



POLICIES AND PROCEDURES

December, 2015

Ratified by EO LA Board 12/8/15

INTRODUCTION

1. **Introduction:** These Policies and Procedures have been developed by the Board of Entrepreneurs' Organization, Los Angeles Chapter (EOLA) to assist members of EOLA ("Member") with the guiding principles of EOLA. The Policy and Procedures are implemented as the standard by which Members and Member leaders should conduct themselves.
2. **Modification or Amendment:** The Policies and Procedures shall be subject to modification or amendment, without notice, by the majority vote of the EOLA Board ("Board"). Any Member who wishes to sponsor a modification or amendment shall submit a written proposal to EOLA for the Board's consideration.
3. **Application:** These Policies and Procedures are subject to the Board's discretion, interpretation and application.
4. **Voting.** All actions requiring EOLA Board authorization require a vote of a majority of the Board members present at a duly authorized meeting while a quorum exists unless a higher proportion is otherwise expressly required. A super-majority vote requires two-thirds of the Board Members present while a quorum exists to authorize action.

1. MEMBERSHIP

Membership: EOLA is a local community that enriches Members' lives through dynamic peer-to-peer learning, once-in-a-lifetime experiences, and connections to experts.

1.1. EO MEMBERSHIP POLICY

- 1.1.1. **Purpose:** The purpose of the EOLA Membership Policy is to provide the baseline by which the EOLA Board can identify, admit and maintain Members who support the overall goals, vision, mission and purpose of EOLA.
- 1.1.2. **Qualification:** Each Member and Member applicant must satisfy the Membership Qualifications set forth by EO Global. Current EO Global policy is:
 - 1.1.2.1. Be the founder, co-founder, owner or controlling shareholder of a company;
 - 1.1.2.2. Hold one of the above titles for a company that grosses more than US \$1 million annually;
 - 1.1.2.3. For venture-backed companies to qualify for membership they must have privately raised funds of US \$2M or publicly raised funds of US \$5M, and 10 full-time employees. Venture backed companies have three years before they must meet the standard qualification of US \$1M in gross annual revenue.
- 1.1.3. **Additional Qualification Criteria:** The EOLA Board may elect to impose additional Membership Qualifications on new Membership applicants to meet the changing needs of the Chapter. Additional criteria may not be imposed on existing Members and may not be used as part of any re-qualification process set forth elsewhere in this document. EOLA shall not discriminate against Members in the selection process based on race, gender, sexual orientation or religious beliefs.
- 1.1.4. **Renewal:** Membership renewal in EOLA may occur each year based on a fiscal year commencing July 1. To be eligible for renewal, each Member must meet the following criteria:
 - 1.1.4.1. **Compliance with Dues and Fees Policy:** All EO Global and EOLA Chapter Member dues and/or fees must be paid in full within the time frame set forth by EO Global and EOLA; and,

1.1.4.2. **Requalification:** On a Chapter-wide basis, EOLA Members may, at the Board's discretion, be required to undergo Requalification for Membership ("Requalification") as follows:

1.1.4.2.1. **Revenue:** The Revenue requirements may be established by submitting to an independent third-party CPA the Member's most recent summary corporate tax returns, or other reasonably equivalent documents, signed by a licensed CPA, substantiating the Revenue criteria as forth in Section 1.1.2 or the then-current Revenue criteria as set forth by EO Global;
OR

1.1.4.2.2. **Revenue Grace Period:** a Member who does not meet the Revenue Criteria set forth in Section 1.1.2 or the then-current Revenue Criteria set forth by EO Global may avail his or herself of the following exceptions ("Grace Period(s)"):

1.1.4.2.2.1. Members are entitled to an automatic twelve (12) month, one-time, extension to enable a Member to meet the Revenue criteria;

1.1.4.2.2.2. A Member having met the Revenue Criteria and maintained EO Global Membership for five (5) consecutive years prior to availing his or herself of the one-time extension may petition the Board and the Board, in its absolute discretion, may grant two (2) additional twelve (12) month extensions (for a total of no more than 36 months). A Member who petitions, receives, and exercises this option must acquire another five (5) consecutive year credit prior to accumulating rights under this Section again.

