

STEVENSON BAND BOOSTER CLUB, INC.
CONSTITUTION AND BYLAWS
Proposed – February 2018

1) **NAME**

The name of the organization shall be the Stevenson Band Booster Club, Inc.

2) **PURPOSE**

The purpose of the organization is to enhance and promote the Instrumental Music Program at Adlai E. Stevenson High School, Sterling Heights, Michigan. The organization shall not operate for profit and remain non-profit forever, but exclusively for educational and musical enjoyment purposes following guidelines established by the Utica Community Schools Board of Education and policies of Stevenson High School.

3) **MISSION STATEMENT**

The mission of the Stevenson Band Booster Club, Inc., located in Sterling Heights, Michigan, is to enhance and promote the Instrumental Music Program at Stevenson High School by providing support to all participating students and assisting with financing for educational activities through fundraising efforts. We strive to create interest and involvement among family members, faculty, and the community.

We support the Band Director in creating a positive and challenging learning environment that encourages all students to achieve their greatest potential as responsible, productive members of a diverse society through music education.

4) **LEGAL ORGANIZATION**

The Club operates within the definition of United States Internal Revenue Code Section 501(c)(3) as in a determination letter issued November 2006, Tax ID # 20-3267857 and is registered as a Michigan Nonprofit Corporation.

5) **MEMBERSHIP AND DUES**

a) Membership of the organization shall not be limited. Parents/guardians of pupils in the Instrumental Music Program are automatically considered members, along with other individuals interested in the progress and development of the Instrumental Music Program at Stevenson High School who agree to abide by the bylaws of the organization. The club is a service organization and members are encouraged to volunteer time in both fundraising and band support activities.

b) There shall be no dues.

6) **FISCAL YEAR**

The fiscal year of this organization shall begin on July 1st and end on the following June 30th.

7) **GOVERNING BODY**

The affairs of the organization shall be managed and directed by the Executive Board. Officers shall be elected for a term of two years. Offices have a three consecutive year maximum limit and elected officers must have a child in the Instrumental Music Program during the term of office. Officers may hold the same office more than once as long as the terms are not consecutive. The Executive Board shall consist of the following officers:

a) President

b) Vice President

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- c) Secretary
- d) Treasurer
- e) Fund Raising Chairperson
- f) **Band** Director ~~of Instrumental Music Program~~ (Ex-officio)

8) EXECUTIVE BOARD

- a) The Executive Board shall be composed of the officers of the organization. Officers shall serve without compensation for their service. The **Band** Director ~~of Instrumental Music Program~~ shall serve as an Ex-Officio member.
- b) The Executive Board shall have general supervision of the affairs of the organization.
- c) The Executive Board shall meet at the discretion of the President.
- d) In the event a vacancy occurs on the Executive Board within the fiscal year, the other members of the Executive Board will appoint a member to serve in that capacity to complete the fiscal year.
- e) A majority of the members of the Executive Board shall constitute a quorum.
- f) All people who have access to the funds of the organization shall be bonded.

9) ELECTIONS

- a) Nominations accepted up to and including the January General Membership meeting for each available Executive Board position. A member may only run for one office per election.
- b) All members are eligible to nominate another member for office, nominations may be submitted to the Executive Board, usually at the January General Membership meeting. One or more nominations shall be made for each available Executive Board position. The Band Director maintains the exclusive right to veto any nomination for an officer position.
- c) **To be eligible for office, a nominee must accept, either verbally or in writing, the nomination prior to the closing of the nomination period.**
- d) Elected Executive Board members must have a child enrolled in the Instrumental Music Program for the term of office. If the child leaves the program, the officer may complete the term of office for that fiscal year. Only one parent/guardian of a student may serve as an Executive Board member at any time.
- e) The date of the election shall coincide with the date of a General Membership meeting, usually in February. New officers shall assume duties on the first day of the next fiscal year, but are expected to attend Executive Board and General Membership meetings following their election to shadow the current officer. Outgoing officers are encouraged to be available for consultation by the current board for the following fiscal year.
- f) **If a nominee is unopposed at the closing of nominations, an election for that office is waived and the nominee will become the officer-elect.**
- g) The election of officers shall be made by a plurality vote of those present at the General Membership meeting.
- h) A majority vote of the members present shall constitute an election.

