

## **ARTICLE 1**

### **GENERAL**

**Section 1.1 Formation.** The Okemos High School Alumni Association, Inc. ("Association") is a Michigan, not-for-profit, nonstock corporation organized on a directorship basis. The Association is also known as "Okemos Alumni.org" and "Okemos Alumni Association".

**Section 1.2 Purposes.** The Association is organized exclusively for charitable purposes, including receiving and administering funds and property and making distributions to tax-exempt organizations that qualify under Sections 170(c), 2055(a) and 2522(a) of the Internal Revenue Code of 1986, as amended or the corresponding section of any future federal tax code ("Code").

## **ARTICLE 2**

### **BOARD OF DIRECTORS**

**Section 2.1 Number and Qualification.** The business, property and affairs of the Association shall be managed by a Board of Directors consisting of not less than one and not more than thirty (30) directors. Only twenty (20) directors, who must be Okemos High School alums, shall be entitled to vote. Each director allowed to vote shall each have one vote. The remaining ten (10) directors are to be non Okemos High School alums and shall not be entitled to vote. The initial Board of Directors consists of eighteen (18), voting, directors. When used in these Bylaws, "Board" or "Board of Directors" shall mean and include only the voting members of the Board of Directors.

**Section 2.2 Terms.** Each director shall serve the term specified in the appointment of that director or if none is specified, until that director dies, resigns or is removed by the Board.

**Section 2.3 Removal and Replacement of Directors.** Any director may be removed at any time, with or without cause by the majority vote of the Board of Directors. Upon a majority vote of the Board of Directors, the

Board may remove and replace any director with or without cause and appoint a substitute or additional director.

**Section 2.4 Committees.** The Board may appoint any standing or ad hoc committee it deems appropriate. Every committee shall have at least one member who is a director, either voting or non-voting. No committee member shall be entitled to compensation unless approved, in advance, by the Board. Upon approval by the Board, a committee member may be paid reasonable compensation for the services provided to the Association. A committee member who received compensation is deemed an independent contractor for tax purposes and is solely responsible for all taxes required to be paid on such compensation. Under no circumstances is a paid committee member deemed an employee of the Association.

**Section 2.5 Action(s).** All action(s) of the Board shall require the a majority vote of the twenty (20) directors entitled to vote who are present at a meeting at which a quorum is initially established.

**Section 2.6 Expenses and Compensation.** The Association may reimburse a director for reasonable expenses incurred by that director on behalf of the Association in accordance with its policies. All thirty (30) directors shall serve without compensation unless approved in advance by a unanimous vote of the Board. Upon unanimous approval by the Board, a director may be paid reasonable compensation for the services provided to the Association. A director who receives compensation is deemed an independent contractor for tax purposes and is solely responsible for all taxes required to be paid on such compensation. Under no circumstances is a paid director deemed an employee of the Association.

## **ARTICLE 3**

### **MEETINGS**

**Section 3.1 Place of Meeting.** Meetings of all thirty (30) directors may be held inside or outside the state of Michigan as established by the Board.

**Section 3.2 Regular Meeting.** The Board shall establish a schedule of regular meetings at the beginning of each fiscal year and shall provide all

the directors with a copy of that schedule. Regular meetings of the directors shall be held at the times and places established by the Board.

**Section 3.3 Special Meetings.** Special meetings of the directors may be called at any time by the President or by any director. Written or personal notice of the time, place and purpose of the meeting shall be provided to each director at least ten (10) days before the meeting.

**Section 3.4 Proper Notice.** Notice may be given personally, by mail or by electronic transmission, as defined below.

(a) Written notice delivered by mail is given when the notice has been deposited in the United States mail, with postage fully prepaid, plainly addressed to the intended recipient at the recipient's last address appearing upon the books of the Association at its registered office in Michigan.

(b) Notice transmitted electronically is given when electronically transmitted to the person entitled to notice in a manner authorized by that person. Where possible, a delivery and "read" receipt are to be kept with the records of the Association.

(c) A voting director may be present and vote at a meeting by remote communication, the means of remote communication allowed shall be included in the notice. A person may be present and vote at an adjourned meeting by means of remote communication if that person was permitted to be present and vote by that means in the original meeting notice.

(d) The term "electronic transmission" means any form of communication that: (1) does not directly involve the physical transmission of paper; (2) creates a record that may be retained and retrieved by the recipient; and (3) may be directly reproduced in paper form by the recipient through an automated process.

