

Chartered Club Guidelines

Approved January 22, 2009

INTRODUCTION

Charter Clubs are instrumentalities of and sponsored by the Sun City Texas Community Association, Inc. (SCTCA) to foster and promote opportunities for all Association Members (residents) to pursue common interests in hobby, educational, recreational, social, service and cultural endeavors. The charter club program is designed to encourage the general membership to fully participate and enjoy the programs and facilities provided by the Community Association within Sun City Texas.

Membership in chartered clubs is limited to activity cardholders in good standing with the SCTCA. Chartered clubs are organized under the following guidelines and written charters adopted by the Association Board of Directors. It is the purpose of these guidelines to provide direction and structure to the charter club system and enable the membership to fully enjoy the facilities and programs offered.

Charter club programs are a key reason why life at Sun City Texas is enjoyable and rewarding to our residents. You will meet new neighbors who share your same interests, developing many long lasting friendships and new talents.

Charter clubs are responsible for the maintenance, repair and safe operation of the equipment provided or otherwise obtained by the club, as well as for the safety of club members and others participating in club activities or using the Community equipment.

These guidelines are subject to change based on Sun City Texas Community Association experience and subject to approval of the Board of Directors.

TABLE OF CONTENTS

Chapter 1 - General Information

- 1.1 Authority
- 1.2 Responsibilities
- 1.3 Allocation of Facility Space
- 1.4 Club Forms
- 1.5 Community Services Organizations

Chapter 2 - Establishing a Chartered Club

- 2.1 General
- 2.2 Charter
- 2.3 Procedures for Charter Application
- 2.4 Club File

Chapter 3 - Membership and Club Operations

- 3.1 Membership
- 3.2 Special Interest Groups (SIGS)
- 3.3 Guests
- 3.4 Revoking a Charter
- 3.5 Use of Facilities
- 3.6 Program Supervision and Safety
- 3.7 Facility Scheduling
- 3.8 Association Management Meetings

Chapter 4 - Financial Controls and Procedures

- 4.1 Records and Accountability
- 4.2 Property & Equipment
- 4.3 Contracts for Services and Instructional Classes
- 4.4 Management Review
- 4.5 Insurance
- 4.6 Resale Activities
- 4.7 Club Contributions & Donations
- 4.8 Club Dissolution

Chapter 5 - Fees and Charges

- 5.1 Dues and Special Assessments
- 5.2 Facility Use and Maintenance
- 5.3 Admission Fees
- 5.4 Commercial Activity
- 5.5 Profit Making Activities
- 5.6 Fees

CHAPTER ONE

General Information

1.1 Authority: The authority to approve new charter clubs lies with the appropriate governance committee, and the Board of Directors. All rules and procedures outlined herein are in consonance with the Association's governing documents. If a conflict arises, the governing documents prevail.

1.2 Responsibilities:

A. Association Management is responsible for coordinating and implementing the rules, regulations and policy for chartered clubs, and allocating facility space and assisting clubs with operational and financial concerns.

B. Association Management is responsible for assisting clubs with facility scheduling, special programs, publicity and promotion, and coordinating all Association/club matters of interest.

C. Club executive boards are elected on an annual basis. Club executive boards have the responsibility of overseeing all aspects of a club's operation and administration. Club Officers must sign and abide by the Code of Ethics and Business Practices Policy.

1.3 Allocation of Facility Space: Space allocation is dependent upon membership interest in a club's activities and the availability of Association space. As space allows, chartered clubs are provided with regular meeting and activity space without charge. The Association reserves the right to preempt club space however, if the needs of the general membership require it. Although facility space may be dedicated to a club for full-time use, the facility and all equipment located therein remain the property of the Association.

1.4 Club Forms: To assist clubs in the administration of their programs and to provide the Association with essential statistical data, forms have been developed for club use. All club forms are identified by the prefix "CC". A summary of forms used by the Association to administer the club programs is shown in the Appendix to these Charter Club Guidelines. The Community Association office maintains a limited supply of these forms. Once chartered and operating, clubs are expected to make copies of these forms.

1.5 Community Service Organizations: Many groups will form that benefit various community service and religious needs, but do not satisfy the intent for a chartered club. In these instances, the Association will attempt to provide requested facility space to assist start up activities. Space may be provided on a first-come, first served basis, but it will not be allocated to preempt, or disrupt an Association sponsored activity. A special reduced fee for community service organizations will be charged. In all cases, the Association reserves the right to disapprove requests for community service space, or curtail a previous authorization, if the needs of the general membership warrant.

CHAPTER TWO

Establishing a Chartered Club

2.1 General: Any group with a minimum of 50 Association Members who are interested in pursuing a particular hobby, recreational, social or cultural endeavor may join together as a chartered club, subject to the procedures and parameters outlined herein. Chartered clubs are an important part of the Associations program and provide both structure and guidance. Proper coordination between the Association and prospective clubs is necessary to ensure that the intent for charter has been satisfied and that Association space is both adequate and available to support the intended club function.

