

# Minnesota Recruiting and Staffing Association By-Laws

## ARTICLE I - NAME AND LOCATION

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### Section 1. Name

The name of this association shall be the Minnesota Recruiting and Staffing Association. (MNRSA), a non-profit association incorporated under the laws of Minnesota.

### Section 2. Location

The principal office of MNRSA shall be at such place as the Board of Directors may from time to time designate.

## ARTICLE II - PURPOSE

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The purposes of MNRSA are subscribed to by its member firms whose principal function is the provision of Recruiting and Staffing services to business, industry, professional and service organizations, and public and governmental entities.

The purposes of MNRSA are to represent and promote the interests of its members across the full range of Recruiting and Staffing services they provide:

to promote for the Recruiting and Staffing industry a free enterprise environment through effective legal and public affairs advocacy; to encourage ethical business conduct; to provide information regarding the laws and regulations that apply to Recruiting and Staffing services, especially those protecting the welfare of employees; to foster better public under-standing of the industry and its role in the economy; and to provide education and other services to help members stay informed about the industry and their business.

## ARTICLE III - MEMBERSHIP

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### Section 1. Membership Eligibility

To be eligible for Active membership in MNRSA a firm must be operated on a for-profit basis as a separately identifiable entity that provides Recruiting and Staffing services to third parties, and must not charge its employees a fee for placing them in jobs. Whether an applicant or member is a "separately identifiable entity that provides Recruiting and Staffing services," or whether it charges its employees a "fee" within the meaning of this section, shall be determined by the Board of Directors. No Recruiting and Staffing firm shall be eligible for MNRSA membership unless MNRSA dues as prescribed in Article IV of these bylaws are paid by all Recruiting and Staffing firms that have an ownership interest in, or are under common ownership with, such firm.

### Section 2. Classes of Membership

There shall be two classes of membership—active, and Industry Partner. Only active members are entitled to vote, to be eligible to serve on the Board of Directors, or to be counted in a quorum. Each active member shall have only one vote regardless of the number of branches, licensees, or similar businesses it operates.

a. *Active.* A firm actively engaged in the Recruiting and Staffing services business is eligible for active membership in MNRSA. If a firm operates branches or through franchisees or licensees, only the firm operating the branches or granting the franchise or license may be an active member.

b. *Industry Partner.* A firm supplying or servicing the Recruiting and Staffing services industry. A firm may not qualify for Industry Partner membership if it operates or has any ownership in a Recruiting and Staffing company (except ownership of less than 2 percent of a publicly traded company) unless the Recruiting and Staffing company is an active MNRSA member. Industry Partner members having separate divisions, subsidiaries, or lines of business are not eligible for MNRSA benefits with respect to such separate operations unless they are separately enrolled as dues-paying Industry Partner members.

### Section 3. Application for Membership

a. Application for active, and Industry Partner membership shall be in writing in such form as may be prescribed by MNRSA. The application shall be accompanied by the payment of the required dues. Completed applications shall be submitted to MNRSA's headquarters office for action.

b. Initial dues paid with the application will be credited toward regular MNRSA dues or refunded if the application is rejected. Dues will be applicable as of the date of MNRSA approval. No dues refund will be made once an application has been approved and the applicant has been notified.

#### **Section 4. Resignations, Expulsions, and Suspensions**

a. *Resignation.* Member resignations shall be in writing and sent to MNRSA's headquarters office. Resignations will be accepted as of the day they are received. Any member that resigns will remain liable for all dues or other debts owed to MNRSA.

b. *Expulsion.* A member may be expelled for cause including but not limited to violations of the MNRSA By-Laws and/or Standards of Ethical Practices and including all state and federal laws that govern our industry.. Expulsion shall be by two-thirds vote of the Board of Directors, provided that notice and opportunity to be heard is provided to the member in accordance with procedures established by the board.

c. *Suspension.* If the board deems it to be in the best interests of MNRSA or of the industry to suspend a member, it may do so by following the procedure referred to in Section 4b above.

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### **ARTICLE IV - DUES**

#### **Section 1. Determination of Dues**

Dues for all classes of membership shall be determined by the Board of Directors and shall be calculated and paid in the manner prescribed by MNRSA.

#### **Section 2. Assessments**

Assessments of the general membership may be recommended by the Board of Directors, but shall become effective only upon the approval of a majority of the general membership at a regular or special meeting next following the board action, or by two-thirds of the general membership in a mail vote for that purpose.

#### **Section 3. Delinquency and Cancellation**

Dues shall be due and payable within 30 days of billing. If a member is in arrears more than 90 days as to any payment of dues, that member's rights as a member shall cease upon written notice from the president and chief executive officer and all rights and privileges of membership shall be forfeited.

