

FOREWORD

As most members probably know by now, we are trying to attain IRS 501(c)3 non-profit corporation status for SHARC. The immediate and potential future benefits of doing this are many.

This following is from IRS Pamphlet 4220: *"The benefits of having 501(c)(3) status include exemption from federal income tax and eligibility to receive tax-deductible charitable contributions. Another benefit is that some organizations may be exempt from certain employment taxes.*

Individual and corporate donors are more likely to support organizations with 501(c)(3) status because their donations can be tax deductible.

Recognition of exemption under section 501(c)(3) of the IRC assures foundations and other grant-making institutions that they are issuing grants or sponsorships to permitted beneficiaries.

An IRS determination of 501(c)(3) status is recognized and accepted for other purposes. For example: state officials may grant exemption from state income, sales, and property taxes; and the U.S. Postal Service offers reduced postal rates to certain organizations."

Simply put, this means that donations for events like the Brooksville Raid, Field Day. Etc. will be much easier to attain because anything donated would be tax-deductible for the donor. Additionally, access to public facilities (fairgrounds, parks, etc. for events like Field Day) is much more likely to be granted a 501(c)3 organization. Donations of items the government no longer has use for are another potential benefit.

Like all good things, attaining 501(c)3 status requires some changes on our part, particularly in the wording of our Constitution/Bylaws. There are several things the IRS requires. The first involves our educational activities such as SKYWARN training (and even many programs presented at club meetings). While the IRS recognizes our public service activities as important, their main focus is still on education, so many of the proposed revisions found within the proposed revised Constitution/Bylaws are based on IRS educational requirements for 501(c) 3 non-profit status.

How will this change the club ? It won't. Almost all of the additions and changes reflect what we are already doing (and have been doing for a long time). We are just attempting to codify them in a written document, which will be the first thing the IRS looks at when considering our application. All the changes are based on the Constitutions/By-laws of other amateur radio clubs who have successfully attained the 501(c)3 status we seek.

This document also clearly delineates how club-owned assets would be dispersed of in the unlikely dissolution of the club. That's extremely unlikely, but the IRS still requires this mechanism to be in place.

We have also addressed the issue of indemnification, which protects the officers and

directors in the unlikely event of litigation filed against the club. Again, we already have been maintaining this insurance coverage for years. This just states it officially in writing.

We ask all members to please carefully read the proposed revised document. **All proposed changes or additions are in boldface italics and underlined.**

If anyone has any questions, please feel free to contact either Dave Haney, W3SJ, or Dave Millendorf, KB3GYN, for clarification or explanation or whatever else you might like to ask.

Note: Each SHARC member will receive a hard-copy version of the proposed revised Constitution/Bylaws and a ballot in the May SHARC newsletter.

All ballots must be returned no later than the start of the June 16 2009, general meeting.

**PROPOSED CONSTITUTION AND BYLAWS OF THE
SPRING HILL AMATEUR RADIO CLUB, INC.
A Florida Not-for-Profit Corporation**

ARTICLE I (new)
Name

The legal name of this Corporation is the Spring Hill Amateur Radio Club, Inc. Under appropriate circumstances, this Corporation may also be known as the S.H.A.R.C, Inc.

ARTICLE II (new: required by IRS)
Purposes

This Constitution and Bylaws, in conjunction with the Articles of Incorporation, are to serve as the governing documents of the Corporation. The purposes for which the Corporation is formed are:

- 1. Encouraging and improving the amateur radio service by advancing skills in both the communications and technical phases of the art.**
- 2. Expanding the existing reservoir within the amateur radio service of trained operators, technicians and electronics experts by providing education, training opportunities, and licensing examinations.**
- 3. Educating and informing the public about the benefits associated with the amateur radio service.**
- 4. Educating the general public through SKYWARN weather training programs to foster public safety and awareness of amateur radio's benefits to the community by providing and assisting in providing emergency communications services for the benefit of the public.**
- 5. Fostering emergency preparedness among amateur radio operators in West-Central Florida.**

by establishing and maintaining an amateur radio repeater for use in the SKYWARN weather spotting network for the National Weather Service as well as cooperative emergency preparedness efforts with local, state, and federal emergency services and disaster responders.

