Murphysboro Chamber of Commerce
Bylaws Amendment
(Governance and Executive Director Restructuring)

1. Amendment Title; Effective Date

1. **Title.** This Bylaws Amendment (the "Amendment") is titled *Governance and Executive Director Restructuring.*

2. **Proposed effective date.** July 9th ___, 2026.

2. Recitals

1. Whereas, the Board of Directors of the Murphysboro Chamber of Commerce (the chamber) desires to strengthen organizational transparency, financial oversight, and full Board governance authority.
2. Whereas, the Board further desires to restructure the Executive Director position from an employee relationship to an independent contractor relationship consistent with the operational needs of the Chamber.
3. Now, therefore, the Chamber's Constitution and Bylaws are amended as set forth below.

3. Amendment to Executive Committee Provisions

3.1 Composition

1. The Executive Committee shall consist of:

   a. President

   b. Vice President

   c. Treasurer

   d. Secretary

   e. Immediate Past President (if applicable).

2. The Executive Director may attend Executive Committee meetings in a non-voting advisory capacity.

3. If the Immediate Past President is no longer serving on the Board of Directors, the Board may appoint one (1) additional Director to serve on the Executive Committee.

3.2 Purpose; Limitation of Authority

1. The Executive Committee shall serve solely in an administrative, advisory, and coordination capacity and shall not independently govern or take binding action on behalf of the Chamber except as specifically authorized by vote of the full Board of Directors.

2. The Executive Committee may:
   a. Assist with agenda preparation

   b. Review operational matters

   c. Review financial information prior to presentation to the Board

   d. Make recommendations to the Board of Directors

   e. Address routine administrative matters previously authorized by Board policy.

3. The Executive Committee shall not:
   a. Approve unbudgeted expenditures

   b. Enter into contracts or financial obligations

   c. Hire, terminate, or discipline contractors or personnel

   d. Amend policies

   e. Modify compensation arrangements

   f. Approve budget changes

   g. Approve legal settlements

   h. Commit Chamber funds outside previously approved authority

   i. Take any action that materially impacts governance, finances, personnel, membership, or operations without approval of the full Board of Directors.

3.3 Full Board Approval Requirement

1. Any material Chamber decision, policy change, financial obligation, contractual agreement, budget amendment, personnel action, governance matter, or organizational restructuring shall require approval by majority vote of the full Board of Directors at a properly noticed meeting or authorized electronic vote.

2. No action of the Executive Committee shall supersede the authority of the full Board of Directors.

3.4 Emergency Action Limitation; Ratification

1. In the event immediate action is required before a Board meeting can reasonably be held, the Executive Committee may take temporary action only when necessary to protect the Chamber from immediate financial harm, legal exposure, operational interruption, or safety concerns.

2. Any emergency action taken:
   a. Must be documented in writing
   b. Must be communicated to the full Board within seventy-two (72) hours
   c. Shall require ratification by the full Board of Directors at the next regular or special meeting
   d. Shall expire if not ratified by the Board.

3.5 Electronic Voting

1. Electronic voting by the Executive Committee alone shall not constitute final approval of matters requiring Board authorization.

2. Electronic voting involving the full Board of Directors may be conducted when authorized by Illinois law and Chamber policy.

3. All votes shall be documented in the official records of the Chamber.

3.6 Finance Committee

1. The Executive Committee may additionally serve as the Finance Committee for purposes of financial review and recommendation only.

2. The Finance Committee may:
   a. Review financial statements
   b. Assist with annual budget preparation
   c. Review expenditures and financial controls
   d. Present recommendations to the Board.

3. Final authority over all budgets, expenditures, financial commitments, contracts, and financial policies shall remain with the full Board of Directors.

4. Amendment to Executive Director Provisions (Independent Contractor)

4.1 Role

The Executive Director shall serve as the chief contracted administrative officer of the Chamber and shall assist with the day-to-day operations, membership services, communications, programs, and administrative functions of the organization subject to oversight by the Board of Directors.

4.2 Independent Contractor Status

1. The Executive Director shall serve as an independent contractor and shall not be considered an employee of the Chamber for any purpose.

2. The Executive Director shall:
   a. Be compensated on a 1099 independent contractor basis
   b. Be responsible for all federal, state, and local taxes associated with compensation
   c. Not be eligible for employee benefits, unemployment compensation, retirement benefits, paid leave, or other employee-related benefits unless specifically approved in writing by the Board
   d. Maintain independent control over the manner and method of performing contracted services subject to performance expectations established by the Board
   e. Provide services pursuant to a written Independent Contractor Agreement approved by the Board of Directors.

3. Nothing contained in these Bylaws shall be interpreted to create an employer-employee relationship between the Chamber and the Executive Director.

4.3 Authority; Duties; Financial Controls

1. The Executive Director shall:
   a. Implement policies established by the Board
   b. Coordinate Chamber operations, communications, events, and membership activities
   c. Maintain Chamber records and organizational administration
   d. Serve as a non-voting advisor to the Board and committees
   e. Facilitate day-to-day financial administration as authorized by the Board
   f. Work in coordination with the Treasurer and independent bookkeeper regarding financial reporting and recordkeeping.

2. The Executive Director shall not have sole authority over Chamber bank accounts, reconciliations, tax filings, payroll reporting, or unrestricted disbursement of Chamber funds unless specifically authorized by Board resolution.

4.4 Independent Contractor Agreement: Approval; Minimum Terms; Annual Review

1. The Executive Director shall operate under a written Independent Contractor Agreement approved by the Board of Directors.

2. The Independent Contractor Agreement shall include:
   a. Scope of services

   b. Compensation structure

   c. Reporting expectations

   d. Term length

   e. Insurance requirements if applicable

   f. Confidentiality obligations

   g. Conflict of interest expectations

   h. Termination provisions

   i. Renewal procedures.

3. The Independent Contractor Agreement shall be reviewed annually by the Board of Directors following approval of the Chamber budget and may be amended, renewed, or terminated by majority vote of the Board.

4. The contract term should align with the Chamber fiscal year whenever practical, but is not required.

4.5 Oversight; Performance

The Board of Directors retains full authority over the Executive Director relationship and may establish reporting requirements, operational expectations, and performance standards consistent with nonprofit governance practices.

4.6 Compliance

1. The Chamber shall maintain compliance with applicable Illinois nonprofit laws, Internal Revenue Service regulations, and all requirements applicable to organizations operating under Section 501(c)(6) of the Internal Revenue Code.

2. The Board may require the Executive Director to provide proof of insurance, business registration, or other documentation deemed necessary to support independent contractor status.

5. Governing Law; Construction

1. **Governing law.** This Amendment and the Chamber's Bylaws shall be governed by and construed in accordance with the laws of the State of Illinois.

2. **Construction.** The Board of Directors retains authority to adopt, alter, amend, or repeal bylaws, or adopt new bylaws, except to the extent the articles of incorporation or bylaws provide otherwise. 805 ILCS 105/102.25

6. Adoption; Certification; Signatures

This Amendment was duly adopted by a two-thirds (2/3) vote of the Board of Directors of the Murphysboro Chamber of Commerce on the 11th day of June, 2026, after proper notice to the membership pursuant to Article XI of the Bylaws.

President: Rae V Hanna Date: 6/11/2026.

Secretary: M B Date: 7-9-26.