2.2 Charter: The charter is the formal written authorization granting club status. Chartered clubs are given priority for regular facility use (without charge). Additionally, they are provided special rates for the use of facilities during special events and other special activities; extended specific coverage from the Associations insurance program and given technical assistance in the administration and operation of their activities from Association Management.

A. Charters are not granted to groups, which require as a precondition for club membership subsequent membership in affiliated national, state or regional organizations. Any affiliation must be optional on the part of the individual member.

B. Once chartered, clubs may not merge with another non-Association entity, require its members to join another cooperation or become incorporated in its own right. If a merger or incorporation occurs the clubs charter will be revoked.

C. Charters will not be approved for any group that sets a restrictive precondition for membership. Membership must be open to all bona fide members of the Association without discrimination as a race, religion, color or national heritage. Note: Segregated activities for male and female members may be established if desired by both genders and each gender has the same opportunity to pursue common interests: e.g., men's and ladies social clubs and men's and ladies golf clubs.

2.3 Procedures for Charter Application:

A. Groups wishing to charter should thoroughly review these **Charter Club Guidelines** to become familiar with the chartered club system. Association Management will clarify questions, and provide general assistance.

B. When all requirements have been satisfied, the application package will be forwarded to the appropriate governance committee for review and recommendations for approval or disapproval. The Application Package will contain the following: (1) Application for Charter Club (Form CC-1), (2) Initial Membership Roster (Form CC-2), Club By-Laws/Sample (Form CC-3), New Club Officers (Form CC-4) and Annual Club Schedule (Form CC-5)

C. A new group wishing to charter and having less than 50 members will be known as a Potential Club until an official charter is granted. A Potential Club will have six months to meet the minimum membership requirements for charter. Room fees may be waived during this period upon approval of the appropriate governance committee.

D. The Potential Club Status should only be recognized after a proposed club submits all necessary materials (CC-1) and they need time to get their membership up to the minimum required. Groups already meeting the membership requirements and having submitted all required forms may be granted Charter Club status.

If approved, the club will be provided with a written notice of approval from Association Management. If disapproved, the club will be provided with a written explanation stating the reasons for denial. The decision may be appealed by providing written justification to the Board within 14 days of the written notice. The Board will provide a final notice of decision within 30 days of receiving the written appeal.

2.4 Club File: The official file will be kept by Association Management and will include the approved application package, copy of the charter, amendments to by-laws, club operating rules and policies, and general correspondence with the Association. In case of conflict between the club and the Association, the official file will take precedence.

CHAPTER THREE

Membership and Club Operation

3.1 Membership: Regular club membership is open to any Association Member. Prior to joining a club, Association members are encouraged to visit with the chartered clubs. Following a reasonable number of visits, regular club membership will be required for continued participation in club activities.

A. Club Executive Boards must submit the Annual Chartered Club Update Form (CC-4) with current officers and number of paid members as of January 1st to their appropriate Governance Committee each year.

B. While clubs may make provisions for honorary membership, that type of membership may not be extended to non-Association members.

C. Grievance Procedures

Members of Chartered Clubs, who have grievances against their Club's policies or procedures, should submit their grievances in writing to the Club's executive board. Prior to meeting with the board, the complainants should review their Club's Rules and Regulations to assure that the changes they wish to make are in compliance. The board, or it's designates will then meet with the complainants. If no resolution can be met at that level, the next steps will be:

1. The complainants will submit their grievance in writing and will meet with the appropriate governance committee or it's designates. If no resolution:
2. The Club's executive board will meet with the appropriate governance committee. If no resolution:
3. Both sides will meet with the appropriate governance committee, and the committee will make a decision.

D. Proper conduct and decorum is essential to preserve the active adult lifestyle that has been created within the community. Club members who become abusive, project an undesirable or inappropriate image, or who blatantly create turmoil, disruption or dissention among club members, other clubs, or the Association in general, may have their club memberships suspended. Suspension may occur following a recommendation from the club's executive board, and referred to the Appropriate Governance Committee for final action. In certain cases the appropriate Governance Committee may recommend a suspension of Association privileges, subject to the SCTX Board for approval. A suspension of club, or Association privileges may be appealed by providing written justification to the SCTX Board within 14 days of the written notice to suspend. The SCTX Board will provide a final notice of decision within 30 days of receiving the written appeal.