6. Establishing and maintaining an emergency backup communications repeater system to support the Police and Fire Departments of the Hernando County, Florida, and surrounding areas, in the case of primary system failure.
7. Providing amateur radio operators in West-Central Florida with opportunities for education, training, fellowship, operating, and contesting in order to maintain a high level of preparedness, teamwork, and technological expertise to further benefit the public in the event of emergencies.

Solely for the above purposes, the Corporation is empowered to exercise all rights and powers, including the power to buy, sell, and hold title real and personal property, conferred by the laws of the State of Florida upon not-for-profit corporations;

The Corporation is organized exclusively for educational, public safety, charitable, or scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any activities not permitted to be carried on: (a) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended; and

No substantial part of the activities of the Corporation shall consist of lobbying or propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

The Corporation is not formed for pecuniary or financial gain, and no part of the assets, income, or profit of the Corporation is distributable to, or inures to the benefit of its directors or officers, or other private individual having directly or indirectly, any personal or private interest in the activities of the Corporation; except that the Corporation may pay reasonable compensation for services rendered and may make payments and distributions in furtherance of the non-profit purposes stated herein and in the Articles of Incorporation.

ARTICLE III (new)

Service Area

The service area of the Corporation shall be West-Central Florida, but this shall not prohibit the Corporation from participating in any activities outside this service area.

ARTICLE IV (unchanged)

Membership

MEMBERSHIP: There shall be **three (3) classes** of membership: **FULL MEMBERSHIP, ASSOCIATE MEMBERSHIP,** and **FAMILY MEMBERSHIP.**

FULL MEMBERSHIP is open to all licensed amateurs and includes all club privileges, including the right to hold office and having voting privileges in the club.

ASSOCIATE MEMBERSHIP is open to all individuals with an interest in or support of amateur radio, solely with a personal aim, and without pecuniary interest **EXCLUDING** the right to hold office and to vote.

Membership shall be by written application to any officer of the club and election by the members at any regular meeting, upon such terms as the club shall by its by-laws provide.

FAMILY MEMBER: A **FAMILY** member as defined herein is:

Any licensed Amateur, part of the immediate family thereof, (husband or wife), (son or daughter under the age of twenty one (21) unless still in school), residing with a dues paying member of this club, in the same household will be considered a member of this club with full privileges and be exempt from dues requirements. Persons under the age of eighteen (18) cannot hold office or vote.

ARTICLE V (one addition)

Dues

Annual dues will be charged to support the Corporation's educational, public safety, and other activities and purposes.

Changes in the amount of dues may be recommended by the Board of Directors at the November General Meeting. Members will vote to accept or reject this recommendation at the regular meeting in November. Dues amounts will be for a one year period (January 1st to December 31st). Payment of dues by members will be made to the Treasurer no later than the general meeting in January.

Non-Payment of Dues Failure to pay annual membership dues by the time specified will cause membership to terminate at that time. Membership can be reinstated by payment of the appropriate full annual membership dues without regard to any monthly proration.

ARTICLE VI (unchanged)

Meetings of the Members

These By-laws provide for regular and special meetings. Regular meetings shall be held monthly at such place as the President shall order. Special meetings may be called by the **President** himself or upon the request of three (3) members of the board or three (3) members of the club in good standing. Notice shall be given to members concerning special meetings and the business to be transacted. Such notice shall be given either by telephone or by ordinary postal delivery so long as it will be received by the member **forty-eight (48)** hours before the meeting time. At such meetings a **QUORUM** of the **membership present** shall be sufficient for the transaction of business.

ARTICLE VII (unchanged)

Directors and Officers

Section 1: The officers of this club shall be: President, Vice President, Secretary, and Treasurer. However, the Secretary and Treasurer may be combined as one office if it becomes necessary to do so for the good of the club. Officers may succeed themselves in office if elected.

Section 2: The officers of this club shall be elected for a term of **one (1)** year by a ballot of a majority of the members present, provided a quorum is present, a quorum being **three (3)** members of the board and **twelve (12)** members of the club. (**See RULE # 1 amended February 1999**). The election shall take place at the regular meeting in the last month of the calendar year.

Section 3: Vacancies occurring between elections may be filled by appointment by the board for the remaining term of office or until a special election can be held following withdrawal or resignation.

