

# Friends of Armada

## Bylaws

### ARTICLE I. NAME OF ORGANIZATION

The name of the corporation is **Friends of Armada**.

### ARTICLE II. CORPORATE PURPOSE

#### Section 2.01 Nonprofit Purpose

This is a non-profit organization. This corporation is organized exclusively for charitable purposes under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

#### Section 2.02 Specific Purpose

Friends of Armada solicits funds for specific projects determined, in the option of the corporation, to enrich the quality of life of Armada residents and the surrounding community.

The specific objectives and purpose of this corporation shall be to:

- (a) raise and distribute funds for community enrichment projects within Armada Township and the Village of Armada.
- (b) promote family activities and community engagement.
- (c) encourage volunteerism.
- (d) provide education and assistance beyond funding to facilitate project completion.

#### Section 2.03 Dissolution

Upon the dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

### ARTICLE III. MEMBERSHIP

#### Section 3.01 Eligibility for Membership

Application for membership shall be open to any current resident, property owner, or business operator within Armada Township or the Armada Area School District, 18 years of age or older, who are willing to provide volunteer support with their time that supports the purpose statement in Section 2.02.

Membership is granted after completion and receipt of a membership application and annual dues. All memberships shall be granted upon a majority vote of the board.

#### Section 3.02 Annual Dues

The amount required for annual dues shall be \$1.00 per membership year, unless changed by a majority vote of the members at the annual general membership meeting. Continued membership is contingent

upon being up-to-date on membership dues. The membership year is January 1 thru December 31. Annual dues shall be paid prior to the start of the membership year.

### **Section 3.03 Rights of Members**

All members may vote on officer elections contingent on being up-to-date on membership dues.

### **Section 3.04 Resignation and Termination**

All members may resign by filing a written resignation with the secretary. Resignation shall not relieve a member of unpaid dues, or other charges previously accrued. A member can have their membership terminated by a majority vote of the membership.

## **ARTICLE IV. MEETINGS**

### **Section 4.01 Regular Membership Meetings**

The frequency of Regular meetings for the calendar year will be as determined upon a majority vote of the newly elected board at the Annual Membership Meeting; the date, time and location of which will be designated by the board.

### **Section 4.02 Annual Membership Meetings**

An annual meeting shall take place in the month of January, the specific date, time and location of which will be designated by the board. At the annual meeting the members shall elect officers, receive reports on the activities of the organization, and determine the direction of the organization for the coming year.

### **Section 4.03 Special Meetings**

Special meetings may be called by the president, a simple majority of the board, or a petition signed by twenty percent (20%) of members.

### **Section 4.04 Meetings of the Board of Directors**

To ensure transparency, all meetings of the board shall be open to all members. Notification of such meetings shall be given in the time and manner of section 4.05.

### **Section 4.05 Notice of Meetings**

Notice of each meeting shall be given to each member at least two (2) days prior to the meeting.

### **Section 4.06 Quorum**

A quorum for a meeting of the members shall consist of at least twenty percent (20%) of the active membership. A quorum for a board meeting shall consist of at least eighty percent (80%) of the Board of Directors.

### **Section 4.07 Voting**

All issues to be voted on shall be decided by a simple majority of those present at the meeting in which the vote takes place.

## **ARTICLE V. BOARD OF DIRECTORS**

### **Section 5.01 General Powers**

The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall have control of and be responsible for the management of the affairs and property of the Corporation.

## **Section 5.02 Number, Tenure, Requirements, and Qualifications**

The Board of Directors shall consist of the following officers:

- (a) President
- (b) Secretary
- (c) Treasurer
- (d) Trustee (2)

The members of the Board of Directors shall, upon election, immediately enter upon the performance of their duties and shall continue in office until their successors shall be duly elected and qualified. All members of the Board of Directors must be approved by a majority vote of the members present and voting.

No two members of the Board of Directors related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity may serve on the Board of Directors at the same time. Each member of the Board of Directors shall be a member of the Corporation whose membership dues are paid in full.

Officers of the Board of Directors shall serve two (2) year terms. There shall be no limit on the number of terms served. Elections shall be held in even calendar years. In the event of a vacancy the newly appointed officer shall serve the remainder of the current term.

Each member of the Board of Directors shall attend at least the Annual Membership meeting and seventy-five percent (75%) of regular and special meetings per year.

### **Section 5.03 Forfeiture**

Any member of the Board of Directors who fails to fulfill any of his or her requirements as set forth in Section 5.02 shall automatically forfeit his or her seat on the Board. The Secretary shall notify the Director in writing that his or her seat has been declared vacant, and the Board of Directors may forthwith immediately proceed to fill the vacancy. Members of the Board of Directors who are removed for failure to meet any or all of the requirements of 5.02 are not entitled to vote at the annual membership meeting and are not entitled to the procedure outlined in Section 5.07 in these by-laws.

### **Section 5.04 Vacancies**

Whenever any vacancy occurs in the Board of Directors it shall be filled without undue delay by a majority vote of the remaining members of the Board of Directors at a regular meeting. Vacancies may be created and filled according to specific methods approved by the Board of Directors.

### **Section 5.05 Compensation**

Members of the Board of Directors shall not receive any compensation for their services as Directors.

### **Section 5.06 Parliamentary Procedure**

Any question concerning parliamentary procedure at meetings shall be determined by the President by reference to Robert's Rules of Order.

