

## **Book of Resolutions Rotary Club of Los Gatos**

**7.4 Resolutions of the Board** On matters pertaining to contracts, club policy and rules, time or place of meetings, and anything else of continuing or substantial importance, the board acts by written, numbered resolution. Such resolutions are recorded by the secretary in the minutes and are kept in a separate book of resolutions. Whenever the board deals with the application of a policy or rule which has been decided by the board in the past but which has not yet been the subject of a formal resolution, the board is encouraged to memorialize the policy or rule in a formal resolution.

Bylaws adopted in Club Assembly April 22, 2003

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### **Resolution #1**

**Club Policy on Leaves of Absence**

**Bylaws**

**“5.2.6 Leaves of Absence The board establishes rules for leaves of absence for members”**

**Constitution**

**“Section 2 — *Excused Absences*. A member’s absence shall be excused if (a) the absence complies with the conditions and under circumstances approved by the board. The board may excuse a member’s absence for reasons that it considers to be good and sufficient. (b) the aggregate of the member’s years of age and years of membership in one or more clubs is 85 years or more and the member has notified the club secretary in writing of the member’s desire to be excused from attendance and the board has approved.**

**(The RI Constitution for clubs does not specifically cover Leaves of Absence)**

**Considering that: 1.The “Club Constitution does not specifically treat the subject of Leaves of Absence and that the Club Bylaws state that the “the board establishes rules for leaves of absence for members,**

**Resolved:**

***The R/C of Los Gatos Board may approve a request for a Leave of Absence for good and substantial reason for a period not to exceed 6 months. Further, that for great extenuating circumstances, such Leave of Absence may be extended for a second 6-month period. It is further resolved that club dues are due and payable during a Leave of Absence, but that there be no charge for missed meetings. In addition, in cases where additional input is desirable, the Board may refer a request for a Leave of Absence to the Membership Committee for its recommendation.***

### **Resolution #2**

**Club Policy regarding Red Badge membership for Rotarians transferring to our club from another club**

**Resolved:**

*That a Rotarian transferring from another club to the R/C of Los Gatos shall complete a modified, abbreviated Red Badge period for the purpose of getting acquainted with our club and district (If transferring from another district).*

*At the option of the Board and with input from the Red Badge Committee, the requirements for transferring members may include the following but are not limited to the steps below:*

- 1. Biographical speech*
- 2. Attend several Red Badge meetings with a minimum of three*
- 3. Serve on welcome and lunch counter committee*
- 4. Attend a district function if Rotarian is from another district.*

### **Resolution #3**

**Club Policy regarding honorary membership**

**Constitution**

**“Section 6 — Honorary Membership.**

**(a) Eligibility for Honorary Membership.** Persons who have distinguished themselves by meritorious service in the furtherance of Rotary ideals may be elected to honorary membership in this club. The term of such membership shall be as determined by the board. Persons may hold honorary membership in more than one club. \*\* The 2001 Council on Legislation adopted an enactment that eliminated types of membership (senior active, past service and additional active) and revised the classification principle. However, no one who is a member of a Rotary club as of 1 July 2001 will lose membership by reason of the new provisions. All such persons will be considered active members. **(b) Rights and Privileges.** Honorary members shall be exempt from the payment of admission fees and dues, shall have no vote and shall not be eligible to hold any office in this club. Such members shall not hold classifications, and enjoy all the other privileges of this club. No honorary member of this club is entitled to any rights and privileges in any other club, except for the right to visit other clubs without being the guest of a Rotarian.”

**Club Bylaws**

**There is no specific reference to Honorary Membership in the club bylaws.**

**Resolved:**

*The Board of Directors of the R/C of Los Gatos shall approve or disapprove each proposed Honorary Member in light of the Club Constitution stated above with special attention to this phrase from the constitution: “Eligibility for Honorary Membership. Persons who have distinguished themselves by meritorious service in the furtherance of Rotary ideals may be elected to honorary membership in this club.”*

#### Resolution #4

Club policy regarding Composition of the Finance Committee.

Neither the old nor new bylaws cover the composition of the Finance Committee. Treasurer, Don Kuehn had recommended at the Board Meeting of May 14, 2003 that the Finance Committee be composed of club members according to the following resolution:

**Resolved:**

*The Finance Committee shall be composed of the Treasurer, Assistant Treasurer, a nonvoting financial advisor attending meetings when requested by the Treasurer, and three committee members who each serve for three years and are nominated/elected one each year in the same manner as is done for the Scholarship Committee. The Club nominating Committee would select the individual to be nominated each year and the Club would vote on that member (or any other member nominated from the floor) at the same time as the other Club elections. The initial three members of the Finance Committee would be:*

*Art Beddeson – 2 additional years*

*Tom Boyce – 1 additional year*

*Dave Downing – current year (2007-08) only.*

*In the event that a member cannot complete their three-year term, then the Club President will appoint a replacement member to serve the remainder of the term.*

*Resolved: December 13, 2007*

#### Resolution #5

Club Policy regarding annual selection of a Rotarian to serve on the Scholarship Committee

The Bylaws adopted in Club Assembly April 22, 2003 do not specifically provide for this position. However, there is provision indirectly in the sections below for this member to serve on the Scholarship Committee.