**Section 3.5 Waiver of Notice.** A director may waive notice of a meeting in any manner permitted for giving notice. The waiver may be given either before, at or after the meeting. A director who attends the meeting has waived notice of the meeting unless, at the commencement of

the meeting, the director states an objection on the basis that the meeting is not lawfully called or convened.

**Section 3.6 Participation in Meetings.** Directors may participate in a meeting by conference call or any other means of remote communication through which all persons participating in the meeting may communicate with the other participants. All participants shall be advised of the means of remote communication. The names of the participants in the conference shall be divulged to all participants.

Participation in a meeting pursuant to this procedure shall constitute presence in person at the meeting. Participation in a meeting by remote communication constitutes presence in person at the meeting if:

(a) The Association implements reasonable measures to verify the identity of each person considered present and permitted to vote at the meeting by means of remote communication;

(b) The Association implements reasonable measures to provide a director participating by remote communication a reasonable opportunity to participate in the meeting and to vote, if allowed, on matters submitted for a vote, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with the proceedings; and

(c) The Association maintains a record of the vote or other action of any director who votes or takes other action at the meeting by means of remote communication.

**Section 3.7 Action Without a Meeting.** Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if, before or after the action, all voting directors' consent to the action in writing. The written consents shall be filed with the minutes of the Board. The consent has the same effect as a vote of the Board.

**Section 3.8 Other Matters.** In connection with a meeting of the directors, all matters arising that are not covered by these Bylaws shall be governed by the most recent edition of Roberts Rules of Order.

## **ARTICLE 4**

### **QUORUM**

**Section 4.1 Quorum.** A majority of the Board of Directors shall constitute a quorum at any meeting of the Board. In this case, eleven (11) voting directors constitute a quorum.

**Section 4.2 Continuation of Business.** Those present at a meeting of directors may continue to conduct the business of the meeting until adjournment, notwithstanding the withdrawal of enough voting directors to leave less than a quorum.

## **ARTICLE 5**

### **OFFICERS**

**Section 5.1 Enumeration.** The Board shall elect a President, Secretary and Treasurer. These three (3) positions may be held by the same voting director. The Board, in its discretion, may also elect any other officers and designate the duties of those officers. The President, Vice President, if any, Secretary and Treasurer must be voting directors. All other officers may be non-voting directors.

**Section 5.2 Term.** Each officer shall hold office until the term expires and is not renewed by the Board, that officer dies, resigns, is removed or a successor is elected.

**Section 5.3 Duties.** The duties of the officers are as follows:

(a) **President.** The President shall preside at all meetings of the directors and shall act for the Association at the request of the Board.

(b) **Vice President.** The Vice President, if any, shall perform the duties and exercise the powers of the President during the absence or disability of the President. A Vice President shall perform any other duties and exercise any other powers which the Board or the President may, from time to time, prescribe.

(c) **Secretary.** The Secretary shall attend all meetings of the directors and shall maintain written minutes of the proceedings of those meetings. The Secretary shall give all notices required by statute, these Bylaws or resolution and shall perform any other duties delegated by the Board or the President.

(d) **Treasurer.** The Treasurer shall have custody of all corporate funds and securities and shall keep full and accurate accounts of all receipts and disbursements. The Treasurer shall deposit all moneys, securities and other valuable effects in the name of the Association in such depositories as may be designated for that purpose by the Board. The Treasurer shall disburse the funds of the Association as ordered by the Board, taking proper vouchers for the disbursements and shall render to the President and the directors at the regular meetings of the directors and whenever requested by them, an account of all of the Treasurer's transactions and of the financial condition of the Association. The Treasures shall issue receipts to the donors of all cash and non-cash donations to the Association.

**Section 5.4 Removal of Officers.** Any officer elected by the Board shall hold office at the pleasure of the Board. An officer may be removed by a majority vote of the Board, at any time and with or without cause.

**Section 5.5 Delegation of Powers.** The Board may delegate all or any of the powers or duties of any voting officer to any other voting officer or voting director and any of the powers or duties of a non-voting officer to any other non-voting officer or non-voting director, but no officer or director shall execute, acknowledge or verify any instrument in more than one capacity, where prohibited by applicable statute.

**Section 5.6 Combination of Offices.** The Board may combine any of the offices described above.

**Section 5.7 Expenses and Compensation.** The Association shall reimburse an officer for reasonable expenses incurred by that officer on behalf of the Association. All officers shall serve without compensation unless approved in advance by a unanimous vote of the Board. Upon unanimous approval by the Board, an officer may be paid reasonable compensation for the services provided to the Association. An officer who

receives compensation is deemed an independent contractor for tax purposes and is solely responsible for all taxes required to be paid on such compensation. Under no circumstances is a paid officer deemed an employee of the Association.