### **Section 5.07 Removal**

Any member of the Board of Directors may be removed with or without cause, at any time, by vote of seventy-five percent (75%) of the members of the Board of Directors if in their judgment the best interest of the Corporation would be served thereby. Each member of the Board of Directors must

receive written notice of the proposed removal at least ten (10) days in advance of the proposed action. An officer who has been removed as a member of the Board of Directors shall automatically be removed from office.

Members of the Board of Directors who are removed for failure to meet the minimum requirements in Section 5.02 in these by-laws automatically forfeit their positions on the Board pursuant to Section 5.03, and are not entitled to the removal procedure outlined in Section 5.07.

## **ARTICLE VI. OFFICERS**

The officers of this Board shall be President, Secretary, Treasurer, and Trustee (2).

### **Section 6.01 President**

The President shall preside at all meetings of the membership. The President shall have the following duties:

- (a) General superintendence and direction of all other officers of this corporation and see that their duties are properly performed.
- (b) Submit a report of operations of the program for the fiscal year to the members at the annual membership meeting, and from time to time, shall report to the Board all matters that may affect this program.
- (c) In the absence of present or vice-president, designate a representative to preside over meeting.
- (d) Be authorized to sign checks.
- (e) Provide a written agenda for each meeting.
- (f) Assist in fundraising and organization of projects.

### **Section 6.02 Secretary**

The Secretary shall have the following duties:

- (a) Report the minutes of all meetings.
- (b) Prepare and mail the organization's correspondence.
- (c) Be authorized to sign checks.
- (d) Maintain the by-laws of the organization.
- (e) Keep meeting attendance records.
- (f) Assist in fundraising and organization of projects.

### **Section 6.03 Treasurer**

The Treasurer shall be vested with all the powers and shall perform the duties of the President during the absence of the latter. The Treasurer shall have the following duties:

- (a) To assist in direct audits of the funds of the program according to funding source guidelines and generally accepted accounting principles.
- (b) Preside in the absence of the President.
- (c) Act as assistant to the President.
- (d) Be in charge of all financial transactions.
- (e) Be authorized to sign checks.
- (f) Prepare financial statements for review.
- (g) Assist in fundraising and organization of projects.

### **Section 6.04 Trustee**

The Board of Director's shall consist of two (2) Trustees. Trustees shall have the following duties:

- (a) Assist in fundraising and organization of projects.

### **Section 6.05 Election of Officers**

All members in good standing are eligible for nomination as an officer of the Board of Directors. Nominations for officer positions shall be made at the Annual Membership Meeting. The chair shall make a request for nominations prior to voting by all members in good standing present at the meeting. Upon completion of voting the votes shall be immediately tallied and presented prior to completion of the meeting.

## **ARTICLE VII. CONFLICT OF INTEREST**

### **Section 7.01 Purpose**

The purpose of the conflict of interest policy is to protect the Friends of Armada'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 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.

### **Section 7.02 Definitions**

- (a) Interested Person - Any officer with board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- (b) Financial Interest - A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
  - (i) *An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,*
  - (ii) *A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or*
  - (iii) *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.

A financial interest is not necessarily a conflict of interest. Under Section 7.03(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 7.03 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 with board delegated powers considering the proposed transaction or arrangement.
- (b) 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 board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board members shall decide if a conflict of interest exists.
- (c) Procedures for Addressing the Conflict of Interest
  - (i) *An interested person may make a presentation at the board 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.*
  - (ii) *The chairperson of the board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.*
  - (iii) *After exercising due diligence, the board 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.*
  - (iv) *If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the board 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.*
  - (v) *Violations of the Conflicts of Interest Policy*
- (d) If the board 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.
- (e) 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.

## **Section 7.04 Records of Proceedings**

The minutes of the board 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 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.

## **Section 7.05 Compensation**

- (a) A voting member of the 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 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.
- (c) No voting member of the board 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.

## **Section 7.06 Annual Statements**

Each officer 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.

## **Section 7.07 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.

# **ARTICLE VIII. BOOKS AND RECORDS**

The corporation shall keep complete books and records of account and minutes of the proceedings of the Board of Directors.

# **ARTICLE IX. AMENDMENTS**

## **Section 9.01 Articles of Incorporation**

The Board of Directors may amend the Articles by majority vote of the officers with all officers voting at any regular or special meeting. Written notice setting forth the proposed amendment or summary of the changes to be effected thereby shall be given to each officer within the time and the manner provided for the giving of notice of meetings.


## Section 9.02 Bylaws

The Board of Directors may amend these Bylaws by majority vote of the officers with all officers voting at any regular or special meeting. Written notice setting forth the proposed amendment or summary of the changes to be effected thereby shall be given to each officer within the time and the manner provided for the giving of notice of meetings.

## ARTICLE X. ADOPTION OF BYLAWS

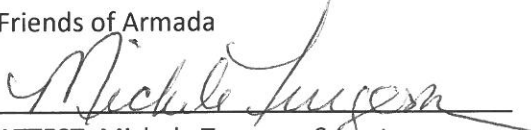
We, the undersigned, are all of the initial directors or incorporators of this corporation, and we consent to, and hereby do, adopt the foregoing Bylaws, consisting of the 8 preceding pages, as the Bylaws of this corporation.

ADOPTED AND APPROVED by the Board of Directors on this 9<sup>th</sup> day of May, 2017.



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James Goetzinger, President  
Friends of Armada



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ATTEST: Michele Turgeon, Secretary  
Friends of Armada