	As Called

Generally, the President-Elect begins formal training (PELS) six months prior to becoming President. The District Conference highlights the annual accomplishments of clubs and their Presidents, with the President-Elect in attendance. If a Club member acts as an Area Governor, that member may also attend the District Conference at the Club's expense. While not every club can send a representative to the RI Conference annually, this Club endeavors to send the President-Elect. The “+1” specifies a recognized spouse or partner, not a casual friend, child, or other Member. If a specified attendee cannot participate, they may formally appoint a designee, subject to approval by a majority Board vote. The Board may appoint a designee independently if a vacancy exists or no other appointment is approved.

The Board reserves the right to deny claims for payment or reimbursement from any member, including President, President-Elect, or Area/Assistant Governor, if the Board determines the member has not fulfilled their club role(s) as expected. All claims for payment must include timely invoices and receipts. The Club does not pay for mileage, personal vehicle fuel, per diem meal expenses, or lodging/travel expenses beyond the night before a morning event and the day after the event concludes. The Board carefully reviews all international travel costs and related reimbursements.

If any member does not attend an event the Board has paid for them, they will be required to reimburse the cost to the Club; this requirement may be overridden by majority vote of the Board in case of extreme/compelling circumstances.

ARTICLE 5 MEETINGS

Section 1 Club Assembly

At least two Club Assemblies shall be convened each year by the President to update the Club in all

matters. A Club Assembly in December shall be held to elect Officers for the next year in compliance with RI reporting. A Club Assembly may be held at a regular weekly meeting or during a Club social event.

Section 2 Regular Meetings

Regular weekly meetings are on Fridays at 6:30 AM. Any changes or cancellations will be promptly communicated by the President or their designate to Members and venue staff. Members must attend at least fifty (50) percent of the regular meetings in accordance with the RI constitution to maintain their good standing in Rotary.

Section 3 Membership Quorum

Fifty (50) percent of membership shall constitute a quorum at Club Assemblies and regular meetings.

Section 4 Board Meetings

Board meetings shall be called monthly by the President in a form and function necessary to complete Board business. Special Meetings and Voting by Communication (Section 7) may be called by the President only at any time when necessary. Four (4) Board members may call an in-person only Board meeting through the Secretary giving a seven (7) day notice to the entire Board.

Section 5 Board Quorum

Six (6) Board members present shall constitute a quorum of the Board necessary to approve all matters. In the event that a single member occupies more than one role on the Board, that member shall only be counted as a single member and vote for Board matters. No Board position shall be shared or delegated for voting purposes.

Section 6 Open and Closed Meetings

From time to time, the President, or their assigns acting as Board chairperson, may designate a “Closed Board Meeting” or “Closed Committee Meeting” for the purposes of dealing with confidential information. Examples include, but are not limited to:

1. Board or Member matters.
2. Legal issues or legal counsel meetings.
3. Contract or compensation negotiations.
4. Audit findings.

All Board Meetings shall be considered “open” automatically, unless the President or assigned chairperson specifically disinvites Members and/or the public to participate in discussions using the normal seven (7) day notice. These guests may speak on agenda items receiving proper motions open to discussion. The purpose of any “Closed Board Meeting” is to make informed decisions while respecting privacy. The Club commonly expects open Board meetings.

Section 7 Special Meetings and Voting by Communication

The Board may make limited decisions using conference calls, email, or other communication tools where all participants can clearly interact. The President only initiates such meetings, treating them like traditional meetings. This process may involve a 24-hour period for questions, responses, motions, and voting, ensuring a quorum, and adherence to proper rules of order. The President, or their designate, extends an initial motion, welcomes a second motion, fosters debate and amendment, and any final vote as directed by the President. The Secretary records and publishes minutes as a Special Meeting. Attendance in such meetings is considered in-person attendance. Special Meetings and voting by communication shall not replace monthly Board meetings but exist to address exigent (pressing) matters of limited financial impact after thoughtful debate.

