

By-Laws of the Spouses' Club of the Fort Sam Houston Area Charitable Organization

Article I – GENERAL PROVISIONS

Section 1: Name. The name of the non-profit organization is the Spouses' Club of the Fort Sam Houston Area Charitable Organization (SCFSHA-CO).

Section 2: It shall be financed primarily through the Thrift Shop of Fort Sam Houston (TS) and other fundraising activities.

Section 3: It is not a part of the Department of Defense or any of its components and it has no governmental status.

Section 4: It is affiliated with the Spouses' Club of the Fort Sam Houston Area (SCFSHA), a §501(c)(7) social club.

Section 5: Location. The principle place of business is located at Fort Sam Houston, TX.

Section 6: Duration. SCFSHA-CO shall have perpetual existence. It shall operate on a calendar year beginning 1 June of the current year to 31 May of the following year.

Article II – PURPOSE

The SCFSHA-CO is a private non-profit corporation organized under the laws of the State of Texas and designed exclusively for charitable and educational purposes within the meaning of Internal Revenue Code (I.R.C.) §501(c)(3). It engages in philanthropic and civic projects that raise funds for scholarships and community grants which are distributed to eligible candidates in the military and civilian communities that support military members and their families. Funds collected by SCFSHA-CO will be used for its operation and for other uses consistent with these purposes.

Article III – GOVERNING BODY

Section 1: General Board. The Board shall consist of not more than fifteen (15) and not less than three (3) Directors. The majority of Directors shall be selected from SCFSHA and/or Joint Base San Antonio (JBSA) military community, whenever possible. Board Members, elected and appointed, shall not be employees of the SCFSHA-CO nor shall they receive any compensation for their service to the SCFSHA-CO. All will sign and comply with a Whistleblower policy and a Conflict of Interest agreement. A detailed job description can be found in the Standard Operating Procedures (SOP) for each Officer.

Section 2: Officers. The SCFSHA-CO shall consist of President, Vice President, Community Grants Chair, Scholarship Chair, Recording Secretary, Treasurer, and TS Representative.

Section 3: Advisors. Invitation to serve as Advisors shall be extended to spouses of General Officers and their Command Sergeants Major (Active Duty, Reserve or Retired) who are currently residing in the greater San Antonio area, whenever possible. Additionally, the SCFSHA President shall be invited to serve on the Board as an ex-officio member without voting privileges.

- a. The Thrift Shop Manager and Thrift Shop Bookkeeper shall be permanent advisor positions on the SCFSHA-CO Board. A change in this designation would require a majority vote of the SCFSHA-CO Board.
- b. Other advisors may be invited as needed.

Section 4: Resignation and Termination.

- a. Permanent change of station and/or moving outside the greater San Antonio area results in termination if a letter of resignation has not been presented to the Board.
- b. Resignation, if accepted by a majority vote of the Board.
- c. Any member of the SCFSHA-CO causing hardship, conflict, or in case of a Board member failing to attend three (3) Board meetings, may be asked to resign by the President. A written notification by the Board will serve as a termination for the member.
- d. The books of the Treasurer shall be reviewed at least 2 weeks prior to termination when the term of office has not been completed.

Article IV – DUTIES OF OFFICERS AND ADVISORS

Section 1: It shall be the duty of the entire Board to ensure the organization and its members comply with AFI 34-223 and all other directives affecting the operation of the organization. All Board Members shall follow and update their SOP throughout their term of service. An AAR shall be filed at the end of their term, along with the updated SOP.

Section 2: President.