3.2 Special Interest Groups: (SIGS)

- A. All Chartered Clubs sponsoring SIGS will be known as the Parent Club.
- B. All SIG participants must be members of the parent club.
- C. Activities of a SIG should be in keeping with the purpose in the parent club charter. This purpose should be clearly defined in the charter and narrow enough in scope to prevent conflicts and confusion with other clubs. The Appropriate Governance Committee will review any problems in this respect.
- D. The parent club for any SIG activity must make reservations for CA facilities.
- E. Any communication related to a SIG activity, such as articles in the Sun Rays, or the SCTX TV Channel should be identified with and requested by the parent club.
- F. All parent clubs having SIGS are responsible for their activities and financial reports.
- G. When a SIG reaches a membership of 50 plus, they may choose to apply for Charter Club status. When Charter Club status is achieved, all dues will remain with the parent club.

3.3 Guests:

- A. Resident Guest: A resident guest(s) is a resident of SCTX who has not yet formally joined a respective club, but is qualified to do so. In the event a homebuyer has not closed escrow, he/she

may join the club on a temporary basis. A qualified renter is entitled to the same rights as a resident.

B. Non Resident Guest: All other individuals who are accompanied by an Association member, or otherwise sponsored by an Association member are considered non-resident guests. Unlike resident guests, this category does not qualify for club membership. A non-resident guest may attend a club function a maximum of 3 times.

C. Developer Guest: During the period of community development, and as long as the developer has the capability to annex land into the community, Vacation Getaway (VG) visitors, prospective home buyers, and developer employed sales associates are considered developer guests. VG visitors may be accompanied by sales associates, or may identify themselves with a VG Visitor card. Depending on the nature of club activities, VG visitors and prospective homebuyers may be permitted to participate in club programs.

3.4 Revoking a Charter:

Charters may be revoked. Reasons for revoking a club's charter include, but are not limited to, the following reasons:

- 1) When club membership declines below the established minimum of fifty.
- 2) When clubs violate Association policies or rules
- 3) When club activities unreasonably conflict with Community Association events.
- 4) When an irreconcilable conflict occurs within the club membership.
- 5) When a situation occurs which projects the club, or the Association, in an undesirable or embarrassing position.
- 6) When a club violates federal, state or local government laws or ordinances.

The decision to revoke a charter occurs following a recommendation by Association Management and approval by the appropriate Governance Committee. The decision may be appealed by providing written justification to the Board within 14 days of the written notice. The Board will provide a final notice of decision within 30 days of receiving the written appeal.

3.5 Use of Facilities:

A. While all Association facilities and programs are available to all Association members, use and participation in club programs is contingent upon membership in a chartered club. This policy is based on the desire to provide comprehensive, low-cost leisure programs in a reasonably structured and safe environment.

B. General use facilities may be reserved by clubs for regular membership meetings and annual special events without charge. This proviso applies to all clubs, irrespective of designated facility space. Requirements for general use space (not part of the approved annual schedule) may require a rental fee. Note: When room rental fees are applicable chartered clubs receive a reduced rate.

C. Depending on the nature and size of a desired activity, Association Management in consultation with the appropriate committee, will determine the facility to be allocated. In all cases,

the decision will be based on maximizing facility utilization.

3.6 Program Supervision and Safety:

A. Clubs using equipment and/or audiovisual materials that might prove hazardous to the facility or participants must designate a club member to act as facility monitor to ensure that Association and club operating policies and rules are satisfied. If a program involves more than one room, or if one room is too large for one monitor to properly oversee, additional monitors may be required. If club members are unwilling, or unable to properly monitor a facility, the club program will be temporarily suspended until proper supervision can be arranged.

B. Monitors are required to check Association membership cards during sign-in. In the event of disagreement between a monitor and club participant the position of monitor will prevail in all instances. A monitor's decision may be appealed to the clubs executive board but until such appeal is heard and acted upon the monitor's decision prevails.

C. Clubs are encouraged to provide a minimum 25 % of their scheduled operating time for member/guest use that is unencumbered by lessons, meetings, or other planned group activities. If demand for Association/Club equipment warrants, clubs may establish rules, which limit the amount of time the equipment is used by a single person, or establish equipment reservation policies.

D. For the information and convenience of members and guests, club bylaws and operating rules will be conspicuously posted on club bulletin boards

E. To allow for leadership and operational stability clubs will elect an executive board comprised of (at a minimum) a president, vice-president and secretary. If the club anticipates dues or other financial considerations a treasurer must be appointed. (Note: If desired, clubs may combine the position of secretary and treasurer). As new officers are elected annually clubs will complete Form CC-4 (New Club Officers) and forward it to the Association Management within 30 days following the annual election.

F. Safety Program: Any club using power machinery (portable or fixed) or other potentially dangerous equipment, will establish and post written safety rules for the operation and maintenance thereof, and appoint a club safety committee to oversee the program.

(1) All incidents of accidents occurring in club facilities (whether requiring medical attention or not) will be immediately reported to the respective club facility monitor using Form CC-6 "Incident/Accident Report". While the facility monitor will be responsible for documenting pertinent details on the report club officers will ensure that the report is sufficiently detailed to allow for a meaningful review. The report is forwarded to Association_Management within 24 hours of a reported incident or accident.