1.1.5. **Waiver:** The EOLA Board shall have the power to waive any or all of the Membership criteria with a super-majority vote of the Board.

1.2. **Membership Process:** The EOLA Board and Membership Chair(s) shall decide the process it elects to practice with respect to prospecting, identifying and selecting candidates for Membership into EOLA. The Membership Chair(s) may select a Membership Committee to help with the various tasks required to process applications. The following guidelines may be used to process Membership applications:

- 1.2.1. A Member of the Application Committee speaks with each Applicant to ensure they fit the values established by EOLA;
- 1.2.2. Applicants are sent a package requesting a written biography, corporate tax returns, and letter of recommendation from an EO, YPO or WPO member;
- 1.2.3. Applicants present their written bios, and have a five minute Q&A with the Application Committee;
- 1.2.4. The Board shall approve each Applicant after the Screening; approval of a majority of the entire Board is required. Approval of each Board Member need not be obtained at the same meeting and may be obtained in writing after due consideration of all available information has been given. Or, by its discretion, the Board may allow the Membership Chair to have final approval of a Member candidate once they have completed the Board-approved vetting process.
- 1.2.5. The Membership Chair shall present an update to the Board regarding the number of Applicants that period versus the number being brought before the Board for consideration of Membership.
- 1.2.6. An applicant that believes he or she has been unfairly or in violation of law denied a fair application process shall have recourse to the President only. The President shall take all actions he or she deems necessary to ensure a fair process.

2. EO FORUM PLACEMENT POLICY

- 2.1.1. **General Guideline:** EOLA will place Members into Forums with consideration for diversity, industry, and forum vitality. Forums shall not discriminate against Members in the selection process based on race, gender, sexual orientation or religious beliefs. Forums shall not have discriminatory policies in their Forum Constitutions excluding Members based on race, gender, sexual orientation or religious beliefs.
- 2.1.2. **Purpose:** The purpose of this Policy is to extend the vitality of Member Forums and enhance the Forum experience by providing continuing peerness throughout an EO Member's active membership.
- 2.1.3. **Vitality:** EOLA shall annually measure Forum vitality of all Forums using a variety of measurement tools.

2.1.4. **Placement:** Upon the Membership Chair announcement of a new qualified candidate to the Forum Chair, the Forum Chair will place the new Member into a Forum in the following manner:

- a) Moderators will be invited to each Board meeting where new Members are interviewed by the Board for membership.
- b) Moderators will be asked to communicate to the Forum Chair whether or not they would like any Members added to their forum, or if they are a closed forum.
- c) In between the Board interview meeting and Forum training, new Members will be identified at EOLA events so that Moderators or other Forum Members may meet prospective new Forum Members.
- d) Formal interviews and “grilling” are not consistent with the EO Code of Conduct and will not be allowed.
- e) A biography on each new Member once approved by the Board will be sent to all Forum Moderators who have indicated they are interested in new Members.
- f) In NO case shall a Member be committed and/ or formally placed to a forum prior to training.
- g) Once the Member has been Forum trained, the Forum Chair shall assist the Member with placement in a Forum.
- h) The Forum Chair may opt to form an entirely new Forum from the group of new Members.
- i) The Forum has the option of declining a new Member. Such declination must be submitted to the Forum Chair.
- j) The new Member has the option of declining placement in a Forum or opting out of participation in Forum at all. Such declination shall be submitted to the Forum Chair.
- k) At-Large Members (Members of EO Global, but not of any EO Chapter) may not be in EOLA Forums unless approved by the Forum Chair.