#### **Section 4. Refunds**

No dues or assessments shall be refunded to any member whose membership terminates for any reason.

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### **ARTICLE V – OFFICERS**

#### **Section 1. Election and Duties**

The officers of MNRSA shall be elected by the Board of Directors from among their numbers, at a special meeting immediately following the annual meeting of members, and shall be as follows:

a. The President shall have general charge of the affairs of the Association, subject to the direction of the Board of Directors. He/she shall preside at all meetings of the members and of the Board of Directors at which he/she is present; and shall perform the usual duties incident to this office.

b. *Vice President/President Elect.* Responsible for the conduct of business assigned to them by the President. The Vice President/President Elect shall exercise the powers of the President during that officer's absence, or in his or her inability or ineligibility to carry out the duties of the office.

c. *Treasurer.* Responsible for keeping the organization financially strong through consistent and accurate financial bookkeeping and accurate financial reporting and forecasting. Provides timely assistance to ensure financial strength for the association.

#### **Section 2. Immediate Past President**

The immediate past President shall serve as an ex officio member of the Board of Directors.

#### **Section 3. Term of Officers**

All officers shall hold office for two years or until their successors are elected and take office. If an elected officer is unable to complete his or her term of office, the vacancy is then filled by appointment of the President with the approval of the Board of Directors.

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### **ARTICLE VI – BOARD OF DIRECTORS**

#### **Section 1. Tenure and Responsibilities**

a. **Executive Committee.** The executive officers of the Association shall be held by at least three volunteers whose companies are members of the Association: A President, and at least two directors (one of which is the Vice President/President Elect).

b. **Election.** The Board of Directors shall be elected by the active members at their annual meeting each year, to serve for the ensuing year or until their successors shall be elected and take office.

c. The **Board of Directors** shall represent MNRSA and its member companies, and shall ensure that MNRSA fulfills the purposes set forth in Article II. The board shall determine the policies and otherwise direct and control the affairs of MNRSA consistent the board Each director must be the certified representative or alternate of an active member and shall serve only so long as he or she continues to be such representative or alternate. A director shall be eligible for re-election.

### **Section 2. Removal of Board Member**

a. *Absence.* Any member of the Board of Directors who is unable to attend a meeting shall, in a letter addressed to the President, state the reasons for his or her absence and may name an alternate to act as his or her replacement. If a director is absent from two meetings in one association year for reasons that the board considers insufficient, his or her resignation shall be deemed to have been tendered and accepted.

b. *Removal.* Any member of the Board of Directors may be removed from the board by a three-fourths vote of a quorum of the board. If the individual involved is the representative of a company holding a permanent seat as provided in Section 2 of this article, such removal will affect only the individual, and the member company holding such seat shall appoint a new representative.

### **Section 3. Vacancies**

Any vacancies that may occur on the board by reason of death, resignation, or otherwise, may be filled by appointment by the President with approval of the Board of Directors for the unexpired term.

### **Section 4. Executive Committee**

An executive committee of the Board of Directors shall, consistent with governance policies applicable to the board, act on behalf of the board between regular board meetings.

*Immediate Past President.* The immediate past President will serve on the executive committee ex officio.

## **ARTICLE VII. MEETINGS**

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### **Section 1. Annual Meeting**

The annual meeting of members shall be held each year, at such time and place as the Board of Directors shall determine, for the election of directors and for the transaction of such other business as may properly be brought before this meeting.

### **Section 2. Special Meetings**

Special meetings of the members may be called by the President, the Vice President/President Elect, the Board of Directors, or by the President acting at the written request of 25 percent of the active members. The business to be transacted at any special meeting shall be stated in the notice of the special meeting and no other business may be considered at the time of the special meeting.

### **Section 3. Notices**

Written notice of the annual meeting, stating the time and place of the meeting, shall be mailed, emailed or faxed to each member not less than 30 days prior to the date of the meeting. Written notice of a special meeting, stating the time, place, and purpose of the meeting shall be mailed to each member not less than 15 days prior to the date of the meeting.

### **Section 4. Agenda**

An agenda prepared by the President and approved by the executive committee or the Board of Directors shall be distributed to the membership at the time the notice of the annual or special meeting is mailed.

### **Section 5. Voting**

Each active member of MNRSA in good standing shall be entitled to one vote at all membership meetings of MNRSA. Any number of representatives of an active member may attend membership meetings of MNRSA, but each active member shall appoint and certify to the secretary of MNRSA one person to be its certified MNRSA representative. The person certified shall act for the member in all affairs of MNRSA including voting and holding office therein, but other noncertified representatives of an active member may serve on any committees of MNRSA. In the absence of the certified representative, the active member may appoint and certify an alternate to act at a membership meeting on behalf of the active member.