## **ARTICLE 6**

### **Grants**

**Section 6.1 Grant Procedure.** The entire Board of Directors (voting and non-voting) shall establish a procedure for making grants. The Board may, in its discretion, establish a grant committee ("Grant Committee") to make recommendations to the entire Board of Directors. The Grant Committee shall have at least one member who is a voting director. The Grant Committee may make recommendations to the entire Board of Directors (voting and non-voting). However, the Board shall retain the authority to make all decisions regarding the making of grants.

Pre-grant procedure for individuals and entities should include checking the Specially Designated Nationals and Blocked Persons database maintained by the Office of Foreign Assets Control and the Terrorist Exclusion List maintained by the Department of State)

**Section 6.2 Grants to Individuals.** The entire Board of Directors (voting and non-voting) shall establish a procedure for making grants to individuals consistent with the requirements of Section 4945 of the Code. The procedure shall be approved by the Internal Revenue Service before any grants are made to individuals.

(a) All grants made to individuals:

(1) Shall be awarded on an objective and nondiscriminatory basis;

(2) Shall qualify: (i) as a qualified scholarship under Section 117 of the Code and be used at an educational institution; (ii) as a prize or award that would be excluded from income under Section 74 of the Code if the prize or award were donated to a qualified charity; or (iii) as a grant to achieve a specific exempt charitable purpose;

(3) Shall not support terrorism and shall comply with the Patriot Act, Executive Order 13224 and the Treasury Anti-Terrorist Financing Guidelines and shall not make a grant where doubt exists about the grantee's or sub-grantee's ability to ensure that funds do not support terrorist organizations; and

(4) Shall not benefit any director or member of the Grant Committee, either directly or indirectly.

(b) Candidates for grants shall be from a group selected on the basis of criteria reasonably related to the purpose of the grant and sufficiently broad so that the award of grants will fulfill the Association's exempt purpose.

(c) The grant procedure shall be reasonably calculated to result in performance by the grantees of those activities for which the grants are given. The entire Board of Directors (voting and non-voting) shall establish a procedure for exercising supervision over grants which shall require reports to the Association to determine whether grantees have performed those activities for which grants are given and establish a procedure to review those reports, to investigate any diversion of grant funds from their proper purpose and to recover any diverted funds.

(d) Annual grants in excess of Five Thousand and 00/100 Dollars (\$5,000.00) are required to be reported on IRS Form 990, Schedule I. Schedule I also specifies the required information and records on the grant recipient that must be kept and submitted with Form 990.

**Section 6.3 Grants to Exempt Organizations.** The entire Board of Directors (voting and non-voting) shall establish a procedure for making grants to exempt organizations.

(a) All grants made to exempt organizations:

(1) Shall be awarded on an objective and nondiscriminatory basis;

(2) Shall not support terrorism and shall comply with the Patriot Act, Executive Order 13224 and the Treasury Anti-Terrorist



Financing Guidelines and shall not make a grant where doubt exists about the grantee's or sub-grantee's ability to ensure that funds do not support terrorist organizations;

(3) Shall not benefit any director or member of the Grant Committee, either directly or indirectly.

(b) Candidates for grants shall be from a group selected on the basis of criteria reasonably related to the purpose of the grant and sufficiently broad so that the award of grants will fulfill the Association's exempt purpose.

(c) The grant procedure shall be reasonably calculated to result in performance by the recipient of those activities for which the grants are given. The Board shall establish a procedure for exercising supervision over grants which shall require reports to the Association to determine whether grantees have performed those activities for which grants are given and establish a procedure to review those reports, to investigate any diversion of grant funds from their proper purpose and to recover any diverted funds.

(d) Annual grants in excess of Five Thousand and 00/100 Dollars (\$5,000.00) are required to be reported on IRS Form 990, Schedule I. Schedule I also specifies the required information and records on the recipient that must be kept and submitted with Form 990.

## **ARTICLE 7**

### **MISCELLANEOUS**

**Section 7.1 Indemnification.** The Association shall indemnify the directors, officers, committee members and non-director volunteers and may indemnify employees, if any and agents of the Association, to the fullest extent permitted by Michigan law, against all judgments, payments in settlement, fines and other reasonable costs and expenses (including attorney fees) incurred by that person in connection with the defense of any action, suit or proceeding, which is brought or threatened in which that person is a party or is otherwise involved because that person was or is a director, officer, committee member, non-director volunteer, employee or

agent of the Association. The indemnification shall continue as to a person who ceases to be a director, officer, committee member, non-director volunteer, employee or agent and shall inure to the benefit of that person's estate. Any indemnification permitted under this Section, unless ordered by a court, shall be made only on a unanimous vote of the Board who are not parties to the action, that indemnification is proper under the circumstances.