Section 4: Officers may be removed by a **MAJORITY** vote of the members present at any meeting as long as there is a quorum present. **See Rule # 1.**

Section 5: There shall be a Board **consisting of the four (4) Officers of the club. President, Vice President, Secretary, Treasurer and three (3) Directors** elected from the membership at large for a total of **seven (7)**. The past President shall be a member of the board in an advisory position without voting privileges. A **QUORUM** of the board shall be any four **voting members** present. The term of office for a **director** shall be three (3) years, one director being replaced by election each year to maintain the continuity of the board.

ARTICLE VIII (unchanged)

Duties of Elected Officers

Section 1: The **President** shall preside at **all meetings** of this club and conduct same according to the rules adopted. He or She shall enforce due observance of these By-laws, decide all questions of order, sign all official documents that are adopted by the club, and perform all other customary duties pertaining to the office of President, including appointments for committees which shall be designated by the President as necessary to carry out the objectives of the club.

Section 2: The Vice President shall assume all the duties of the President in His or Her absence.

Section 3: The Secretary shall keep a **written** record of the proceedings of all meetings for a period of three (3) years, keep a roll of members, carry on correspondence, read communications at each meeting, and mail special meeting notices to each member.

He or She shall, at the expiration of His or Her term, turn over all items belonging to the club to His or Her successor at the next meeting.

It shall also be the duty of the Secretary to keep the Bylaws and have them with Him or Her at every meeting. He or She shall cause all amendments, changes, and additions to be noted in a special log and shall permit the same to be consulted by members upon request.

Section 4: The Treasurer shall receive and receipt all monies paid to the club, keep an accurate account of all monies received and expended. He or She shall pay all bills with proper authorization by the club or its officers as appropriate. All payments shall carry the signature of the Treasurer. In His or Her absence, the Secretary or President or Vice President may sign same. He or She shall, at the expiration of His or Her term, turn over everything in His or Her possession belonging to the club to His or Her successor at the next meeting.

ARTICLE IX (new)

A.R.R.L. Affiliation

It is the policy of this Corporation to be recognized as an American Radio Relay League Affiliated Club.

The Board of Directors of this Corporation shall use their best efforts to obtain and maintain this Corporation as an American Radio Relay League Affiliated Club.

It is the policy of this Corporation that membership shall not be denied to any person solely for the purpose of allowing the Corporation to become or remain an American Radio Relay League Affiliated Club.

ARTICLE X

Indemnification (new: recommended to protect board legally)

Each of the Corporation's officers, directors, employees or agents, whether or not then in office, and their respective executors, administrators, and heirs, and each of the foregoing who is or was serving at the request of the Corporation as a director or officer (including the heirs, executors, administrators or estate of such person) shall be indemnified by the Corporation as of right to the fullest extent permitted or authorized by law, as not in effect and as hereafter amended, against any liability, judgment, fine, amount paid in settlement, cost and expense (including attorneys' fees) asserted or threatened against and incurred by such person in his or her capacity, or arising out of his or her status, as a director, officer, employee or agent of the Corporation, or, if serving at the request of the Corporation as a director or officer of another corporation, unless the conduct giving rise to said liability is adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct. The indemnification provided by this Article shall not be exclusive of any other right to which those indemnified may be entitled under any agreement, vote of disinterested directors or otherwise, and shall not limit in any way any right which the Corporation may have to make different or further indemnifications with respect to the same or different persons or classes of persons.

The corporation shall acquire and maintain liability insurance in an amount determined to be sufficient by the Board of Directors.

ARTICLE XI (new and required by IRS))

Dissolution & Disposition of Corporate Assets

The assets of this Corporation are irrevocably dedicated to educational, charitable, scientific, public

service, and public safety purposes.

Liquidation, dissolution or abandonment of this Corporation will not inure the assets of the Corporation to the benefit of any private person, except as to one or more non-profit funds, foundations, corporations or other organizations which at the time of distribution shall have established tax-exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or successor provisions thereto, said beneficiary or beneficiaries to be selected by the Board of Directors.

ARTICLE XII (unchanged)

Amendments

Proposals for amendments to the By-laws shall be submitted at any regular meeting. A quorum shall decide whether or not the amendments shall be submitted to the board for further action.

These By-laws may be amended only by two-thirds of the votes cast. Ballots will be sent to all members in the club newsletter.