2.1.5. **Qualification:**

2.1.5.1. By October 1 of each year, the Forum Chair shall present to the Board a list of all Qualified Forums. The list shall include;

- a) The name of the Moderator
- b) The name of the Moderator–Elect
- c) The names of all Members in the Forum
- d) The name of the Forum

- 2.1.5.2. The Forum Chair shall also determine if there are any “Unqualified Forums” or “Rogue Forums”. An Unqualified Forum is a forum that has one or more participants that are not Members in good standing with EOLA. If an Unqualified Forum is discovered, the Forum Chair shall inform the Moderator that on October 31, the Forum will no longer be recognized by the Board and the following will occur:
- 2.1.5.2.1. The Moderator and each Member of the Forum will be personally contacted. They will be told that their Forum is in jeopardy of default. They will have 30 days to correct the situation. EOLA will not allow any new Members to be placed in an Unqualified Forum.
 - 2.1.5.2.2. On October 31, each Member will be contacted and asked if they would like to either join a new Forum, or opt out of the Forum process.
 - 2.1.5.2.3. The Forum will cease to be eligible for AFS or any EO benefits as of October 31.
- 2.1.6. **Confidentiality:** The purpose and power of Forum is to provide a confidential environment for the discussion of business and personal issues. Forums are advised to take all reasonable measures to ensure confidentiality. EOLA cannot guarantee or warrant the scope and extent of confidential communications made under applicable law. Therefore, we encourage Forums to consult with qualified legal counsel in their specific jurisdiction for advice and recommendations to ensure the legal protections of Forum confidentiality.
- 2.1.7. **Spousal and Domestic Partner Forums:** EOLA recognizes the importance and value to a Member if his or her spouse or domestic partner participates, as applicable, in EOLA activities, including Spousal and Domestic Partner Forum (“Partner Forum”). To balance the objectives of spousal or domestic partner participation with the practical realities of such benefits inuring to the Member’s interests, the following rules shall apply to spousal or domestic partner participation in Forum:
- 2.1.7.1. A spouse or domestic partner, as that term is used here, is defined by the State of California.
 - 2.1.7.2. Spouses and domestic partners may enjoy the full benefits of participating in a Spousal Forum.
 - 2.1.7.3. **Spousal and domestic partner participation is dependent on and determined solely by the Member’s status, and a spouse or**

domestic partner does not have any independent right to participate in EOLA activities.

2.1.7.4. Spousal and domestic partner participation in EOLA benefits is terminable under any of the following circumstances:

2.1.7.4.1. Except as provided below, when the Member's rights or participation in EOLA ends, so does that of the Member's spouse or domestic partner.

2.1.7.4.1.1. The Member has made a clear statement to the Forum Chair of the termination of the Member's relationship with the spouse or domestic partner, including, without limitation, legal separation or impending divorce, at which time the spouse or domestic partner shall no longer qualify to participate in a Spousal and Domestic Partner Forum.

2.1.7.4.1.2. Upon the death or in the event of a disability resulting in termination of Membership, while the Member is in good standing, the spouse or domestic partner remains qualified, until the next renewal and requalification, at which point Membership will cease. Membership may be continued for one additional year at Board discretion, by majority vote.

2.1.7.4.1.3. Under each of these circumstances, the Chapter shall involve the Moderator of the affected Spousal and Domestic Partner Forum, or such designee from within that Spousal and Domestic Partner Forum as may be appropriate, to facilitate the enforcement of these guidelines and the transition of the spouse or domestic partner from the Forum.

3. SPONSORSHIP

SPONSORSHIP: EOLA Sponsors are organizations or individuals who wish to benefit by their affiliation with EOLA; and in exchange for that affiliation, contribute financially or otherwise to the Chapter.

3.1. **Policy:** The EOLA Board shall have the rights and powers to approve Sponsors according to the EO Global Sponsorship Guidelines.

- 3.2. **Benefits:** Sponsors are afforded a menu of benefits tailored to the mutual advantage of the sponsor and EOLA. Benefits may be included in the Sponsor agreement. EOLA Members cannot be Sponsors in the same year.
- 3.3. **Limitations:** Sponsors shall not have access to Member lists or other confidential information. Further limitations may be included in the Sponsor agreement.