**Section 7.2 Dispute Resolution - Arbitration.** In the event there is an unsolvable Board deadlock or tie, then any voting director may make a written demand for arbitration to the Board under this Section. The conflicted parties shall attempt to agree on the selection of a single arbitrator to be hired for the purpose of breaking the tie and whose determination is binding on all parties. If the parties are unable to agree on the selection of a single arbitrator within 15 days after the demand, each party shall appoint an arbitrator within 15 days. The two (2) arbitrators shall then select a third (3<sup>rd</sup>) arbitrator within 15 days of their appointment. If any party fails to appoint an arbitrator within the allotted time, there shall be only one (1) arbitrator, the one selected by the other party. The arbitrator(s) shall reach their/his/her decision within 90 days after the appointment of the last arbitrator. The tie shall be broken under the commercial arbitration rules of the American Arbitration Association as modified by this Section. The arbitration award is enforceable as a judgment of any court having proper jurisdiction. For purposes of this Section, the term "party" shall mean one or more individuals who hold substantially similar positions with regard to the issue in question. The Association shall bear all reasonable costs of arbitration including the reasonable fees of the arbitrator selected by a party and the reasonable attorney fees of that party.

**Section 7.3 Execution of Instruments.** The Board may designate the officers or other agents of the Association who shall have authority to execute any instrument on behalf of the Association.

## **ARTICLE 8**

### **CONFLICT OF INTEREST POLICY**

**Section 8.1 Purpose.** The purpose of the conflict of interest policy is to protect the Association's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Association 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.

#### **Section 8.2 Definitions.**

(a) **Interested Person.** Any director, officer or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below.

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

(1) An ownership or investment interest in any entity with which the Association has a transaction or arrangement,

(2) A compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement, or

(3) A potential ownership or investment interest in or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 8.3(b), 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.

### **Section 8.3 Procedures.**

(a) **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.

(b) **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest, 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 by the Board.

(c) **Procedures for Addressing the Conflict of Interest.**

(1) An Interested Person may make a presentation at the a meeting of the entire Board of Directors 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.

(2) The President of the Board of Directors or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(3) After exercising due diligence, the entire Board of Directors or committee shall determine whether the Association 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.

(4) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Association'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.

(d) **Violations of the Conflicts of Interest Policy.**

(1) If the entire Board of Directors or committee has reasonable cause to believe a director has failed to disclose actual or possible conflicts of interest, it shall inform the director of the basis for such belief and afford the director an opportunity to explain the alleged failure to disclose.

(2) If, after hearing the director's response and after making further investigation as warranted by the circumstances, the entire Board of Directors or committee determines the director has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Section 8.4 Records of Proceedings.** The minutes of the entire Board of Directors and all committees with Board delegated 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 Board's or committee's decision as to whether a conflict of interest in fact existed.

(b) The names of the directors 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.

**Section 8.5 Compensation.**

(a) A voting director of the Board of Directors who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that director's compensation.

(b) A voting director of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or

indirectly, from the Association for services is precluded from voting on matters pertaining to that director's compensation.

(c) No voting director of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association, either individually or collectively is prohibited from providing information to any committee regarding compensation.

**Section 8.6 Annual Statements.** Each director, 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 Association 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.

**Section 8.7 Periodic Reviews.** To ensure the Association 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. 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 Association'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.

**Section 8.8 Use of Outside Experts.** When conducting the periodic reviews as provided for in Section 8.7, the Association may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the entire Board of Directors of its responsibility for ensuring periodic reviews are conducted.

## ARTICLE 9

### AMENDMENT OF BYLAWS

**Section 9.1 Amendments, How Effected.** These Bylaws may be amended or repealed or new bylaws may be adopted, by vote of a majority of the Board of Directors then in office.

**Section 9.2 Adoption of Bylaws.** These Bylaws were originally approved and adopted by resolution of the Board of Directors on April 20, 2017.

I do certify that the above Bylaws of Okemos High School Alumni Association, Inc. were approved by the Okemos High School Alumni Association, Inc.'s Board of Directors on the 20<sup>th</sup> day of April, 2017.

Dated: April 20, 2017

Kathy Miller Kissman  
Kathy Miller Kissman, Secretary  
Class of 1965