- a. Supervise and control the affairs of the SCFSHA-CO.
- b. Preside at all Board meetings, appoint the members of each special committee established by the Board and perform such general functions as may be necessary.
- c. Shall attend all meetings of the organization as well as installation meetings as required. Shall attend SCFSHA meetings in an ex-officio capacity.
- d. Ensure the organization's Constitution and By-laws are upheld, reviewed annually and is consistent with JBSA policies as amended. The Constitution and By-laws must be reviewed every two years or when there is a change in the purpose of this organization. In addition, supervise preparation and submission of the necessary documents for installation review.
- e. Ensure the appropriate persons are authorized signatories on the accounts.
- f. Authorized to sign checks, contracts, and legal documents.
- g. Oversee the transition of business from the outgoing to the incoming Board, prior to leaving office.
- h. Guarantee that sufficient liability insurance coverage is carried.
- i. Ensure a system for the protection of organization assets and ensure the expenses do not exceed income.

Section 3: Vice President.

- a. Serves as an Advisor of all Standing Committees, to include, but not limited to: Budget Committee, Community Grant Committee, Constitution and By-laws Committee, Nominating Committee, Scholarship Committee and The VP shall cast a vote in the event of a tie.
- b. Assist the President and assume the duties of the President in her/his absence.
- c. Perform any other duties the Board deems necessary.

Section 4: Community Grants Chair.

- a. Act as a non-voting chair of the Committee.
- b. Update Grant forms as necessary.
- c. Promote availability to the community
- d. Receive and present grant requests to the Community Grants Committee, present the proposed grant disbursements to the Board for approval.
- e. Serve as liaison between the requesting party and Treasurer.

Section 5: Scholarship Chair.

- a. Act as a non-voting chair of the Committee.
- b. Confirm application deadline date before updating application and taking it to the Board for approval. Obtain Board approval of the Scholarship Committee's Application Form and Award Categories no later than the November Board Meeting; update the scholarship program forms as necessary.
- c. Promote availability of Scholarships within the community; receive and prepare eligible scholarship applications to be presented to an Independent Review Committee and the Scholarship Committee for scoring and disbursement amounts.
- d. Present the proposed disbursements to the Board for approval; notify award recipients and present awards in May; and act as a liaison between the recipients and Treasurer.

Section 6: Recording Secretary.

- a. Record the minutes of all Board meetings; prepare required correspondence; notify all Board Members of meetings and Special Meetings as required and have custody of all organization records.
- b. Submit the meeting minutes & financial report of the organization to 502 FSS/FSR as detailed in the handbook.
- c. Send all gifts and cards.

Section 7: Treasurer.

- a. The Treasurer is required to prepare, with the help of the President, a tentative budget to be reviewed by the Board at the Annual meeting. After approval of the budget, it shall be used as a financial management tool. An updated budget shall be presented to the Officers and Board for review at every meeting.
- b. Prepare a monthly financial statement and submit it to the Board for review.
- c. Prepare the annual financial report of the organization using the format as required by the 502nd FSS/FSR as detailed in the handbook. A copy is required to be sent to the Recording Secretary.
- d. The books of the Treasurer shall be reviewed at least 2 weeks prior to termination when the term of office has not been completed. The results of this review will reflect the new Treasurer's acceptance of said books.
- e. The Board shall appoint an outside party to review the organization's financial records prior to any change of Treasurer. The result of this review will reflect the new Treasurer's acceptance of said books. A copy of the new treasurer's acceptance will be forwarded to 502 FSS/FSR within 30 days of transfer of position.
- f. Year-end financial statements will be forwarded to 502 FSS/FSR within 30 days after the end of SCFSHA-CO's fiscal year.
- g. All funds, expenses and distributions processed by check shall have a minimum of two (2) signatures. The SCFSHA-CO account shall have two (2) authorized signors: President and Treasurer. The TS account shall have four (4) authorized signors: President, Manager, Treasurer and Bookkeeper. At any time there is a change in position, a new signature card must be filled out at the current financial institution. The SCFSHA-CO Board may approve any other authorized signor as they deem necessary to maintain business practices.