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- i) An alternating voting cycle is to be maintained preventing the President and Vice President Executive Board positions from vacating in the same fiscal year. Should any unforeseen circumstance occur to disrupt the established cycle, existing board members shall modify the incoming term for the position disrupted from two years to one year to reestablish the alternating voting cycle.
- j) Should an Executive Board position be vacated with at least one fiscal year remaining in a term, nominations and a special election shall be held prior to the end of the school year to fill the second year of the term. The officer shall assume their duties on the first day of the next fiscal year.
- k) A board member elected with a modified term under Elections, 9, g and Elections, 9, h will be eligible to run for reelection in the following nomination & vote if they so choose and meet eligibility requirements listed under Elections, 9, c.
- l) Officers may be removed from the Executive Board in the following manner:
 - Any member must produce a written and signed motion for removal that has been approved by the Band Director. The motion is to be submitted at a General Membership meeting and seconded.
 - At the next General Membership meeting, a vote must be taken of the members in attendance.
 - A majority vote in favor of removal will result in an immediate vacancy of the office being voted upon.
 - Should both the offices of President and Vice President be simultaneously vacated under this section, The Band Director shall appoint an emergency interim President to maintain Club operations until new nominations and elections can be completed.

10) RESPONSIBILITIES OF THE OFFICERS

a) Band Director:

- Shall direct the priorities of the organization to ensure it is functioning in the best interest of the Stevenson High School Instrumental Music Department
- If requested, shall be provided a debit card, linked to the Stevenson Band Booster Club Inc. bank account, to be used for purchasing items in support of the organization's Purpose and Mission Statement. The Band Director shall provide the Treasurer a valid receipt that clearly shows the purchased item(s), amount, and date of purchase within seven (7) business days of each purchase.
- May direct any Executive Board member, or if no board members are present at a Stevenson Instrumental Music event or activity, any other member of the organization, to make purchases on behalf of the organization in support of the organization's Purpose and Mission Statement.
- Shall be permitted to make purchases on behalf of the organization. To receive reimbursement, purchases must have a valid receipt that clearly shows the purchased item(s), amount, and date of purchase that is provided to the Treasurer. All purchases must be in support of the organization's Purpose and Mission Statement.

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b) President:

- The President shall be the principal executive of the organization and shall, in general, supervise the affairs of the organization.
- Shall preside at all board and General Membership meetings, or designate a representative from the Executive Board to preside on their behalf.
- Shall set and regulate the agenda for each meeting of the organization and provide a written agenda to the General Membership at meetings.
- Shall ~~appoint~~ **approve** all committee chairs and members and be an ex-officio member of all committees.
- May sign with the secretary or any other officer of the organization, when authorized by the Executive Board, contracts or other instruments.
- Shall ensure that the organization complies with all State and Federal regulations pertaining to the operation of the organization and maintain and be responsible for corporation papers such as the original 501(c)(3) IRS determination letter, State of Michigan non-profit incorporation registration, insurance and bonding policies, and these bylaws.
- Shall be permitted, or direct other members of the organization, to make purchases on behalf of the organization following the direction of the Band Director. To receive reimbursement, purchases must have a valid receipt that clearly shows the purchased item(s), amount, and date of purchase that is provided to the Treasurer. All purchases must be in support of the organization's Purpose and Mission Statement.

c) Vice President:

- The Vice President shall assist the President in all duties.
- Shall assume all the duties of the President in his/her absence.
- Coordinate the chairpersons for committees as directed by the president.
- Shall be the leader of the Audit Team and direct, at a minimum, one audit of the organization's finances during each fiscal year.
 - **Audit Team:** In addition to the Vice President, the audit team shall also consist of the President and Treasurer, and if appointed, the Assistant Treasurer. The Vice President may also invite a non-Executive Board member, provided they are not related to any other Audit Team member, to participate in any audits. Audits are to include the reconciliation of financial accounts and selecting a sample of cash receipt/disbursement transactions to verify procedures, as described in Section 10 of these bylaws, are being followed. The result of the audit is to be documented with a report to the Executive Board that includes any procedures not being followed and/or any other recommendations.
- Shall be permitted, or direct other members of the organization, to make purchases on behalf of the organization following the direction of the Band Director. To receive reimbursement, purchases must have a valid receipt that clearly shows the purchased item(s), amount, and date of purchase that is

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provided to the Treasurer. All purchases must be in support of the organization's Purpose and Mission Statement.

d) Secretary:

- The Secretary shall maintain and be responsible for chapter records, which should include minutes and pertinent correspondence.
- Shall make minutes of each General Membership meeting available for viewing by all members within one calendar month either by providing a copy for members at the following General Membership meeting or by electronic transmission, such as posting to the Instrumental Music social media closed group page(s).
- Shall turn all records over to a newly elected secretary prior to the end of the school year, or to the President if vacating office before term expiration. Records should be kept for a period of 5 years for audit purposes with the exception of e-mails which shall be kept for 2 years.
- Shall also perform other duties as assigned by the Executive Board or the President.
- Shall be permitted to make purchases on behalf of the organization following the direction of the Band Director. To receive reimbursement, purchases must have a valid receipt that clearly shows the purchased item(s), amount, and date of purchase that is provided to the Treasurer. All purchases must be in support of the organization's Purpose and Mission Statement.

e) Treasurer ORIGINAL:

- The Treasurer shall be responsible for all funds of the organization and shall receive the organization's income and maintain its bank accounts, pay organization bills after approval by the Executive Board, make regular reports to the Executive Board, and complete and maintain a record of all transactions.
- Shall provide the State of Michigan and Internal Revenue Service all necessary reports at the end of each fiscal year.
- The Treasurer shall be responsible for auditing the financial records of the organization.
- The Treasurer shall receive all funds due the organization, and deposit same in a local bank as directed by the Executive Board of the organization in the name of "Stevenson Band Booster Club, Inc."
 - All checks received shall be immediately restrictively endorsed to the Booster group. A restrictive endorsement does not allow further transfer of a check. It will read "For Deposit Only", the bank name and account number.
 - Deposit slips shall be reconciled to cash receipts on a monthly basis.
 - The Treasurer shall pay all expenses using a check that is to be signed by a combination of two signatures - President/Treasurer, Vice-President/Treasurer, and in the absence of the Treasurer, then the President/Vice-President.
 - Checks shall be written in numerical order (voids shall be kept to account for sequence of checks).
 - It is not permissible to sign a blank check.
- Bank accounts shall be reconciled at the end of each statement period. All discrepancies shall be immediately investigated and records shall be adjusted accordingly.

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- Shall turn all records over to a newly elected treasurer prior to the end of the school year, or to the president if vacating office before term expiration. Records should be kept for a period of 7 years for audit purposes.
- Shall also perform other duties as assigned by the Executive Board or the President.
- **Audit Team:** Comprised of the Treasurer, Assistant Treasurer, and President, the Audit Team at the mid-point and the end of each school semester shall participate in the reconciliation of the financial accounts. At the end of the fiscal year, the Audit Team will conduct a review of the organization's financial records. The audit may include choosing a sample of cash receipt/disbursement transactions and verifying the written procedures are being followed. The transactions tested should be documented with a report to the Executive Board of any procedures not being followed or any other recommendations.
- **Assistant Treasurer:** Shall be appointed by the President and will have tasks assigned by the Treasurer. The Assistant Treasurer shall not be a voting member of the Executive Board and will not be authorized to write or sign checks.

f) Treasurer (NEW):