Section 8 Board Member Attendance, Excused Absence & Resignation

All Board members shall attend duly scheduled Board meetings to ensure active Club governance. Board members may be excused for non-attendance if they notify the President or Secretary within 24 hours of a scheduled Board meeting. The Board reserves the right to accept or deny any Board

Member absence. If a Board Member obtains three or more unexcused absences from regular Board Meetings during any Year, as recorded by the Secretary, the Board may consider the subject position voluntarily vacated and eligible for re-election under ARTICLE 3, Section 2. A Board Member may resign their position at any time.

ARTICLE 6 FEES AND DUES

Section 1 Board Authority

The Club membership dues shall be set by the Board and approved by the Club.

Section 2 Membership Types & Dues Schedule

Club, District, and RI Dues are invoiced together. This schedule is outlined as **EXHIBIT A** and may be amended separate from the Bylaws using ARTICLE 16 as needed. As of the date of these adopted Bylaws Club dues and fees are outlined in **EXHIBIT A**.

Section 3 Annual Payment

Annual membership dues shall be payable on July 1 and all amounts in arrears shall be payable no later than June 30 of each year or such other date as directed by the Board.

Section 4 Quarterly Payment

Quarterly membership dues shall be payable on July 1, October 1, December 31, and April 1, with the understanding that any portion of membership dues shall be applied to semiannual payments to Rotary International for RI per capita dues and for Members' subscriptions to the RI official magazine.

Section 5 Leave of Absence (LOA) Obligations

Members under LOA status prescribed in ARTICLE 10, Section 1, are assessed all normal and customary dues, fines and fees as set forth by the Club and Board, with the exception of unconsumed meals. The LOA Member shall revert to the "Member Dues without Meals" invoicing method until such time as are no longer LOA or are terminated by the Club. The invoicing change goes into effect the first day of the new month after any Board LOA approval. Members are not excused from Giving, or other obligations befitting a Rotarian, except as noted under ARTICLE 10, Section 1. The Board shall communicate to Members requesting LOA their continued financial obligations prior to approving LOA status.

ARTICLE 7 METHOD OF VOTING

Club business shall be transacted by voice vote, except by written ballot if requested by a Member or by using the method described in ARTICLE 5, Section 7.

ARTICLE 8 ROTARY MISSIONS

Section 1 Five Avenues of Service

The Five Avenues of Service, as specified by the RI constitution, serve as the philosophical and practical framework of all Club works. The Five Avenues of Service comprise:

1. Club Service
2. Community Service
3. International Service
4. Vocational Service
5. Youth Service.

All Board members shall be familiar with the Five Avenues of Service.

Section 2 Seven Areas of Focus

The Seven Areas of Focus comprise:

1. Promoting peace
2. Fighting disease
3. Providing clean water, sanitation, and hygiene
4. Saving mothers and children
5. Supporting education
6. Growing local economies
7. Protecting the environment.

Club service projects and other support shall endeavor to be active and sustainable in these Areas as specified by RI.

Section 3 Rotary Calendar

RI publishes its calendar (subject to change) enabling clubs not only to highlight Rotary Missions, but also to furnish the Club, Board, and Directors with an operational framework. The President and Board are encouraged to use the Rotary Calendar not only to plan meetings, but also to keep Committee and Directors productive and accountable during the year.

Section 4 Monthly Themes

1. January: Vocational Service Month
2. February: Peace-Building & Conflict Prevention
3. March: Water, Sanitation, & Hygiene
4. April: Environment
5. May: Youth Service
6. June: Rotary Fellowships
7. July: Maternal & Child Health
8. August: Membership & Extension
9. September: Basic Education & Literacy
10. October: Economic & Community Development
11. November: Rotary Foundation
12. December: Disease Prevention & Treatment