Section 8: Thrift Shop Representative. (TSR)

- a. Shall attend all meetings and act as the liaison between the TS and the SCFSHA-CO.
- b. Should the TSR be unable to attend a meeting, The TS Manager shall appoint another representative from the TS. If there is an occasion where more than one TSR is needed to attend a meeting, there shall be only one vote.
- c. Presents the TS budget to the SCFSHA-CO Board for review prior to the end of the fiscal year.

Section 9: Advisors. Members of the Advisory Council shall have no voting privileges, nor obligations for attendance at regular meetings of the Board. Should possess the desire to serve the community and support the work of the SCFSHA-CO by providing expertise and professional knowledge. Advisory Council shall include, but is not limited to, Advisor(s), Manager, and Bookkeeper.

- a. Advisor(s) are selected by the SCFSHA-CO President with the assistance of the SCFSHA President and shall serve for one year or until their replacements are selected.
- b. The Manager and Bookkeeper serve as long as these paid positions exist within the SCFSHA-CO. Suspension of the Advisory position on the SCFSHA-CO Board shall occur while either person holding those positions is on probation for disciplinary action.
- c. Members of the Advisory Council shall comply with any duties as may be required by law or by the Bylaws.
- d. At any regular or special meeting, any Advisor(s) may be removed by majority vote of the Board for failure to carry-out the duties of the office as prescribed by these bylaws, conduct detrimental to the SCFSHA-CO, or for lack of sympathy with the stated purpose of the SCFSHA-CO.

Article V – ELECTIONS AND VOTING

Section 1: Election of Directors. To ensure our affiliation requirements are met, the majority of SCFSHA-CO Board Members shall be recruited from the SCFSHA and/or the JBSA military community, whenever possible.

- a. Election of Directors shall be held annually at a business meeting of the Board prior to the end of the fiscal year.
- b. Votes may be cast by voice, hand or secret ballot. Proxy votes will not be permitted.
- c. Directors shall be elected to serve for two (2) years or until their respective successors shall have been duly elected and may have staggered terms.
- d. At the time of election, the Board will vote on the slate presented by the Nominating Committee. No second is required as it comes from Committee. The President shall vote only in case of a tie. If the slate is not voted in, the election process will follow Robert's Rules of Order, Newly Revised Edition (RRO).
- e. The new Directors, duly elected will be notified and invited to serve as "Directors in Training": until the beginning of the new board year.

Section 2: Election of Officers.

- a. A slate of candidates for the Officer(s) position will be presented to the Board by the Governance Committee prior to the end of the fiscal year.
- b. Officers shall hold office for one year and may be reelected to serve a consecutive term.
- c. Election of Officers shall be held at the Annual meeting of the Board in June. At the time of election, the Board will vote on the slate. No second is required as it comes from the Committee. Votes may be cast by voice, hand or secret ballot. Proxy votes will not be permitted. If the slate is not voted in, the election process will follow RRO. The longest standing member of the Advisory Council shall vote only in case of a tie.

Section 3: Vacancy of Office.

- a. Vacant offices will be filled from the Board, appointed by the President for the remainder of the term. In the event there is a lack of Board Members, a special election will be held to fill the vacancies.

Section 4: Quorum. A quorum shall consist of a majority of the Directors, except as recommended by RRO for specific applications such as Bylaws revisions of a majority vote. If at any meeting, less than a quorum is present, the majority may adjourn the meeting without further notice to the absent Directors.

Article VI – MEETINGS

Section 1: Regular Meetings. Regular meetings of the Board shall be held at the place and time designated by the Board. Meetings may be held in person by video-teleconferencing, phone conference calls or those otherwise called by a majority of the Board. The Board shall meet in the months of June, November, January and May, whenever possible. Advisory Council shall be invited to attend.

Section 2: Special Meetings. Special meetings may be called by the President or a majority of the Board. Persons authorized to call special meetings shall provide notice of the time and location of such meetings and state the purpose thereof, and no other matter shall be considered by the Board at such special meeting except upon unanimous vote of all Directors present. Advisory Council shall be invited to attend.

