

# PROPOSED DISTRICT 2E-1 BY-LAWS AMENDMENTS

1. Reduce State Convention Fund Article VII from \$1.00 annually to \$0.50 annually.
2. Add the \$0.50 reduction to the District Administration Fund Article VI making it \$6.00 annually.
3. Change Article VI, Section 3 from \$2.50 annually to \$3.00 annually.

Based on 1600 members at \$3.00 per member annually, total revenue for contests will be \$4,800.00 annually.

4. Change contest awards as follows:

	From	To
All Contests		
First Place	\$500	\$700
First Runner-Up	\$300	\$400
There are currently 4 contests. Therefore, 4 X \$1100 = \$4,400.00		
Add Savings Bond for Peace Poster		<u>100.00</u>
	Total	\$4,500.00

At the end of this year, June 30, 2008, the State Convention Fund will have accumulated in excess of \$18,000.00. With the reduction of the funding from \$1.00 to \$0.50 annually over the next 12 years (our time to host the State Convention again) the fund will generate roughly an additional \$10,000.00 plus some interest based on a static 1600 membership.

Who knows what might happen to membership and inflation twelve years from now, but from experience as the Chair of the recent State Convention here in Abilene, I am convinced that the convention can be self-supporting if handled properly. There are some expenses for miscellaneous items not covered by registration fees but these are minimal.

## **With this change, District dues are not increased, just reallocated.**

As the Chair of the By-Laws Committee, I have received permission from District Governor Doris Kendrick to develop these By-Law changes to be properly advertised and voted on at the District Convention in April.

Amendments to Article VI and Article VII of the By-Laws are shown below, identified by ***Bold Italics*** and are recommended for approval. Copies of the current By-Laws can be downloaded from the District Web Site.

PDG James H. Wheeler, Jr., Chair, District Constitution and By-Laws Committee

## **ARTICLE VI**

### **DISTRICT ADMINISTRATION FUND**

Section 1. **DISTRICT REVENUE.** To provide revenue to defray the administrative expenses of the district, an annual district administrative fund per capita tax of **Six Dollars (\$6.00)** is hereby levied upon each member of each club in the district and shall be collected and paid in advance by each club in two (2) semi-annual payments as follows: **Three Dollars (\$3.00)** per club member on September tenth of each year to cover the semi-annual period July 1 to December 31; and **Three Dollars (\$3.00)** per club member on March tenth of each year, to cover the semi-annual period January 1 to June 30, with billings of the same to be based upon the roster of each club as of the first days of July and January, respectively. Said tax shall be paid to the cabinet secretary or cabinet treasurer (or secretary-treasurer) by each club in the district, except newly chartered and reorganized clubs, which shall collect and pay said per capita tax on a pro-rata basis from the first day of the second month following the date of their organization or reorganization, as the case may be. Said per capita tax shall be disbursed only for administrative expenses of the district and only upon approval by the district governor's cabinet. Disbursement therefrom shall be by checks drawn and signed by the cabinet treasurer and countersigned by the district governor.

Section 2. **REMAINING FUNDS.** In any fiscal year, any balance remaining in the convention fund after payment of all convention administrative expenses in that year shall remain in said convention fund and become available for future convention expenses and be treated as income in any fiscal year in which expended or otherwise budgeted for payment of such expenses.

Section 3. **DISTRICT CONTEST FUNDS.** **Three Dollars (\$3.00)** annually of the District Administration Fund shall be designated to be used to fund the scholarships for the District Queen Contest winner and first runner-up; the District Drug Awareness Speech Contest winner and first runner-up; the District Diabetic Essay Contest winner and first runner-up; and the District Outstanding Youth Award Contest winner and first runner-up. These scholarships shall be **seven** hundred dollars (**\$700.00**) for the winner and **four** hundred dollars (**\$400.00**) for the first runner-up. Additional contests created by the MD2 Council of Governors requiring scholarships will be charged to this fund when approved by the District Cabinet.

The District Contest Funds shall be maintained in a separate interest bearing account and its depository and management shall be designated annually by the District Governor and Cabinet. An annual review will be conducted to determine any unclaimed funds (contest winners who have not claimed their scholarships within two (2) years after high school graduation and unallocated funds (interest). Any funds above one thousand dollars (\$1,000.00) will be considered surplus and will be transferred to the State Convention Fund.

Section 4. **FEE COLLECTION.** Such fee as the district governor shall set may be collected, under procedures set by the district governor, from each delegate, alternate, and guest attending the district convention to defray the actual cost of convention meals and entertainment.

Section 5. **AUDIT OR REVIEW.** The district governor shall provide for an annual or more frequent audit or review of the district convention fund and shall give an annual financial report of said fund to each annual district convention.

## **ARTICLE VII STATE CONVENTION FUND**

Section 1. **DISTRICT REVENUE.** To provide revenue to defray the administrative expenses of the district to host the state convention every 16<sup>th</sup> year, an annual State Convention fund per capita tax of ***Fifty Cents (\$0.50)*** is hereby levied upon each member of each club in the district and shall be collected and paid in advance by each club in two (2) semi-annual payments as follows: ***Twenty Five Cents (\$0.25)*** per club member on September tenth of each year to cover the semi-annual period July 1 to December 31; and ***Twenty Five Cents (\$0.25)*** per club member on March tenth of each year, to cover the semi-annual period January 1 to June 30, with billings of the same to be based upon the roster of each club as of the first days of July and January, respectively. Said tax shall be paid to the cabinet secretary or cabinet treasurer (or secretary-treasurer) by each club in the district, except newly chartered and reorganized clubs, which shall collect and pay said per capita tax on a pro-rata basis from the first day of the second month following the date of their organization or reorganization, as the case may be. Said per capita tax shall be disbursed only for administrative expenses of the state convention and only upon approval by the district governor's cabinet. Disbursement therefrom shall be by checks drawn and signed by the cabinet treasurer and countersigned by the district governor.

The State Convention Funds shall be maintained in a separate interest bearing account and its depository and management shall be designated annually by the District Governor and Cabinet.

Section 2. **REMAINING FUNDS.** In the year of the state convention in this district any balance remaining in the state convention fund after payment of all state convention administrative expenses in that year shall remain in said state convention fund and become available for future state convention expenses and be treated as income in any fiscal year in which expended or otherwise budgeted for payment of such expenses.

Section 3. **FEE COLLECTION.** Such fee as the State Convention Committee shall set may be collected, under procedures set by the district governor, from each delegate, alternate, and guest attending the state convention to defray the actual cost of state convention meals and entertainment.

Section 4. **AUDIT OR REVIEW.** The district governor shall provide for an annual or more frequent audit or review of the state convention fund and shall give an annual financial report of said fund to each annual district convention.