ARTICLE 9 STANDING COMMITTEES

Standing Committees address Club annual and strategic objectives in accordance with Rotary's Mission. The President or President-Elect appoint all Committee Chairs for their respective year and may assign or remove members to serve on a Committee as needed. While some Chairs may report to the President and Board, all Standing Committees are subject to the Club Service Director requests to plan and execute all Club Service functions. Chairs' responsibilities include leading their committee meetings, overseeing their committee's work-product, and submitting reports to the Board as needed. Committees may not act independently of Board and Bylaw authority. The President may attend any Committee meeting and vote on any committee matter when needed. Prior Committee membership is recommended for Chairs and Directors. Committees shall be minimally composed of not less than two members including the Chair unless otherwise specified. Standing Committee automatic membership and notes are included in **EXHIBIT B** for reference and attached to these Bylaws. Standing committees and functions are:

Section 1 Club Service

All Standing Committees shall coordinate and support the ongoing needs of the Club Services Director in addition to reporting to the President and Board. The Club Service Director has the general responsibility not only to plan and execute all Club events, but also to ensure that annual and required Club operations are completed on time. These generally include:

1. Annual audits and consistent review of financial practices.
2. Fair and timely review of grant/gift requests.

3. Club support of The Rotary Foundation.
4. Monitoring the healthy growth of membership.
5. Timely nomination of future Board Officers.
6. Engaging Club Past Presidents for advice.
7. Elevating the Club's and Rotary's local public image.

Standing Committee Chairs serve as a source of support for the Club Service Director in addition to other members.

1. Audit & Finance Committee

This Committee shall annually examine and sample any accounting record, banking record, budget record, financial or managerial report, tax return, work paper, supporting documentation, or process under the Treasurer's charge. The Committee may study or review all financial decisions or transactions at any time. In each case, the Committee shall make a report of its finding to the Board and make recommendations therein. The Club Service Director and minimally two other members shall comprise this committee at all times. Anyone with a conflict of interest shall recuse themselves from any matters in which there may be a conflict. The President, Immediate Past President, Immediate Past Treasurer, and current Treasurer are barred from serving on this committee.

2. Foundation & Grants Committee

The committee shall develop and implement plans to support The Rotary Foundation through Club financial contributions and program participation in Paul Harris Fellow and Polio Plus. The committee also solicits and evaluates both in-coming and out-going grant and gift requests for Board final consideration. The committee and its Chair act as the single point of contact between the Club and Charity and all formal grantees and grantors. This includes other Rotary clubs and related stakeholders for District, International, and RI Global Grant service projects. The Committee shall explore all fundraising opportunities to support Club service projects in addition to external grantee requests, including matching grants and other resource development. This committee is led by the Foundation Chair. The International Service Director, Club Service Director, and Immediate Past President are automatic members. The committee is encouraged to add non Board members for membership.

3. Membership Committee

This Committee is led by the Membership Chair. The Vice President is an automatic member of the Membership Committee. Together, the Membership Chair and President shall mutually appoint Committee members. At all times this Committee shall be composed of the Chair and no less than two other members. This Committee may only advance recommendations or motions to the Board based upon a two-thirds affirmative vote. This Committee is tasked with the following:

- a. Membership shall be responsible for all recruitment, sponsorship, interviews, classification, induction, mentoring, education and retention activities, including a semi-annual membership/attrition/attraction assessment on the Club and individual members prior to semi-annual RI census.
- b. Membership shall consider all sponsored proposals for membership. In assessing prospective members, the Membership Committee shall investigate the character, business, social and community standing, and general eligibility of all persons proposed for membership and shall report its recommendations to the Board in accordance with the RI Constitution.
- c. Membership shall ensure new members obtain a comprehensive briefing about Rotary. This includes the history and objectives of Rotary International, the District, and the

Club with emphasis on a Member's responsibilities. The Membership Committee may also manage the induction ceremonies for new members, as directed and presided by the President.

4. Nominating Committee

The President-Elect shall chair this committee, organizing it to interview, select, and nominate interested Officers for the next year. The Immediate Past President shall serve on this committee with others also appointed by the President-Elect. The committee's nominations shall be publicly considered not later than December of each year in accordance with RI policy.

5. Past President Committee

From time to time, the President, Board, or the Club may require a special investigation or recommendation. This committee, composed of the five most-recent, physically available active or honorary Past Presidents without conflicts of interest shall be made available. This Committee may also appoint an additional *ad hoc*, or "for this situation" committee without conflicts requiring subject matter experts as necessary.