Section 3: Annual Meeting. The Board of Directors shall meet each year in the month of June for the purpose of approving the annual budget, the appointment of officers, developing a working calendar and transaction of other business. Advisory Council shall be invited to attend.

Section 4: Notice. The time and location of regular, special and annual meetings shall be noticed in writing.

Article VII – BUSINESS CONDUCT

Section 1: Confidentiality. Board Members, Advisors and those working for the SCFSHA-CO shall not discuss or disclose information about the SCFSHA-CO or its activities to any person or entity unless such information is already a matter of public knowledge, such person or entity has a need to know, or the disclosure of such information is in furtherance of the SCFSHA-CO's purposes or can reasonably be expected to benefit the SCFSHA-CO. All who work for the SCFSHA-CO in any capacity shall use discretion and good business judgment in discussing the affairs of the SCFSHA-CO with third parties. Without limiting the foregoing, all who serve may discuss upcoming charitable fund-raisers and the purposes and functions of the SCFSHA-CO, including but not limited to accounts on deposit in financial institutions.

Section 2: Policies. Each volunteer and employee of the SCFSHA-CO shall sign a Whistleblower and Conflict of Interest agreement upon acceptance of their respective position. Policies shall be adopted by majority vote of the Board when needed.

Section 3: Parliamentary Procedure. Any question concerning parliamentary procedure at meetings shall be determined by the President by reference to RRO.

Section 4: Dues. It is the responsibility of each Director to monetarily support the SCFSHA-CO as best they see fit. Dues are not required to serve the SCFSHA-CO.

Article VIII – COMMITTEES

All committees shall consist of a chairperson and not less than three (3) members. Committees must be created by a majority vote of the Board.

Section 1: Standing Committees.

- a. **Community Grants Committee.** Chaired by Community Grants Chair. Consists of an Advisor, Vice President, Treasurer and two members from SCFSHA and/or JBSA military community. Meets in the fall and spring to review and validate submitted grants. Prepares a proposed list of Community Grants distribution and submits for approval to the Board. Community Grants awarded to individual organizations will not be in excess of \$6000.00 in the fiscal year.
- b. **Scholarship Committee.** Chaired by the Scholarship Chair. Consists of an Advisor, Vice President, Treasurer, and two members from SCFSHA and/or JBSA military community. Considers scholarship applications received. Prepares a proposed list of Scholarship distribution and submits for approval to the Board. Scholarships awarded to individuals will not be in excess of \$3000.00 in the fiscal year.
- c. **Nominating Committee.** The President will appoint three (3) Board Members to serve on the committee. The committee shall elect a Chair from within their committee. The VP will be an Advisor on the committee without a vote. The committee is tasked with creating a slate of candidates to become Directors on the Board from SCFSHA and/or JBSA community, whenever possible. SCFSHA members eligible for holding office must have at least 6 months remaining on station at the beginning of their term. It is the responsibility of all Board Members to contribute names to the Nominating Committee. The Nominating Committee will research and contact every name submitted. Once a slate is created and approved by the Board, the election will be held to bring new Directors onto the Board.
- d. **Governance Committee.** Outgoing Directors shall form this committee to slate the incoming Officers of the Board prior to the end of the fiscal year. If there aren't any outgoing Directors, the President Shall appoint three Directors to form the committee. The Chair of this committee shall be elected by its members. The Chair of this committee shall have a vote. The VP will serve as an Advisor on this committee without a vote. Committee members shall determine who to nominate for each office of the upcoming year, and contact the specific Director(s) to find out if they are willing to serve in that office. A slate shall be created after speaking with each Director, and presented to the Board for approval.

Section 2: Special Committees. There shall be special committees as determined by the Board.

Article IX – FINANCES AND TAXES

Section 1: Finances. It shall be the responsibility of the Treasurer to handle all finances with the direct supervision of the President.