4. DISCIPLINE

4.1. **Policy:** The EOLA Board shall have the rights and powers to interpret, apply and enforce the Bylaws, Policies and Procedures of EOLA and EO Global, and impose such discipline as the Board, in its discretion, considers necessary and appropriate to further the principles, vision, mission and values of EOLA and EO Global. Specifically incorporated by reference is the EO Global Code of Conduct (“Code of Conduct”) and the values expressed and implied therein. The EOLA Board shall also require and enforce the highest level of confidence be maintained with respect to issues of complaint, discipline, and consideration of either. The EOLA Board shall also enforce rules of decorum in conformity with those set forth in the Code of Conduct.

4.2. Complaint Procedure:

4.2.1. Any Member wishing to lodge a complaint with respect to the conduct of any other Member must submit such complaint directly to the President. In the event the complaint pertains to the President, the complaint must be submitted to the President-Elect. The complaint must be in writing. The complaint must set forth specific violations of Bylaws, Policies and Procedures, Code of Conduct, or other rules, principles, or values of EOLA or EO Global. The complaint must also provide factual allegations and evidence to support those allegations. The complaining party must make all efforts to abide by the principles of professionalism, honesty, confidentiality, collegiality, and restraint that all EOLA Members expect of one another in making the complaint. The complaining party must not disclose the existence of the complaint, the making of the complaint, or the allegations contained in the complaint to any other Member of EOLA prior to the President making a determination under this Section 4. Failure to maintain confidentiality as set forth herein shall make such complaint null and void and shall subject the complaining party to discipline under Section 4.1 and any other applicable section of the Bylaws, Policies and Procedure, or EO Global Code of Conduct.

- 4.2.2. The President, once notified in writing, shall take such reasonable actions to determine whether the complaint is made in good faith and not frivolous or made for purposes of harassment or other improper purpose. Once satisfied, the President shall notify the Board at the next Board meeting regarding the allegations and supporting evidence.
- 4.2.3. Once the President has provided specific information the Board shall use reasonable diligence to investigate the allegations.
- 4.2.4. The EOLA Board shall determine whether the evidence merits a full hearing on the matter. The Board must vote to hold a hearing. The subject of the complaint shall be provided with sufficient notice to marshal evidence and to rebut the charges against him or her.
- 4.2.5. After reasonable notice is provided to each party (which is assumed to be fourteen (14) days' unless verifiable mitigating circumstances exist), the Board shall hear all evidence in an executive or closed session. The Board may accept, deny, or find that insufficient evidence exists to render a verdict. The Board's determination is final.
- 4.2.6. If a verdict is rendered against a Member, the Board may take any action it deems reasonable and in the best interests of the chapter. Prior to expelling a Member, the Board must obtain consent from EO Global.
- 4.3. The Board, on its own motion, may, by super-majority vote, take any disciplinary action against any Member for any violation of the Bylaws, Policies and Procedures, EO Global Code of Conduct, or any other policy expressed or implied under Section 4.1, above. The Board shall obtain consent of EO Global to any expulsion of a Member. In addition, the President may suspend a Member who breaches his or her financial obligations or who has exhibited conduct unbecoming a Member of EOLA. Any such suspension shall be temporary pending the next regularly scheduled or special Board meeting, at which time the full Board shall consider the issue and render a decision.

5. LEADERSHIP

5.1 Chapter Leadership: Any Member has the opportunity to get involved in the leadership of the Chapter. Members are encouraged to further enhance and practice their leadership skills through participation in a number of ways:

5.1.1 Board of Directors

5.1.2 Forum Chair. Forum Chair shall chair any designated Forum Committee, or shall be the Forum Committee. This committee shall train, counsel, and guide Members on matters related to Forum. Any determination of the Forum Committee or Chair may be overridden by a majority vote of the Board.

5.1.3 Learning Chair. Learning Chair shall chair any Learning Committee, or shall be the Learning Committee, which creates the Chapter event calendar, organizes the guest speakers, hosts the social events, and arranges the venues for Chapter learning functions. Any determination of the Learning Committee may be overridden by a majority vote of the Board.

5.1.4 Finance Chair. The Finance Chair shall chair any Finance Committee. The Finance Chair is responsible for maintaining the books and records and management of all financial matters of the Chapter including presentment of an annual budget to the Board, and appropriation of all funds pursuant to due authorization by the Board.