(2) If emergency medical attention is required for any accident occurring in Association facilities the club facility monitor will immediately call 911, and then notify the CA office. A member of the CA management will respond to the scene to personally review the circumstances

and assist the club monitor in the preparation of the report. In the case of member death, Association Management will be immediately notified and the Board president properly informed.

(3) Club officers will ensure that club facility monitors are reasonably well qualified in the use of shop equipment, computers, and peripherals and properly trained in Association/club operating rules and related safety awareness and prevention measures. Monitors have the authority to deny the use of equipment to any individual who in the monitor's judgment is either unable or unwilling to abide by posted rules and regulations.

(4) If, in the eyes of the clubs safety committee and executive board a club member cannot physically comply with operating rules and procedures, the club board may temporarily suspend that members facility use privileges related solely to the non-compliance issue. Prior to taking such action however the club should make every effort to provide additional training, instruction and assistance in an effort to re-qualify the member. A suspension of this nature will be made solely to protect the well being of the member and the best interests of the Association and club. The Association Management will consider club action temporary pending review and final action. A suspension of club privileges may be appealed by providing written justification to the Board within 14 days of the written notice to suspend. The Board will provide a final notice of decision within 30 days of receiving the written appeal.

G. No Smoking Policy: All Association facilities are designated as "No Smoking Areas."

H. Alcoholic Beverages: The sale of alcoholic beverages is only permitted in Association facilities properly licensed by the State, by individuals employed and trained by the Association, or by contract services operating with State approved special event licenses. Chartered clubs may be permitted to transport and dispense alcoholic beverages to its members and guests as part of a club special activity.

3.7 Facility Scheduling: The primary responsibility for scheduling Association facilities, coordinating special events and publicizing programs rest with Association Management. Once a facility reservation has been confirmed, Association Management will coordinate set-up/take-down requirements with the Association Maintenance Director and billing procedures (as applicable with the Accounting Department).

(A) Chartered clubs may request use of facility space for their regular membership meetings by annually submitting a master schedule to the Association Management using Form CC-5, Annual Club Schedule. Once schedules are evaluated and approved this data will be input to the computerized Association Facility Schedule. Chartered Clubs will continue to be given the same meeting times each year following for their regular membership meetings unless a need for a change occurs. If a need occurs clubs may request a schedule change at any time by submitting a revised Form CC-5.

(B) Chartered clubs desiring to conduct a special event in a general use area of the Association should contact the Association Management for space availability, facility requirements and rental fee requirements (as applicable). If a rental fee is to be charged, Association Management will advise the Accounting Department who in turn will invoice the club. All club billings must be

satisfied within 30 days of date of statement.

(C) Association members and chartered clubs will be give priority for facility space over non-affiliated groups.

3.8 Association Management Meetings: At least annually, Association Management will meet with the representatives of the executive boards of all chartered clubs to provide an update on important Association issues, clarify questions and concerns and respond to club leadership comments and questions.

CHAPTER FOUR **FINANCIAL CONTROLS AND PROCEDURES**

4.1 Records and Accountability: The clubs elected treasurer (secretary-treasurer) is responsible for controlling and recording club revenues and expenses. This individual will also oversee the purchasing of all assets inventories and supplies and provide financial report to the executive board and membership.

- A. Club bylaws and operating rules should specify the level of control and reporting that is needed. Generally speaking clubs with high or large dollar requirements would specify more stringent levels of control. The following controls and procedures should be considered in the development of operating guidelines:
- (1) Check and balance procedure to preclude a single individual from ordering, receiving and dispersing equipment or inventories.
 - (2) Dual signatory on checks over \$500.
 - (3) Periodically inventory and reconcile retail and asset inventories.
 - (4) All revenues must be deposited in a bank account authorized by the Association Director of Finance and established in the clubs' name. Disbursements must be made by check or from an approved petty cash fund with purchase receipt or invoice retained with club's financial record. Credit or debit cards in the club's name are not to be used under any circumstances.
 - (5) All transactions shall be recorded in club financial records, including invoices and receipts, and all financial records must be preserved for a period of 7 years.
 - (6) As part of regular club membership meetings, the treasurer should provide the members with a financial presentation

showing revenues and disbursements, and bank account balances. This presentation should be recorded in the minutes of the meeting.

- (7) All clubs must appoint an internal audit committee (consisting of members who are not club officers) from within their membership to annually validate the calendar year financial records. A copy of the report from the internal audit committee will be submitted to the Director of Finance not later than 28 February of each year. At the discretion of the Director of Finance the Association, may retain a professional auditor at the club's expense to review the accounts of clubs with large dollar revenues and expenses and/or high bank balances at the discretion of the Director of Finance.
- (8) All clubs will prepare and maintain annual financial operating budgets. Operating budgets will be submitted to the appropriate governance committee and the Director of Finance annually during the CA's budget process. The budgets will also be made available to club membership.