- a. All funds will be deposited in the current financial institution as soon after receiving as possible. Deposits and withdrawals will be reported and recorded in the official minutes at each Board meeting.
- b. The Board will appoint an accountant to conduct a financial analysis. A Certified Public Accountant (CPA) will be appointed if annual gross revenues are equal to or exceed \$250,000.
- c. All funds, expenses and distributions processed by check shall have a minimum of two (2) signatures. The SCFSHA-CO account shall have two (2) authorized signors: SCFSHA-CO President and SCFSHA-CO Treasurer. The TS account shall have four (4) authorized signors: SCFSHA-CO President, TS Manager, SCFSHA-CO Treasurer and TS Bookkeeper. At any time there is a change in position, a new signature card must be filled out at the current

financial institution. The SCFSHA-CO Board may approve any other authorized signor as they deem necessary to maintain business practices.

- d. All the assets and earnings of the SCFSHA-CO shall be used exclusively for its exempt purposes, including the payment of expenses incidental thereto. The SCFSHA-CO shall be empowered to pay reasonable compensation for services rendered and make payments and distributions in furtherance of the purpose set forth in these Bylaws.
- e. A minimum cash reserve of \$1500 or an amount approved by the Board, once expenses have been met, should be maintained in the SCFSHA-CO Operating fund for the succeeding Board and a minimum cash reserve of \$5,000 or an amount approved by the Board, once expenses have been met, should be maintained in the TS Operation Account.
- f. The basic accounting record for each account shall be accounting books and computerized accounting programs in which column headings show income and disbursements. Supporting documents may be provided upon request. Income statement and bank reconciliation shall be prepared monthly for the Board review and forwarded to the Recording Secretary to submit to the installation representative. Financial ledgers and supporting documents shall be kept on file with the Treasurer and back up files at the TS office for a minimum of four (4) years, available for review by the approval authority at any time.

Section 2: Charitable Fund. The SCFSHA-CO Charitable Fund will be funded from TS proceeds, SCFSHA Operating Funds excess, and donations of a significant amount designated as a Charitable Contribution.

- a. All Community Grant and Scholarship requests require Board approval prior to disbursement. The Scholarship and Community Grants Committees shall evaluate and make a determination on information given to them by the respective chair to present to the Board for approval. The total amount distributed, as well as benefactors, shall be presented to the Board. All Charitable Funds must be disbursed except the \$1500 maintained in reserve, or an amount approved by the Board. Community Grants shall be used for charities, non-profit organizations, or other worthy causes. Scholarship funds shall be allocated solely for high school students, spouses and continuing education students who have a military affiliation such as a family member of a United States military member (active or retired) or Department of Defense civilian residing in the JBSA Area. Requests for single expenditures must be approved by the Community Grant Committee before presenting to the Board.
- b. Expenditures for Community Grants Requests must be approved by the Board.

Section 3: Thrift Shop Operating Fund. The TS will derive proceeds from a percentage of consignment sales, donation sales and monetary donations. Expenditures are limited to those required in support of the operation of the TS, as specified by the approved TS budget. Any mission essential item(s) exceeding \$300.00 of the approved budget requires approval from the TS Board prior to purchase. On-hand cash for the effective operation of the TS shall not exceed \$300.00.

Section 4: Liability Insurance. Insurance coverage at a minimum of one hundred thousand dollars (\$100,000.00) shall be maintained by the Manager with the oversight of the President. Obtaining additional coverage for special events is the responsibility of the Event's Chair.

Section 5: Taxes. The SCFSHA-CO shall comply with all applicable local, state and federal laws governing like civilian activities.

Article X – RESTRICTIONS ON ACTIONS

Section 1: Internal Revenue Code. Notwithstanding any other provision of these bylaws, the SCFSHA-CO shall not carry on any activities not permitted by an organization exempt under I.R.C. §501(c)(3), or the corresponding provision of any future federal law, or organizations whose contributions which are exempt under I.R.C. §170(c)(2), or the corresponding provision of any future federal law. The SCFSHA-CO shall have no capital stock, pay no dividends, distribute no part of its net income or assets to any Board Members, and private property of the subscribers. Board Members shall not be liable for the debts of the SCFSHA-CO.