5.1.5 Membership Chair. Membership Chair shall chair any designated Membership Committee, or shall be the Membership Committee. The Membership Committee shall recruit, evaluate, qualify, and recommend candidates for membership to the Board. The Membership Chair shall conduct any re-qualification procedure set forth herein.

5.1.6 Director at Large. Directors at Large may be appointed as desired by the President with consent of the Board.

5.1.7 Other Chairs. The Board of Directors may create or eliminate other committees and chairs as desired, including Member Engagement.

5.1.8 Officers.

5.1.8.1 President

5.1.8.2 President-Elect

5.1.8.3 Treasurer

5.1.8.4 Secretary

5.1.8.5 The Executive Committee shall be made up of all named Officers in this Section and any other directors that the President, with advice and consent of a majority of the Board, may appoint.

5.1.9 Forum

5.1.9.1 Moderator. Each Forum must appoint a Moderator who shall enforce the Forum Constitution.

6. ELECTIONS

6.1. **Policy:** EOLA relies on the participation and leadership of its Members to ensure the successful operation of the Chapter. The election process is designed to identify motivated, capable volunteers who will represent our Members well and who will make the commitments involved in leading EOLA.

6.2. Procedure:

6.2.1. The EOLA Nominating Committee shall nominate a slate of candidates for Board positions. The President-Elect shall chair The Nominating Committee. If there is no President-Elect then the President shall chair the Nominating Committee. If there is no President, the most immediate Past President shall chair the Nominating Committee.

6.2.1.1 The Nominating Committee shall consist of five (5) members – President-Elect, Current President, a Past President, two sitting Board Members.

6.2.1.2 The President and President-Elect shall select two (2) sitting board members to join the Nominating Committee. Together, the four (4) members of the Nominating Committee shall invite a chapter Past President to fill the fifth spot. If a Past President is not available or no Past President accepts the invitation to join the Nominating Committee, the four members together choose a fifth member from the current Board.

6.2.1.3 If the five (5) members of the Nominating Committee together represent less than a majority of the total Board Members voting to ratify the recommendations brought forth to the Board, the Board may vote to ratify the recommendations made by the Nominating Committee.

If however, the Nominating Committee represents a majority of the total Board Members voting to ratify the Nominating Committee's selections, AND if the Nominating Committee is unanimous in their support of the recommendations brought forth to the Board, then the Nominating Committee must reduce their number of votes so that they no longer represent a majority.

Example: If all five (5) Nominating Committee members support the recommendations brought forth to the Board, and only four (4) additional Board Members are present to ratify the Nominating Committee's recommendations, the Nominating Committee would need to reduce their total votes from five (5) to three (3) as to not represent a majority of the total voting Board Members. This reduction would not be necessary if the Nominating Committee is divided in their support of the recommended nominees, or if there are at least six (6) additional Board Members voting on the ratification of the recommendations.

- 6.2.2. On or before October 15th, the President shall communicate to the chapter that the Board is seeking candidates to serve on Board positions for the following fiscal year, which currently begins in July. The President shall communicate this information to the Nominating Committee.
- 6.2.3. On or before November 15th, the Nominating Committee shall make two nominations: (a) a slate containing, at a minimum, Membership Chair, Forum Chair, Finance Chair & Learning Chair for the upcoming fiscal year; and (b) a President-Elect nominee for the fiscal year following the next fiscal year. (e.g., in 2012, the nomination will be for the year 2014). The primary objective of The Nominating Committee is to identify and propose that member who is best suited and qualified for the President-Elect position at that time. However, The Nominating Committee can propose up to two candidates for the President-Elect position at its discretion.
- 6.2.4. On or before November 30, the Nominating Committee shall present the nominations for Board approval. All Board members present must vote; abstentions are not allowed unless there is a direct conflict of interest between that Board member and a President-Elect candidate. Voting will be secret, and the President-Elect candidate receiving the majority vote of directors present, wins the nomination. In the event of a deadlock in the vote for President-Elect, the President-Elect shall be decided by the Nominating Committee.
- 6.2.5. On or before December 15th, the chapter membership shall be presented two matters for voting: (a) the slate of board Members shall be subject to a yes or no vote; and (b) the President-Elect shall be subject to a yes or no vote.
- 6.2.6. By December 31st, the Board shall determine the results of each vote. A majority of voting members approval is required for approval.