B. Quarterly, clubs are required to submit a financial report", form CC-7 to the Association Director of Finance. A copy of the report will be retained and used when preparing and filing the Associations annual tax return. This report must be provided to the Association by the 15th day following each calendar quarter end. The report submitted by January 15th for the fourth quarter must be certified by the club president and treasurer. The

C. Since club financial operations are recorded under Association tax returns, clubs shall not obtain a separate Federal Employer Identification Number, or state sales tax number or otherwise file separate federal or state tax returns. The revenues and expenses of the clubs are also included in the revenues and expenses of the Association for financial reporting and tax purposes. Therefore, clubs shall ensure that the financial information is accurate and that appropriate operational controls are being maintained.

4.2 Property, Equipment and Supplies: All equipment and supplies used solely by the Club (Club Assets) belong to the Association whether initially provided to a Club or subsequently purchased by or donated to the Club. The Clubs may acquire new assets with their own funds or may request, through the appropriate committee, that the Association acquire them.

Prior to the purchase or donation of new assets, Clubs must submit a detailed description of the proposed new purchase or donation to the Community Association's Facilities Department to ensure the new asset is compatible with existing equipment system guidelines and requirements.

Clubs must follow Association policies when purchasing or disposing of items of Club Property and must provide proper documentation to the Association as specified in the quarterly reporting to the Association. Any equipment borrowed or rented from an outside source must be done at the Club's expense. If the equipment is leased, the Club must follow the Association's approval procedures on leases. Each Club shall submit annually an inventory listing of Club Property to the Association by January 31st.

4.3 Contracts for services and Instructional Classes: The need to provide qualified program instruction to a club membership depends on program difficulty, the availability of qualified instructors, and the skill level of those desiring the service. To ensure high quality instruction the Association encourages this type of contract service but asks the clubs to remain sensitive to member income levels and their capability to pay additional fees. Also, while non-Association members may be used to provide these services clubs are encouraged to seek qualified instructors from within their own membership.

- A. Clubs which engage the services of an individual or group must use Form CC-8 "Contract For Services" to secure the terms of the agreement. When contracting for services clubs should ensure that the individual or group is sufficiently skilled and experienced to provide the desired service, that terms are sufficiently detailed to ensure mutual understanding of the desired service, that club vs. contractor responsibilities are adequately defined, and that mutually agreed upon completion times payment procedures and contract termination provisions are stipulated. Note: Clubs are not permitted to engage a contractor to, or modify, alter, or otherwise repair Association facilities. If such action is desired a written request should be forwarded to the Association Management.
- B. When contracting for personal services such as an instructor, the contract should specify that the relationship (between club and contractor) neither intends, nor implies that an employer-employee relationship exists. In this regard, the club defines the services it desires and the contractor determines the method and procedures for implementing that service. Specifically the contractor determines course content, manner of instruction, refund allowances, and procedures for course control.
- C. Contracts shall not normally exceed one year in length. Exceptions must be approved by the Director of Finance.
- D. All revenue generated by a contracted party are paid to the club treasurer and deposited into the Club's bank account. As terms are defined the treasurer makes payment to the contractor and documents the transaction accordingly in club financial records. Note: When establishing member fees for contracted instruction clubs may set the fees no more than 15% higher than the contract. When establishing such a fee, the percentage to be retained and

the rationale for the action must be disclosed to the general membership and recorded in the minutes of a membership meeting.

- E. In publicizing instructional classes, clubs should ensure adequate promotion to allow all members an equitable opportunity to register. When a waiting list is established members may not repeat classes until the waiting list has been exhausted. If a series of lessons is required to complete a course, clubs may allow participants to progress through the entire lesson series. Instructional programs should be geared to all skill levels; i.e., beginner, intermediate, advanced.
- F. An officer of a club may not be contracted by the club to which he/she belongs, unless it is determined by the club's executive board that another qualified, and reasonably priced individual cannot be obtained. In such situations, the board's action must be officially recorded in board meeting minutes and reported to the general membership.
- G. Private individualized instruction in Association/club facilities is only permitted during times of low membership usage or during times that do not preclude use by Association members.
- H. The Association will not assume any contractual obligations of the chartered club.

4.4 Management Review: As part of its oversight responsibilities the Association may periodically request to review club financial records and related documents. Any attempts to delay, or disrupt such a review by club members may place the club's charter at risk.

4.5 Insurance: The Association maintains full policy coverage for all general membership activities and programs. However, some coverage is not extended to chartered clubs.

- A. Property purchased by clubs becomes the property of the Association and is therefore covered under the Association's master policy subject to the terms, conditions and limitations of that policy. All personal items used in club activities are not covered under the Association's policy but may be defined in individual homeowner policies.
- B. Liability exposure for club activities is also covered by the Association's master policy subject to terms et al.
- C. Directors and Officers coverage is extended to club officers.