- Shall be responsible to maintain the ledger of all transactions of the organization
- Shall document the organization's income and expenses
- Shall actively monitor the organization's bank and online financial institution accounts to help quickly identify any questionable or fraudulent activity
- Make regular reports to the Executive Board and General Membership regarding the organization's bank account balance(s), income, and expenses
- Shall provide to the State of Michigan and Internal Revenue Service all necessary reports at the end of each fiscal year
- Shall be responsible to ensure all funds due the organization are received and deposited in a timely manner in a local bank account that is legally owned by the Stevenson Band Booster Club, Inc.
 - All checks and money orders received shall be immediately restrictively endorsed to the Stevenson Band Booster Club, Inc. A restrictive endorsement does not allow further transfer of a check. It will read "For Deposit Only", the bank name, and account number.
 - Deposit slips shall be reconciled to receipts on a monthly basis.
- The Treasurer and President shall be the legal signees for the organization's checks and share access to the organization's online financial institutions that are used to pay the financial obligations.
- The Treasurer or President may reimburse expenses to members of the organization made on behalf of the organization provided:
 - The purchases were in support of the organization's Purpose and Mission Statement and with the knowledge/guidance of either the Band Director and/or another Executive Board Member
 - The item(s) purchased must be in possession of or consumed by the Stevenson Band Booster Club, Inc.

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- A valid receipt is presented that clearly shows the purchased item(s), amount, and date of purchase
- Checks shall be written in numerical order (voids shall be kept to account for sequence of checks).
- It is not permissible to sign a blank check
- The Treasurer may, as necessary, provide the Band Director and/or a General Member with a “pre-paid debit or gift card” (card) after receiving a written request by same, which includes the purpose, usage, and an estimated amount of funds needed to sufficiently support the organization’s Purpose and Mission. Purchases must have a valid receipt that clearly shows the purchased item(s), amount, and date of purchase that is provided to the Treasurer. Receipts must be submitted within seven (7) business days following each use of the card. The card must be surrendered/returned to the Treasurer within five (5) business days following its use. Should there be remaining funds available on the card, the Treasurer, with input from the Executive Board as needed, will be responsible for deciding how those funds will be returned to the General Fund, including the flexibility to determine if remaining funds should/can be used to pay and/or reimburse another expense, until all funds placed on the card are extinguished. Each issuance of a card is intended to serve a sole function and/or event and cannot be reloaded without Executive Board approval by an affirmative vote of 3 or more members
- Shall be responsible to ensure all payments due from the organization to external vendors are processed in a timely manner
- Bank accounts shall be reconciled at the end of each statement period (usually monthly). All expenses, whether paid by check or an electronic/on-line method, must have a receipt that is printed and included in a paper file that shall be maintained by the Treasurer for audit purposes. All discrepancies shall be immediately investigated and records shall be adjusted accordingly
- Shall turn all records over to a newly elected treasurer prior to the end of the school year, or to the President if vacating office before term expiration. Records should be kept for a period of 7 years for audit purposes
- Shall also perform other duties as assigned by the Executive Board or the President.
- Shall be permitted to make purchases on behalf of the organization following the direction of the Band Director. To receive reimbursement, purchases must have a valid receipt that clearly shows the purchased item(s), amount, and date of purchase and be in support of the organization’s Purpose and Mission.
- Should either the Treasurer or President be unable to fulfill their duties as officers, another Executive Board member shall be added as a legal signee for checks and be given access to the organization’s online financial institutions for the purpose of ensuring the Club’s financial obligations are being met. The order of succession shall be:
 - i. Vice President
 - ii. Fundraising Chairperson
 - iii. Secretary
 - iv. Band Director

g) Fundraising Chairperson:

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- The Fundraising Chairperson shall be responsible to coordinate the activities of the various fundraising committees.
- Shall also perform other duties as assigned by the Executive Board or the President.
- Shall be permitted to make purchases on behalf of the organization following the direction of the Band Director. To receive reimbursement, purchases must have a receipt that is provided to the Treasurer. All purchases must be in support of the organization's Purpose and Mission Statement.