Section 2: Politics. No substantial part of the SCFSHA-COs activity shall be for the carrying on of a campaign of propaganda or otherwise attempting to influence legislation. The SCFSHA-CO shall not participate in any political campaign, shall not engage in political campaigns or attempt to influence legislation or interfere with any political campaign on behalf or in opposition to any candidate for public office.

Article XI – BUSINESS PRACTICES

Section 1: Record Keeping. The SCFSHA-CO shall ensure that the Recording Secretary maintains a historical file to include, but not limited to, the following records:

- a. Constitution, Bylaws and Amendments with all current revisions.
- b. Copy of Authorization to Operate.
- c. Financial statements and/or ledgers with supporting documentation.
- d. Any financial related reports received from the CPA.
- e. Copy of inventory of all fixed assets.
- f. All minutes of the current SCFSHA-CO year.
- g. Copies of insurance policies.
- h. Copies of contracts.
- i. All documentation necessary for proper function of the SCFSHA-CO.
- j. Copies of SOP, contracts and AARs.

Records of the SCFSHA-CO shall be suspended at the end of the fiscal year and held at least four (4) years. Records older than four (4) years may be destroyed, unless specified differently by applicable laws, regulations, or installation guidelines. Permanent files, uncompleted checkbooks, and historical items need not be destroyed.

Section 2: Contributions. The SCFSHA-CO shall accept contributions only as gifts with the express condition that the contributor shall not thereby acquire or own any funds or possess any enforceable rights or interests in any funds or property of SCFSHA-CO.

Section 3: Gifts. The SCFSHA-CO Board, collectively or individually, any Officer or designated agent may accept gifts, contributions, bequests, or devise of any property on behalf of the SCFSHA-CO.

Section 4: Loans. No Board Member, Officer or agent shall have the authority, on behalf of the SCFSHA-CO, to enter into a loan or any other contract of indebtedness except by unanimous vote in a specific resolution of the Board. The authority designated by this provision shall be limited to a single and specific instance.

Section 5: Confidentiality. Information obtained about SCFSHA-CO, its members, or donors, as a result of volunteering/working for SCFSHA-CO that is not otherwise publicly available, constitutes confidential information. SCFSHA-CO Board, Advisory Council Members, Committee Members, and staff may not disclose confidential information to anyone outside the organization, board, or committee in which he/she is participating or to other members of SCFSHA-CO who do not need to know such information to assist in the operation of the organization or committee.

Article XII – CONTRACTOR(S)

Section 1: Contractor Criteria. Contractors must be a valid U.S. ID cardholder or U.S. company in the community and shall meet the criteria outlined in the SCFSHA-CO Constitution and Bylaws. A committee of at least three (3) Board Members shall interview contractor applicants.

Section 2: Contracts. The Board and TS Manager may authorize, by general resolution, an Officer, an agent or agents, in addition to persons authorized by these bylaws to enter into any contract on behalf of the SCFSHA-CO. Contracts shall set parameters of work to be done and procedures for completion and/or termination of contract. The Board and TS Manager shall define scope of responsibilities, compensation, length of contract, termination procedures and other provisions deemed necessary to carry out the terms of contract. Terminations require a majority vote of the Board.