4.6 Resale Activities: As a convenience service to members and guests, resale operations related directly to the membership program are permitted. Additionally, clubs may sell supplies related to club purpose to its membership and retain a reasonable return on investment to assist in club operations. Supplies may be displayed in club areas as a convenience to members but should not be displayed to give the appearance that they are available to the general public. Collection of any taxes from fees and sales are the

responsibility of the Club sponsoring the activity. Clubs are not to file tax returns separate from the Association. The Association has a responsibility to ensure that all required taxes are paid on items being sold by the Association and properly reported.

4.7 Club Finances : Club financial programs are developed to ensure basic self-sufficiency. With few exceptions, club income should not greatly exceed expenses (operating expenses and capital requirements) resulting in a net operating gain. Where revenues do exceed expenses, the net gain should be used to foster continued club growth and activity. Over time, small gains can accumulate into larger gains, resulting in excess balances. Clubs need to determine the appropriate balance that is needed for working capital purposes – an amount sufficient to meet short-term operating needs. Clubs who generate sizable balances should be sensitive to this philosophy by allocating their excess to the club (first) and the Association (second) and to local community service organizations (third)..

4.8 Donations: Clubs may make donations to local community organizations. However, the appropriate governance committee must pre-approve all contributions to groups external to the Community Association. Multi-year donation obligations are not permitted.

4.9 Club Dissolution: If a club disbands all club assets (monies and equipment) shall be transferred to the Association. If a club charter is revoked and the group remains intact as a non-chartered club all assets purchased for or in behalf of that club will be transferred to the Association. In all situations club-incurred debts must be satisfied by the club prior to final dissolution. Association staff will assist clubs in all efforts relating to dissolution.

CHAPTER FIVE

Fees and Charges

5.1 Dues and Special Assessments: A clubs primary source of revenue is membership dues. Dues are set to cover basic operating requirements of each club. Special assessments may not be levied in any chartered club without the approval of the Association Board of Directors.

5.2 Facility Use and Maintenance: As noted previously, fees for the use of Association facilities are waived for chartered clubs regularly scheduled activities. Rental fees for the use of Association facilities are established by the Association Board and will be charged to clubs desiring use of a facility for special use.

A. If a club requires unusual or special requirements for a set-up/take-down of a facility, the Association reserves the right to charge the club for additional incurred expenses.

B. The Association will maintain an existing facility as a custodial service routine repair and maintenance and the cost of utilities. If a club desires "new work" to modify or alter an existing facility and such work is approved by Association Management, the Association will arrange for the

work and bill the club on a cost-recovery basis.

5.3 Admission Fees: Occasionally a club may have a need to charge admission fees to a community presentation to offset related expenses.

5.4 Commercial Activity: When commercial activities are sponsored by the Association or by a club, they are considered a membership program or service and a separate facility rental fee is not charged. Commercial activities that solicit the Association for a commercial presentation and are not sponsored by a chartered club may obtain facility space on an as-available basis only and their use will not preempt regular membership activity. In these situations, Association Management evaluates the value of the program to the general membership and the Association Board approves/disapproves accordingly. If approved, a commercial rate is charged for the use of the facility.

5.5 Profit Making Activities: When a Chartered Club conducts a profit making activity using CA facilities, the club will be required to pay a fee as set by the Reservation Rental Facilities Policy.

5.6 Fees: Each club with annual revenue in excess of \$5000 will pay an Activity fee of 1% of total revenue payable to the Association annually in February to cover the State margin tax.

ASSOCIATION FORMS

- CC-1 APPLICATION FOR CHARTER CLUB
- CC-2 INITIAL MEMBERSHIP ROSTER
- CC-3 CLUB BYLAW/SAMPLE
- CC-4 NEW CLUB OFFICERS
- CC-5 ANNUAL CLUB SCHEDULE
- CC-6 INCIDENT/ ACCIDENT REPORT
- CC-7 CHARATERED CLUB FINANANCIAL REPORT
- CC-8 CONTRACT FOR SERVICES
- CC-9 GRIEVANCE FORM

APPLICATION FOR CHARTER CLUB CC-1

CHARTER DATE: _____

NAME OF CLUB: _____

PURPOSE OF CLUB: _____

NUMBER OF RESIDENTS INTERESTED:

FREQUENCY OF MEETINGS AND REGULAR CLUB ACTIVITY TIMES:

FACILITY SPACE DESIRED:

FINANCIAL PLAN (IDENTIFY BASIC ANTICIPATION EXPENSES AND PROPOSAL FOR OFFSETTING REVENUE): _____

Other/if the Proposed club appears to be a duplicate of an existing club, please explain why an additional club is needed, or differentiate between the two clubs:

Leaders of this group will be considered the interim club executive board until a full slate is proposed and elected by the membership. At a minimum this group will include interim president, vice-president and secretary-treasurer:

<u>POSITION</u>	<u>NAME</u>	<u>ASSOCIATION MEMBER #</u>	<u>PHONE #</u>
Interim President	_____	_____	_____
Interim V-President	_____	_____	_____
Interim Sec-Treas	_____	_____	_____

Form CC-1

CLUB BYLAWS/SAMPLE CC-3

ARTICLE I – GENERAL (Note: Mandatory Article/Sections A-D):

Section A. Name of Organization

Section B. Purpose of Organization

Section C. These bylaws willfully comply with the Association’s Governing Documents (Documents), and Chartered Club Rules and Procedures (Rules). In the event of a conflict between these bylaws and the Documents, or Rules, the Document or Rules will prevail.

Section D. This organization shall be operated as a non-profit association in accordance with applicable statutes and the Associations Documents.

ARTICLE II – MEMBERSHIP (Note: Mandatory Article/Sections A-D):

Section A. Membership shall be open to all Association members in good standing without discrimination as to race, religion, color, ethnic culture, or national heritage.

Section B. There shall be no precondition for membership, nor will members be required to join any national, state, or regionally affiliated organization.

Section C. Guest Privileges (Define)

Section D. Dues (Define)

ARTICLE III – OFFICERS (Note: Mandatory Article/Sections A-F):

Section A. The executive board shall consist of (at a minimum) a president, vice-president, and secretary-treasurer.

Section B. All officers shall be elected by a vote of the general membership and shall serve without compensation.

Section C. Terms of Office and Responsibilities (Define)

Section D. Nomination and Election Procedures (Define)

Section E. Meetings, Quorum, and Voting Procedures (Define)

Section F. Vacancies and Recall of Officers (Define)

ARTICLE IV – MEETINGS (Note: Mandatory Article/Section A-C):

Section A. Types and Frequencies of Meetings (Define)

Section B. Conduct of Meetings/Parliamentary Procedure (Define)

Section C. Voting and Quorum Procedures (Define)

ARTICLE V – FINANCIAL (Note: Mandatory Article Sections A-D):

Section A. Financial records will be maintained for a period of seven (7) years.

Section B. Specify dollar limitations on expenditures by other than a vote of the general membership (Define).

Section C. Financial records should be certified on an annual basis by an individual (s) other than those elected to the executive board. The results of the certification will be presented to the general membership and duly recorded in the applicable minutes of the meeting at which presented.

Section D. Cash and Inventory Control Procedures (Define).

ARTICLE VI – COMMITTEES (Note: Mandatory Article/Sections A-C):

Section A. Permanent (standing) committees will include finance.....(Define)

Section B. Committee chairpersons may be appointed by the executive board.

Section C. All committees will have written missions statements assigned prior to committee appointment.

ARTICLE VII – AMENDMENTS (Mandatory Article/Sections A-B):

Section A. To amend the bylaws of this club requires a (Define) vote of the membership present at a meeting duly called for such purpose a quorum being present and required notice being given.

Section B. Notice requirement and procedure (Define).

Prior to club dissolution and after all debts are satisfied all property and assets shall be turned over to the Association.

FOR THE CLUB:

FOR THE ASSOCIATION:

Name/Signature

Name/Signature

Date

Date

Form CC-3

CC IV Chartered Club Annual Update Form

**This Form meets the requirements outlined in the Chartered Club Guidelines; Chapter Three, Section 3.1 A.
All Chartered Clubs are required to submit this document on or before January 1st of each year.**

Chartered Club _____

Club Officers as of January 1

President

Name _____

Address _____

Phone _____ Email _____

Vice President

Name _____

Address _____

Phone _____ Email _____

Secretary

Name _____

Address _____

Phone _____ Email _____

Treasurer

Name _____

Address _____

Phone _____ Email _____

Membership Certification

As of this date, the Club has _____ paid members.

President _____ Date

Return this form to Chartered Clubs Committee (non-sports), Community Association Office or email to charteredclub@sctxca.org

ANNUAL CLUB SCHEDULE CC-5

1. Name of Club

2. Regular Membership Meeting:
Annual () Quarterly () Monthly () (Please Check one)
Facility Desired _____
Time Desired _____

3. Regular Club Activity:
Monthly () Weekly () Monthly () (Please Check one)
Other (Specify)

4. Scheduled Special Events:

Form CC-5

INCIDENT/ACCIDENT REPORT CC-6

This report is required for any incident or accident occurring on Association property. As soon as the facts are known, the responsible facility monitor/club officer is required to complete this report. If a life-threatening injury or a fatality occurs notify Association Management immediately.