11) COMMITTEES

Committees are created and disbanded on an as-needed basis under the direction of the Executive Board. Each committee will have a chairperson and, if necessary, one or more members. ~~The President will appoint all committee chairpersons and members.~~ Examples of committees may include, but are not limited to,

- Assistant Treasurer: ~~Shall~~ May be appointed on an annual basis by the President and will have tasks assigned by the Treasurer. The Assistant Treasurer shall not be a voting member of the Executive Board and will not be authorized to write or sign checks or online payments.
- Special Events Coordinator: May be appointed on an annual basis to provide special assistance to Board Members, especially the Fundraising Coordinator.

12) MEETINGS

- There will be a minimum of two General Membership meetings per semester. In addition, an annual Business Meeting will be held in May. General Membership meetings shall be held at Stevenson High School and may be subject to cancelation due to school closings as determined by Utica Community Schools.
- A quorum of no less than three (3) elected officers, one of which must be the President or Vice President, and five (5) regular members must be present for any General Membership meeting to be called to order.
- The Executive Board shall meet no less than once every two months.
- The Executive Board shall determine all General Membership meeting dates and schedule the meetings in advance based on the calendar of events for each school year and has discretion to select an alternate date if the normally scheduled date is unavailable.
- Notice will be communicated to the members no later than 5 days before the regularly scheduled meeting.
- The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the organization in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the organization may adopt.

13) AMENDMENTS

- A majority present at any General Membership meeting may vote to amend the Constitution and bylaws. The amendments must have been presented at the preceding regular meeting prior to approval. Bylaws must be reviewed every two years, during next the fiscal year following the election of a new Club president.

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14) MONIES FROM FUNDRAISING

- It is the policy of Stevenson Band Booster Club, Inc. to support all students participating in Stevenson High School Instrumental Music programs, including mandatory music participation and voluntary music activities, even if the student and/or the students' parents do not participate in fundraising activities. The support of students will not depend on the fundraising efforts of the band student and/or students' parents. We will make this policy clearly known to our members by providing a copy of these bylaws on the Stevenson Instrumental Music web site, www.shs-music.org.
- All fundraising monies are the property of the Stevenson Band Booster Club, Inc. to be used under the direction of the Band Director.

15) DISSOLUTION

~~The organization may cease to function following a concurring vote to that effect by the majority of members present at a General Membership meeting, the Executive Board, the Director of the Instrumental Music Program, and the high school administration.~~

- The organization may cease to function at any time under any of these provisions:
 - Following a concurring vote to that effect by the majority of members present at a General Membership meeting (including the Executive Board and Band Director)
 - At the sole discretion of the Band Director
 - Following a ruling and order by the administration of Utica Community Schools
 - Should the organization fail to hold at least one regular General Membership meeting during any fiscal year
- Within 10 days after dissolution, the Executive Board shall approve the release of all money on deposit and on hand along with real and personal property, which shall revert to the City of Sterling Heights for a public purpose.

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CONFLICT OF INTEREST POLICY

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CONFLICT OF INTEREST POLICY

Article I – Purpose

The purpose of the conflict of interest policy is to protect the tax-exempt Stevenson Band Booster Club, Inc. (the Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II - Definitions

1. Interested Person: Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,

b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or

c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

Compensation does not include “points, miles, member discounts, cash back rewards” and/or other “sundry rewards” an interested person may obtain when using personal or business credit to make a necessary purchase, as defined under duties of the Executive Board, et.al. Specifically, the term compensation shall not apply to duties detailed herein as: “[s]hall be permitted to make purchases on behalf of the organization following the direction of the Band Director. To receive reimbursement, purchases must have a receipt that is provided to the Treasurer. All purchases must be in support of the organization’s Purpose and Mission Statement.” Nor shall the term “compensation” apply to any General Member whose necessary purchase may conform to this language.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III - Procedures

1. Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

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3. Procedures for Addressing the Conflict of Interest:

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy:

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV - Records of Proceedings

The minutes of the governing board and all committees with board delegated **financial** powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing boards or committees decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V - Compensation

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

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c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI - Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII - Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted by the Vice President. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII- Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.