Article XIII – DISSOLUTION

Section 1. Upon dissolution, the SCFSHA-CO Board must:

- a. Notify the 502 FSS/CC or 502 FSS/CL of its intent to dissolve the organization.
- b. Prepare a time-phased action plan to do so.
- c. The Board shall, after paying or making provision for the payment of all outstanding debts, liabilities or obligations of the SCFSHA-CO, dispose of all the assets of the SCFSHA-CO to such organization(s) which shall qualify as exempt organization(s) under the Internal Revenue Code of 1986, or the corresponding provisions of any future United States Internal Revenue law. None of said assets shall ever inure to the benefit of any Director, contributor, donor, officer or employee of the SCFSHA-CO or any individual whomsoever.
- d. Any such assets not so disposed of shall be donated to a USAF NAF or to the USAF as determined by the SCFSHA-CO Board in accordance with AFMAN 34-201 or AFI 51-506, or shall be disposed of by a court of competent jurisdiction upon suitable proceedings brought for the purpose exclusively for such purposes or to such organization(s) as said court shall determine which are organized and operated exclusively for tax exempt purposes.

Section 2. The 502 FSG/CC has the authority to dissolve this organization in the event that there are no members present or in the best interest of the USAF.

Article XIV – STATEMENT OF NONDISCRIMINATION

Notwithstanding any provision of these bylaws, the SCFSHA-CO shall not discriminate against any director, officer, employee, applicant, or participant on the basis of sex, race, color, ethnicity or national origin.

Article XV – AMENDMENTS

The Board shall have the power to amend, alter, make and repeal the bylaws of the SCFSHA-CO by majority vote at any meeting. The Board shall be given written notice of Bylaws changes two (2) weeks prior to the Board meeting, whenever possible. All motions to amend shall be in writing and given to the President, whenever possible. The Bylaws Committee shall execute the two (2) year review of the Bylaws and present the outcome once completed. Approval of amendments and adoption of the changes are subject to final review by the Installation Commander, JBSA or if the authority has been delegated, by the 502d Force Support Group Commander (502 FSG/CC) through 502 FSS/CL.

CHAPTER 1

THRIFT SHOP

Section 1: Purpose

The primary purpose of the Thrift Shop of Fort Sam Houston (TS) shall be to provide funds for the SCFSHA-CO. It engages in philanthropic and civic projects that raise funds for scholarships and community grants which are distributed to eligible candidates in military and civilian organizations that support military members and their families. Funds collected by the TS shall be used for its operation and for other uses consistent with these purposes. The TS also provides authorized individuals a convenient medium to sell, donate and/or purchase previously owned merchandise.

Section 2: Thrift Shop Administration

A. Thrift Shop Board (TS Board). The TS Board shall be chaired by the Manager and comprised of the SCFSHA-CO President (ex-officio), Bookkeeper, TS Advisor(s), Secretary, Consignment Chair, Donations Chair, Publicity Chair, Day Chairs, and TSR. The Board shall invite any Advisors as needed.

1. The President, Manager, Bookkeeper and TS Advisors are non-voting members of the TS Board. The Manager shall vote in case of a tie.
2. The Secretary, Consignment Chair, Donations Chair, Publicity Chair, Wednesday/Thursday/Saturday Day Chairs and TSR are voting members of the TS Board. They shall have one vote per person. If the position is co-chaired, that position shall only have one vote. When a Board member holds two voting positions, that Board member shall only have one vote.
3. Reviews and approves the annual TS budget bi-annually.

Reviews the TS SOP annually and monitors activity.

B. Operations and Administration.

Operations and Administration shall be set forth in the TS SOP and operate within the guidelines of the SCFSHA-CO Constitution and Bylaws. Members of the SCFSHA-CO Board are not eligible for paid TS positions.

Section 3. Paid Employees

- A. Manager.** Oversees the daily operations of the TS; ensures the overall organization of operation and maintenance of TS building; maintains positive control of asset records; supervises the employees and volunteers; and receives guidance from TS Board, SCFSHA-CO Board and Advisor(s). A review committee of the TS budget shall consist of the Manager, along with Bookkeeper and TS Advisor prior to presenting it to the TS Board for approval. Shall be a permanent advisor position on the Advisory Council of the SCFSHA-CO Board.
- B. Bookkeeper.** The Bookkeeper's immediate supervisor shall be the Manager, or SCFSHA-CO President if the Manager is not available. Assists the Manager in daily operations; performs the duties of the Manager in his/her absence; and ensures the overall organization and maintenance of financial records. Shall be a permanent advisor position on the Advisory Council of the SCFSHA-CO Board.
- C. Cashier.** The Cashier's immediate supervisors shall be the Manager and Bookkeeper. Shall provide cashiering responsibilities for the TS; assist the Bookkeeper and Manager as needed and perform other duties as assigned.