- 1. Location of Incident

- 2. Date & Time of Incident

- 3. Person (s) Involved:
Name _____
Address _____
Name _____
Address _____

- 4. Facility Monitor on duty at time of incident:
Name _____
Address _____ Phone _____

- 5. Details or Incident (Use separate paper if necessary)

- 6. Witnesses to Incident:
Name _____
Address _____
Name _____
Address _____

- 7. Emergency medical response:
Provided by _____
Treatment administered at _____

Reported by:

Name _____ Address _____
Phone _____ Date & Time of Report _____

Form CC-6

For Quarter Ending _____

Profit/Loss Statement	Month of _____	Month of _____	Month of _____	Total for Quarter
Months of Quarter				
Revenue				
Membership Dues	\$ -	\$ -	\$ -	\$ -
Proceeds from Sales to Members	-	-	-	-
Event Ticket Sales	-	-	-	-
Donations	-	-	-	-
Class Registration Fees	-	-	-	-
Interest Income	-	-	-	-
Income from Non-residents	-	-	-	-
Other (Specify) _____	-	-	-	-
Total Revenue	-	-	-	-
Operating Expenses				
Supplies for Resale to Members	-	-	-	-
Non-resale Supplies	-	-	-	-
Awards & Prizes	-	-	-	-
Entertainment	-	-	-	-
Contract Fees	-	-	-	-
Equipment Purchases	-	-	-	-
Maintenance	-	-	-	-
Other (Specify) _____	-	-	-	-
Total Operating Expenses	-	-	-	-
Net Profit/Loss (Note 1)	\$ -	\$ -	\$ -	\$ -

Bank Account Reconciliation				
Beginning Balance @ Period	\$ -	\$ -	\$ -	\$ -
Add: Total Deposits	-	-	-	-
Subtract: Total Withdrawals	-	-	-	-
Ending Balance per CC records	\$ -	\$ -	\$ -	\$ -
Ending Balance per Bank records	\$ -	\$ -	\$ -	\$ -
Total Reconciling Items (List Below)	\$ -	\$ -	\$ -	\$ -
Outstanding Deposits				
List:	\$ -	\$ -	\$ -	\$ -
Outstanding Checks				
List:	-	-	-	-
Total Reconciling Items (should equal Total above)	\$ -	\$ -	\$ -	\$ -

Petty Cash on Hand	\$ -	\$ -	\$ -	\$ -
---------------------------	------	------	------	------

Note 1: If net profit is shown, please provide a brief explanation of how the money will be used on the line below:

Signature of Treasurer _____ Date: _____

CC-8 CONTRACT FOR SERVICES

1. This contract is entered into between the _____ club (“Club”), and _____ (“Contractor”). Club wishes to engage Contractor for the following specific service: _____

2. Contractor agrees:
 - a. To determine the manner, content, and hours of service to be performed following coordination with Club officials.
 - b. To be responsible for any and all taxes which may be incurred as a result of this agreement.
 - c. To carry personal liability insurance and, workman’s compensation insurance.

3. Club agrees:
 - a. To publicize and promote the activity of the Contractor to ensure widest dissemination among Club membership.
 - b. To provide fair and reasonable opportunity for all Club members to participate in Contractor service and to register Club members accordingly.

4. This agreement shall begin on _____ and shall remain in effect until _____. The Contract may be terminated by either party without cause with 30 days written notification.

5. The Association will not assume any contractual obligations of the chartered club.

Name/Signature of Club Official

Date

Name/Signature of Contractor

Date

Form CC-8

GRIEVANCE FORM CC-9

Members of Chartered Clubs, who have grievances against their Club's policies or procedures, should submit their grievances in writing to the Club's Executive Board. Prior to meeting with the Board, the complainants should review their Club's Rules and regulations to assure the changes they wish to make are in compliance. The Board, or its designees, will meet with the complainants. If no resolution can be met at that level, the complainants will complete this Grievance Form and drop it off in the CA office.

Upon review of the Grievance Form, the appropriate Governance Committee will schedule a meeting with the complainants and, if necessary, the Chartered Club's Executive Board.

Chartered Club _____

President _____

Complainant(s) _____

Contact Information: Phone Number _____

Email _____

Please describe the decision or circumstances causing your complaint (give specific factual details)

What was the date of the decision or circumstances causing your complaint?

Please explain how you and/or the members of the Chartered Club have been affected by this decision or circumstance.

Please describe any efforts you have made to resolve your complaint and the responses to your efforts.

With whom did you communicate and when? (For example, The Chartered Club's Executive Board.)

Please describe the outcome or remedy you seek for this complaint.

Attach to this form any documents you believe will support your complaint.

Initialized and Approved by the Board 1996
Amended & Approved by the Board 10/15/02
Amended & Approved by the Board 09/25/03
Amended & Approved by the Board 02/01/05
Amended & Approved by the Board 9/14/06 through Unanimous Consent
Amended & Approved by the Board December 2007 through Unanimous Consent
Amended & Approved by the Board 01/22/09