6. Public & Government Relations

This committee is led by the Public Image Chair and reports to the President. The Committee shall develop and implement plans to provide public information about Rotary and promote the Club's service projects and activities. These tasks include, but are not limited to; social media, technology and website content management, official photography and copyright agreements, the procurement and announcement of Rotary and other public service awards, and the production of any newsletter (*The Scroll*) content highlighting meetings, fellowship, service projects, and Rotary.

Section 2 Community Service

The Community Service Director is appointed by the President to identify and address community needs using the Seven Areas of Focus as a template. To the extent possible, this Director shall solicit speakers and potential grantees through the Club's Grant and Foundation Committee to educate the Club about potential service projects and otherwise craft sustainable and meaningful charity work in Merced City and County. Directors shall form a budget with the President and Board.

Section 3 International Service

The International Service Director is appointed by the President to identify and address international service project opportunities wherever created using the Seven Areas of Focus as a template. To the extent possible, this Director shall solicit speakers and potential grantees through the Club's Foundation & Grants Committee to educate the Club about potential service projects and otherwise craft sustainable and meaningful charity work through the Rotary Global Grant program, District grants, or other projects identified by the Club. Directors shall form a budget with the President and Board.

Section 4 Vocational Service

The Vocational Service Director is appointed by the President to identify and address vocational or job community needs using the Seven Areas of Focus as a template. To the extent possible, this Director shall solicit speakers and potential grantees through the Club's Grant and Foundation Committee to educate the Club about potential service projects and otherwise craft sustainable and meaningful charity work in Merced City and County. Directors shall form a budget with the President and Board.

Section 5 Youth Service

The Youth Service Director is appointed by the President to identify and address youth needs using the Seven Areas of Focus as a template. To the extent possible, this Director shall solicit speakers and potential grantees through the Club's Grant and Foundation Committee to educate the Club about

potential service projects and otherwise craft sustainable and meaningful charity work in Merced City and County. Directors shall form a budget with the President and Board.

ARTICLE 10 LEAVE OF ABSENCE & RULE OF 85

Section 1 Leave of Absence (LOA)

Citing good cause, Members may request LOA from Club attendance in writing to the Board. Normally LOA is for twelve months or less, with the Member intending to return. The Member remains responsible for all their financial obligations to the Club with the exception of meals unconsumed during LOA. The Board is cautioned against extending LOA beyond six months—unless for a medical or dependent matter—or maintaining an excessive number of LOAs on the Club membership roster.

Section 2 Rule of 85

The Secretary shall routinely monitor the Club roster for Members that qualify for Rule of 85 status. The sum of the Member's age and minimally 20 years as a Rotarian must be at least 85. If the Member is in good standing, the Board can direct the Secretary to change the Member's status from Active to Rule of 85, making them exempt from Club attendance reporting. The Member is still considered a Member and remains financially responsible in all Club matters.

ARTICLE 11 ACCOUNTING, BANKING & FINANCE

Section 1 Fiscal Year & Invoicing

The fiscal year runs from July 1 to June 30. RI and District dues are invoiced on January 1 and July 1 based on Club membership as of December 31 and June 30. Dues are prorated monthly from the Member's admission or termination date, including the Rotarian magazine subscription. Refer to **EXHIBIT A** for the Dues Schedule.

Section 2 Budget

Before each fiscal year, the incoming Board prepares for Club and Charity operations a budget estimating income and expenses. This budget is presented to the Club for approval or modification in accordance with ARTICLE 16. While the budget is meant to guide expenditures, the Board may adjust it as needed without additional Club approval—provided total expenditures do not exceed 20% of the originally approved budget.

1. Operations Club Budget

The Club budget should cover operating costs with revenue from dues, fines, and other Member contributions. A 5% reserve of estimated annual income must be budgeted for contingencies. Any overage may only be addressed using unrestricted Charity funds as approved or modified under ARTICLE 16.