Section 4: Employment Criteria.

Must be a valid DOD ID or US Military Affiliation cardholder in the community and shall meet the criteria outlined in the SCFSHA-CO Constitution and Bylaws; employees shall only hold an advisory position on the Board. Employees must complete an interview process.

1. Interview Committee shall have no less than three (3) members; including the SCFSHA-CO President, SCFSHA-CO Advisor and TS Advisor.
2. The Manager shall conduct the interview of other TS employees with the assistance of the Interview Committee.

Section 5: Employee Contract.

The Employee Contract defines scope of responsibilities, compensation, length of contract, termination procedures, and other provisions deemed necessary to carry out the terms of contract. Terminations require a majority vote of the TS Board.

Section 6: FINANCIAL MANAGEMENT

A. Thrift Shop Operating Fund.

1. The TS will derive proceeds from a percentage of consignment sales, donation sales and monetary donations. Expenditures are limited to those required in support of the operation of the TS. Operating expenses are specified by the approved TS budget. Any mission essential item(s) exceeding \$300.00 of the approved budget requires approval from the TS Board prior to purchase. On-hand cash for the effective operation of the TS shall not exceed \$300.00.
2. Once expenses have been met, a minimum cash reserve of \$5000.00 or an amount agreed upon by the TS Board and then approved by the SCFSHA-CO Board, shall be maintained in the TS Operational Account.
3. An internal review of the TS financial books shall be done yearly. A complete financial analysis shall be performed by an accountant upon the change of the Bookkeeper or every three (3) years.
4. The TS bank account shall have four (4) signatures: President, Manager, Treasurer and Bookkeeper. Anytime there is a change in position, a new signature card must be filled out at the current financial institution. The SCFSHA-CO Board may approve any other authorized signor as they deem necessary to maintain business practices.

5. The TSR presents the budget to the SCFSHA-CO Board for review prior to the end of the fiscal year.

Article III - TERMINATION AND DISSOLUTION

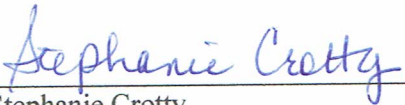
Section 1: Operation of the TS may be terminated by recommendation of the SCFSHA-CO Board after notification of the office of the 502nd FSG.

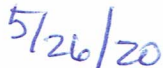
Section 2: In the event that JBSA-Fort Sam Houston is deactivated, the dissolution of the TS and the distribution of its funds and assets shall be in accordance with military regulation and the I.R.C.

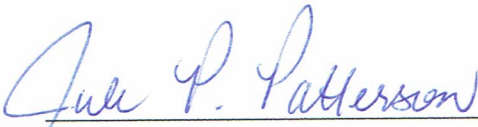
Section 3: Upon dissolution of the TS, the unsold and non-shop owned property in the TS will be returned to the owners of record in all cases when such action is practicable after reasonable notice. All unsold and non-shop property which cannot be returned to the rightful owner shall be donated to JBSA-Fort Sam Houston charities, base activities of a community nature or to other charitable organizations as designated by the SCFSHA-CO Board. All other residual assets shall be left to the SCFSHA-CO.

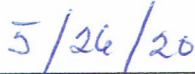
CERTIFICATION OF BYLAWS

I certify these by-laws were approved by a majority vote of the SCFSHA-CO Board held on [Date].


Stephanie Crotty
President, SCFSHA-CO


(Date)


Julie Patterson
Recording Secretary, SCFSHA-CO


(Date)