### **Section 6. Voting by Mail, Fax, e-Mail**

Proposals, except election ballots, may be offered to the members for a mail or electronic vote, if they are first approved by the executive committee or the Board of Directors, unless two-thirds of the active members approve in writing offering the proposal to the membership. On any mail or electronic vote, no less than 50 percent of all active members must cast a vote. A majority of those voting shall determine the action.

### **Section 7. Quorum**

Five percent of the active membership, present by the certified representative or by written proxy, shall constitute a quorum for the transaction of business at any membership meeting of MNRSA. A majority of a quorum of the membership may act for MNRSA, except as may be otherwise provided in these bylaws.

#### **Section 8. Rules of Order**

All meetings and proceedings of MNRSA shall be conducted in accord with *Robert's Rules of Order (Revised)* for parliamentary procedure consistent with the governance policies established by the Board of Directors and with these bylaws.

### **ARTICLE VIII - COMMITTEES**

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#### **Section 1. Standing Committees**

The following are the standing committees of MNRSA:

a. *Executive Committee.* As established under Article VI, Section 4.

b. *Nominating Committee.* A nominating committee shall be appointed by the President for the purpose of nominating officers and members of the Board of Directors of MNRSA. The committee will be chaired by the immediate past President and will consist of one of the permanent executive committee members and one other member, to be appointed by the President. The President shall also be a member of the committee and participate in the nominating process.

#### **Section 2. Special Committees**

Special committees may be appointed by the President with the approval of the Board of Directors or the executive committee.

#### **Section 3. Quorum—Board of Directors and Committee Meetings**

A majority of the members of the Board of Directors or of any committee, including the executive committee, shall constitute a quorum at any duly called meeting of the board or committee. Except as may be otherwise provided in these bylaws, a majority of a quorum voting in person, by telephonic or other communications medium, or by proxy, is sufficient to act at such meetings. Except as otherwise provided, committees shall meet at the call of the President of the committee or upon request of a majority of its members.

#### **Section 4. Committee Chairs and Members**

Committees shall be chaired by an individual appointed by the President of the Board of Directors and, except for the nominating committee, shall be comprised of persons who have volunteered or been appointed by the President of the board or the committee President and, whenever practical and appropriate, should have representatives of both independent and national member firms. All committee chairs and members must be representatives of MNRSA member companies.

#### **Section 5. Committee Action**

Committee actions shall be consistent with governance policies established by the Board of Directors.

#### **Section 6. Role of Board President**

The President of the Board of Directors shall be an ex officio, non-voting, member of all committees.

### **ARTICLE IX - OTHER**

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#### **Section 1. Fiscal Year**

The fiscal year of MNRSA shall be based on the calendar year.

### **ARTICLE X – STANDING RULES**

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The Board of Directors has the right to establish standing rules that set forth procedures that shall conform to all other provisions of these bylaws and shall be binding until rescinded.

### **ARTICLE XI – INSURANCE AND INDEMNIFICATION**

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#### **Section 1. Insurance Coverage**

MNRSA can purchase and maintain appropriate insurance coverage to protect the association, its officers, directors, committee members, and employees from liability as a result of acts or omissions relating to the performance of their MNRSA responsibilities.

#### **Section 2. Indemnification**

MNRSA shall defend, indemnify, and hold harmless its officers, directors, committee members, and employees from any and all claims, actions, or losses (including reasonable attorney's fees and expenses) arising out of any act or omission relating to the

performance of their MNRSA responsibilities. With prior approval of the Board of Directors, MNRSA shall advance and provide all necessary expenses in defending against such claim or action. In the event the officer, director, committee member, or employee is finally adjudged liable for gross negligence or gross misconduct in the performance of his or her responsibilities, the individual shall reimburse MNRSA for any expenses advanced. This right of indemnification shall not be deemed exclusive of any other rights to which an officer, director, committee member, or employee may be entitled by law.

## **ARTICLE XII - AMENDMENTS**

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The Board of Directors may amend these bylaws, or repeal and adopt new bylaws, subject to approval by a two-thirds vote of the active members at any membership meeting, as provided in Article VII, Section 7. All active members must be notified in writing of the proposed changes at least 30 days prior to such meeting. Bylaws amended, repealed, or adopted by a three-fourths vote of the full board do not require membership approval, but all active members shall be notified in writing of such changes within 30 days after their adoption by the board.

## **ARTICLE XIII - DISSOLUTION**

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MNRSA may be liquidated and dissolved on the vote of three-fourths of the active membership. In the event of liquidation, all funds remaining in MNRSA shall be devoted to purposes consistent with the purposes of MNRSA. No funds of MNRSA shall be repaid to individual members.