**5.2.2 Related Organizations** The board may in its discretion establish organizations related to the club, subject to general law, tax laws and regulations, and the rules of each of such organizations. (Current examples of related organizations are Los Gatos Rotary Charities Foundation and Los Gatos Rotary Scholarship Fund.)

**9.2 Nominations of Officers and Directors** The nominating committee nominates one nominee for each club office except the office of president, and one nominee for each seat on the club board of directors that will be open for election. If it is then known that the president-elect will not serve as president, the nominating committee also nominates a president. If there are related organizations such as those mentioned in Article 5, section 2.2 of these bylaws whose organizational documents provide for that officer or director of that organization to be elected by the club, the nominating committee also nominates a nominee for that position. In the course of deciding who to nominate the committee consults with the current president-elect and with the chairman of the prior year's nominating committee.

**Resolution:**

*The Nominating Committee shall name a candidate for the Scholarship Committee from the general membership each year.*

#### **Resolution # 6**

#### **Rules and Guidelines for Contributions to and Donations from the Rotary Club of Los Gatos, The Los Gatos Charities Foundation, and the Los Gatos Scholarship Fund**

**1. The Los Gatos Rotary Scholarship Fund is restricted by its by-laws as follows:**

- All contributions must be added to the principal
- The total amount of awards in any year must not exceed the greater of the income from the principal in that year or in the previous year.
- The major fund raising event is the Great Race that is owned by the Scholarship Fund. A formal agreement exists between the Fund and the Club stating that the Club will operate the Great Race for the Fund and that the Club will receive two-thirds of the net income while the Fund will receive one-third of the net income or \$5,000.00 whichever is larger.
- Award amounts and recipients are determined by the Board of Trustees of the Fund according to the guidelines in the by-laws.
- The members of the Board of Trustees of the Scholarship Fund and the members of the Scholarship Committee of the Rotary Club of Los Gatos are the same individuals.

**2. The Los Gatos Rotary Charities Foundation is restricted by its by-laws as follows:**

- Contributions may be specified as restricted or unrestricted at the time of the donation as agreed on between the donor and the Board of the Foundation.
- Unrestricted contributions may be used during the year of contribution to fund awards from the Foundation. Any unrestricted contributions not used for awards in the year of contribution are added to the principal of the Foundation at the end of that year.

*Guideline: All unrestricted contributions from individuals are normally considered as restricted and will be added to the principal at year-end.*

- Restricted contributions may be any of the following:
  - A. Must be added to the principal
  - B. Are intended to be used for a specific project, e.g. a matching grant
  - C. Are intended to be used as the donor advises at a later date

*Guideline: Contributions of type B. or C. must be spent within a three-year period from the date of contribution or else they will be added to the principal.*

- The award amounts are limited only by the amount of unrestricted funds available.

*Guideline: The award amounts in any year should usually be no more than the income produced from the principal in that year plus one-half of the Auction net income (see following).*

- **The major fundraiser for the Charities Foundation is an Auction operated by the Club. All of the net proceeds of the Auction go to the Charities Foundation and are unrestricted funds.**

*Guideline: In the event that an auction is not held in a given year then the Club should consider a donation to the Charities Foundation that will permit the Foundation to make awards in an amount equivalent to previous years.*

- **Awards from the Charities Foundation are determined by the Board of Directors of the Foundation using recommendations from the Charities Committee of the Club (restrictions imposed by the 501 c(3) classification of the Foundation must also be observed.)**

*Guideline: The awards given by the Charities Foundation are usually characterized by size (less than \$2,500) and by the fact that 80+ percent of the recipients are the same each year (e.g. YMCA, LGHS, CASA, etc.)*

**3. The Rotary Club of Los Gatos is restricted in receiving contributions and making awards by the 501 c(4) classification of the Club and by its Constitution, e.g. no support to political groups, no use of contributed funds for operating the Club, etc. The major fund raising for the Club is the net income of the Crab Feed and the two-thirds share of the net income of the Great Race. In a few cases, one or two, funds may also be raised by a "pass the hat" activity at Club meetings.**

*Guideline: Donations from the Club should be divided into two broad categories based on the size of the contribution and the group that evaluates and recommends the contribution.*

*Category I.*

- *Budgeted donations to annual events supported by the Club, e.g. Handicapped Children's Picnic (\$750), Family Christmas project (\$1,000).*
- *Ad hoc donations in amounts usually less than \$1,000 and determined by the Club Board of Directors without input from any Club committees. E.g. \$260 to repair the pool table at a Place for Teens, \$500 to the Yellow Ribbon group.*

*Category II.*

- *Major projects usually in the \$1,000 to \$10,000 range which are evaluated and recommended to the Club Board by the World Community Service committee, and try to take advantage of any funds available from other sources such as the District or RI. These projects are budgeted at a minimum level based on the expected net income to the Club from the Crab Feed and the Great Race. The actual amount available from these fundraisers will determine the amount available to be spent. Note, however, that since some projects carry over more than one year the funds available may come from a previous year as well as current year fund raising activities.*

**Resolution:**

***To recognize the guidelines given above concerning the acceptance of donations to and evaluating donation requests and awarding donations from the Los Gatos Rotary***

*Scholarship Fund, the Los Gatos Rotary Charities Foundation, and the Rotary Club of Los Gatos.*

**Revised by Board action February 9, 2005**