2. Restricted Charity Budget

Funds donated for specific projects, such as the Merced Field of Honor, are designated as restricted by the Board. These funds and their use are separate from all other Club and Charity finances. The annual restricted spending cannot exceed 40% of each subject restricted balance on July 1 of each year. Any overage may only be approved or modified under ARTICLE 16. For example, if the restricted Merced Field of Honor bank account has a balance of \$100,000 on July 1, then the Board is authorized to budget and disburse not more than 40% (\$40,000) on related restricted projects during that year.

3. Unrestricted Charity Budget

Unrestricted Charity funds can be used for broader charitable purposes. Spending from this pool is capped at 40% of the available balance (after subtracting any restricted funds) as of July 1. The total Charity budget combines the restricted and unrestricted budgets and should not deplete assets needed to sustain the Club. Any overage may only be approved or

modified under ARTICLE 16. For example, if the unrestricted Charity bank account has a balance of \$60,000 on July 1, then the Board is authorized to budget and disburse not more than 40% (\$24,000) on related restricted projects during that year.

Section 3 Bank Deposits & Signers

All funds are deposited in a Board-approved bank. The Immediate Past President, President, President-Elect, and Treasurer are considered the customary bank signers. The Board may approve other Board members as needed. At least two Board members must have signature authority on all accounts.

Section 4 Financial Review

Accounting records must be accessible to all bank signatories. The Audit & Finance Committee shall conduct an annual audit and oversee tax filings handled by an external agent. The Audit & Finance Committee may review any financial record at any time and report findings to the Board.

Section 5 Special Projects

Funds for special projects, such as the Merced Field of Honor or Rotary Foundation contributions, are coordinated with the Treasurer. No separate accounts will be maintained, and Section 3 applies to all deposits.

Section 6 Giving

The Foundation & Grant and Audit & Finance Committees manage voluntary contributions to The Rotary Foundation and the Charity. The Foundation & Grant Committee receives and recommends grant applications to the Board for final approval. The Board shall not consider or authorize any charitable application or disbursement without current Club and Charity financial statements available to the Board.

ARTICLE 12 METHOD OF ELECTING MEMBERS

Section 1 Prospects & Sponsors

Prospects need to attend at least three meetings and have a Member nominate them as a Sponsor. The Sponsor needs to obtain sufficient information and complete the Club's Nomination form located on the Club's website. This Nomination is sent to the Membership Chair and Committee for review. New, former, and transferring Rotarians require a Sponsor and must undergo the same election process. All Prospect information shall be kept confidential between the Sponsor and Membership Committee.

Section 2 Prospect Interview/Orientation and Recommendation

Upon receiving the Sponsor's Nomination, the Membership Committee shall either defer the Nomination to the Board for consideration or conduct an investigation and Interview/Orientation with the Prospect. The Membership Committee shall also classify the Prospect as required by RI. The Interview/Orientation shall be conducted by not less than two Membership Committee members and be sufficient to obtain all information necessary to complete Rotary databases, communicate the Rotary Youth Protection Policy and any Live Scan requirements, review any Conflict of Interest as defined in ARTICLE 15. and collect a written acknowledgment from the Prospect of their ethical and financial responsibilities to the Club as a Rotarian and the purpose of Rotary. Having collected sufficient information, the Membership Committee shall make its recommendation to the Board. The Membership Committee shall endeavor to complete any investigation and Interview/Orientation processes the same month any Nomination is received.

Section 3 Board Approval

The Board shall approve or disapprove the Nomination the same month as the Membership Committee Interview, when able, and direct the Membership Chair to inform the Club, if necessary, with the intention to induct the Prospect as soon as possible.

Section 4 Club Notice, Objections and Induction

Upon Board approval, the Membership Chair shall provide a minimal seven (7) calendar day notice to all Members on the Prospect's induction and invite written objections for the Board's consideration. The Board shall consider and act on any written objection. Hearing no objection, the Treasurer shall calculate and invoice the Prospect current dues and fees. Only after the Club notice expires without pending objections will the Prospect be duly elected and eligible for induction.