- 6.2.7. In the event the slate or the President-Elect is not approved, the Nominating Committee shall nominate alternates, which must be submitted to the Board for approval by January 15.
- 6.2.8. By January 31, the Board shall submit the second ballot to the Membership.
- 6.2.9. By February 15, the Board shall determine the results of any second ballot. A majority of voting members shall be required for approval for the slate and for the President-Elect.
- 6.2.10. In the event the Members have refused to ratify a slate or President-Elect, then the Nominating Committee shall continue to submit slates and candidates to the EOLA Board, which shall have the authority to appoint such persons.
- 6.2.11. By February 28, results of the election process shall be communicated to EO Global.

7. CONFIDENTIALITY POLICY

- 7.1. **CONFIDENTIALITY POLICY**: The contents of EOnetwork and the directory, including Membership email and address information, are confidential and privileged information. Misuse of this information is a violation of EOLA policy. Any use, transcription, or copy of these materials to promote or solicit EOLA Members is strictly prohibited and may result in expulsion. The information contained in EOnetwork is for the use of current EO Members and Elumni members (with restrictions), consistent with the Bylaws, Policies and Procedures and principles of EO Global. Furthermore, published information specific to EOLA shall remain confidential within the confines of the Chapter Membership unless distribution is authorized by the Board.

8. SOLICITATION POLICY

- 8.1. **Policy**: Solicitation of other members to buy products services ideas, or causes, however worthy or potentially of value to the solicited Member violates the spirit of the organization. Solicitation of Members is prohibited. Violation of the policy may result in expulsion from EO.
- 8.2. **Permitted Conduct**: There are many instances where conduct might not constitute solicitation in violation of this policy, depending on the particular circumstances. Some examples include:

- 8.2.1. You **may** contact another Member to offer to buy a product or service they sell.
- 8.2.2. You **may** contact another Member when you travel outside your chapter to learn about the area or EO activities in that area.
- 8.2.3. You **may** contact another Member regarding EO activities (such as that person's involvement in organizing a chapter event).
- 8.2.4. You **may** contact another Member you believe may be able to advise you on a matter of business or personal interest.
- 8.2.5. Before engaging in any conduct over which there is doubt, please contact an Officer of the Chapter.

8.3. **Procedures:**

- 8.3.1. **Avoiding Solicitation:** All Members should seek to clarify any dubious or questionable conduct through an officer prior to engaging in conduct that may run afoul of the solicitation policy.
- 8.3.2. **Addressing Solicitation:** If a Member believes that another Member has engaged in solicitation in violation of this policy, the following steps should be taken:
 - 8.3.2.1. If a Forum issue, the Forum moderator should be advised.
 - 8.3.2.2. If a chapter-wide issue, a chapter officer, preferably the President should be advised.
 - 8.3.2.3. If the matter is significant, or extends beyond either Forum or EOLA, an e-mail or fax should be sent to the CEO of EO Global. Concerns must be expressed in writing to enable formal action and to avoid misunderstanding.

9. **REIMBURSEMENT POLICY**

- 9.1. **Reimbursement Policy:** The Finance Chair is responsible for the determination and necessary Board approvals for any pre-approved out-of-pocket expenses for reimbursement. Pre-approval is required only if an expenditure exceeds a Chair's budget. Approval for expenditures under \$5000 over the budget shall be secured from the President and Finance Chair; over \$5000 over the budget must be approved by a Board majority vote. A payment request form must be generated and submitted to the Finance Chair for any reimbursement.

10. STIPEND POLICY

- 10.1. **Stipend Policy:** Any stipend offered to Members, Directors or Officers must be approved by the Board.