Section 5 Induction

Following election, the Membership Chair and President shall preside over an induction ceremony and provide the new Rotarian with the following materials: a certificate containing the Rotarian's Rotary ID number, a Rotary pin, access to all Rotary electronic resources, a Rotary work-shirt, assignment of a Past President or other Officer as a mentor to the new Rotarian, and an official assignment to a Club position, committee or project.

Section 6 Honorary Members

The Club may elect, in accordance with the RI Constitution and the Section 4 process, Honorary Members proposed by the Board. The Board may impose a term and shall consider an Honorary Member's historical community service impact and giving as important considerations. The Board shall review Honorary Members annually with the yearly census and may continue or terminate Honorary Members independent of a Club vote.

ARTICLE 13 NO CLUB ACTION WITHOUT PRIOR BOARD APPROVAL

The Club shall not consider any resolution or motion to commit the Club on any matter until the Board considers and approves. Such resolutions or motions, if offered at a Club meeting, shall be referred to the Board without discussion. It is understood that Members may be impressed by a prospective member, a presentation, grant request, etc. Any Member may recommend, publicly or privately, the Club take action, but the Board is the proper venue for deliberation. No Club action shall be taken before the next regular meeting of the Board.

ARTICLE 14 ORDER OF BUSINESS

The weekly meeting shall consist of any items that RI requires for each Rotary meeting and any other item as the President deems appropriate. The order of items to be addressed at each meeting (the program) shall be set at the sole discretion of the President.

ARTICLE 15 CONFLICTS OF INTEREST

Whenever a Board member, committee member, employee, agent, Club Member, prospective member, or related or other close party has a personal interest in any financial, membership, or other matter coming before the Club, Charity, Board, or Member, the Board and each of its members shall ensure that:

1. The interests of any such parties are fully disclosed to the Board or Club as necessary.
2. No interested Board Member may vote or lobby on the matter or be counted in determining the existence of a quorum at the meeting of the Board or Club at which such matter is voted upon.
3. For the best interests of the organization, any transaction in which a Board Member has a direct or indirect financial or personal interest shall be duly approved by members of the Board not so interested or connected.
4. Payments to the interested party shall be reasonable and shall not exceed fair-market

value and shall be fully documented.

5. The minutes of meetings at which such votes are taken shall record such disclosure, abstention, and rationale for approval.

ARTICLE 16 ANNUAL BUDGETS & BYLAWS AMENDMENTS

These Bylaws and related annual budgets may be amended at any regular meeting, a quorum being present, by a two-thirds (2/3) vote of all Members present, provided that notice of such proposed budget or amendment has been provided in writing to each Member at least seven (7) days before such meeting. No amendment or addition to these Bylaws can be made which is not in harmony with the RI Constitution and Code of Conduct and those enacted by the RI Council on Legislation.

- END -

EXHIBIT A

Membership Types & Dues Schedule

Annual Membership with Breakfast	\$660.00
Annual Membership without Breakfast	\$306.00
Quarterly Membership with Breakfast	\$175.00
Family Membership with Breakfast for One	\$860.00
Family Membership without Breakfast (2 Members)	\$400.00

EXHIBIT B
Standing Committees Appointments

Audit & Finance	Foundation & Grants	Membership	Nominating
Club Service (Chair)	Foundation (Chair)	Membership (Chair)	President-Elect (Chair)
Two Other Active Members w/o Conflict	International Service	IPP	IPP
May Not Serve:	IPP	Vice President	Vice President
IP President	Club Service		Others As Appointed by President-Elect
IP Treasurer			
Treasurer		Public Image	
President		Public Image (Chair)	

Past Presidents:

Last Five Active or Honorary Past Presidents without Conflicts able to physically attend committee meetings as called.

President independently appoints:

- Community Service
- Club Service
- International Service
- Vocational Director
- Youth Service Director
- Foundation Chair
- Membership Chair
- Public Image Chairs

Removal and replacement is by Board majority vote.

Presidents may attend and vote at any committee meeting with the exception of the Audit & Finance Committee and Past Presidents Committee.