

**NON-PROFIT CORPORATE BYLAWS  
(MICHIGAN)**

**ARTICLE I**

**NAME**

1.01 Name

The name of this Corporation shall be **Westra Bye Memorial Art Foundation**

**ARTICLE II**

**PURPOSES AND POWERS**

2.01 Purpose

The **Westra Bye Memorial Art Foundation**, hereafter referred to as “the Corporation”, is a non-profit corporation and shall be operated exclusively for charitable, and educational, purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations, under Section 501(c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code

The purpose of the Corporation is to provide financial and educational support to Grand Haven Area Public School (GHAPS) students who pursue visual arts opportunities outside of the GHAPS curriculum and/or outside of the GHAPS financial obligations for providing visual arts opportunities to students enrolled at GHAPS.

The primary purpose of the Corporation is to award an annual scholarship to a graduating senior who is pursuing a post-secondary visual arts degree and is enrolled at an accredited university.

Secondary purposes will be at the discretion of the Board of Directors and may include any other actions, including financial, educational or advisory support that will further visual arts opportunities for GHAPS Visual Arts students beyond the scope of the GHAPS Visual Arts curriculum and/or beyond the scope of the GHAPS financial obligations for providing visual arts opportunities. Such actions may be, but are not limited to, assisting with the preparation of student artwork for professional presentation,

and providing accessibility to other visual arts experiences such as visual art classes, workshops, camps, lessons, tutors, etc.

## 2.02 Powers

The Corporation shall have the power, directly or indirectly, alone or in conjunction or cooperation with others, to do any and all lawful acts which may be necessary or convenient to affect the charitable purposes for which the Corporation is organized, and to aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes. The powers of the Corporation may include, but not be limited to, the acceptance of contributions from the public and private sectors, whether financial or in-kind contributions.

## 2.03 Nonprofit Status and Exempt Activities Limitation.

- a. Nonprofit Legal Status. The Corporation is a Michigan non-profit public benefit corporation, recognized as tax exempt under Section 501(c)(3) of the United States Internal Revenue Code.
- b. Exempt Activities Limitation. Notwithstanding any other provision of these Bylaws, no Director, officer, employee, member, or representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code as it now exists or may be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings of the Corporation shall inure to the benefit or be distributable to any Director, officer, member, or other private person, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.
- c. Distribution Upon Dissolution. Upon termination or dissolution of the Corporation, any assets lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501(c)(3) of the 1986 Internal Revenue Code, or described in any corresponding provision of any successor statute, which organization or organizations have a charitable purpose which, at least generally, includes a purpose similar to the terminating or dissolving corporation.

The voluntary or involuntary dissolution of the Corporation shall be in accordance with the provisions of Chapter 8 of the Michigan Nonprofit Corporation Act, 1982 P.A. 162, as amended (MCLA 450.2801, et seq.).

After having satisfied all legal obligations of the Corporation, the remaining assets shall be disposed of by distribution to government and/or entities deemed most likely to honor the original purposes of the Westra Bye Memorial Art Foundation, provided that such organizations qualify for tax-exempt status under Internal Revenue Code 501(c)(3), or the corresponding section of any future federal tax code, and qualify under the laws of the State of Michigan to receive distributions from non-profit corporations.

The organization to receive the assets of the Corporation shall be selected by the discretion of a majority of the managing body of the Corporation. If an agreement is not reached, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against the Corporation by one or more of its managing body, which Verified Petition shall contain such statements as reasonably indicate the applicability of this section. The court upon a finding that this section is applicable shall select the qualifying organization or organizations to receive the assets to be distributed, giving preference if practicable to organizations located within Ottawa County Michigan.

In the event the court shall find that this section is applicable but that there is no qualifying organization known to it which has a charitable purpose which, at least generally, includes a purpose similar to this Corporation, then the court shall direct the distribution of its assets lawfully available for distribution to the Treasurer of the State of Michigan to be added to the general fund.

### ***ARTICLE III***

#### **ORGANIZATION OF GOVERNANCE LIMITATIONS**

##### **3.01 No Membership Classes**

The Corporation shall have no members who have any right to vote or title or interest in or to the Corporation, its properties and franchises.

## ***ARTICLE IX***

### **BOARD OF DIRECTORS**

#### 4.01 Number of Directors

The Corporation shall have a Board of Directors consisting of at least 3 and no more than 15 Directors. Within these limits, the Board may increase or decrease the number of Directors serving on the Board, including for the purpose of staggering the terms of Directors.

#### 4.02 Powers of Directors

All corporate powers shall be exercised by or under the authority of the Board and the affairs of the Corporation shall be managed under the direction of the Board, except as otherwise provided by law.

#### 4.03 Terms of Directors

- a. With the exception of the Initial Directors, all Directors shall be elected to serve a three year term. Terms may be extended until a successor has been elected.
- b. Director terms shall be staggered so that not more than approximately 1/3 the number of Directors will end their terms in any given year. For this purpose, the Initial Board Officers/Executive Directors' terms shall be staggered as follows: President, three (3) years; Vice President, three (3) years; Treasurer, two (2) years; Secretary, one (1) year. All other initial directors' terms (other than the initial President, Vice President, Treasurer, and Secretary) may either be assigned for a one year term or may be assigned by a lottery drawing of names as either three year, two year or one year terms.
- c. Directors may serve terms in succession.
- d. The term of office shall follow the fiscal year beginning July 1st of the year elected and ending June 30 of the last year of the term in office, unless the term is extended until such time as a successor has been elected.

#### 4.04 Qualifications and Election of Directors

Each individual Director shall be an individual who is active and diligent in meeting the obligations of a director and who is committed to promoting and supporting the welfare, success, and purposes of the Corporation, and in particular is committed to promoting the Visual Arts opportunities for GHAPS students. In order to be eligible to serve as a Director on the Board of Directors, the individual must be 18 years of age. Directors may be elected at any Board meeting by the majority vote of the existing Board of Directors. The election of Directors to replace those who have fulfilled their term of office shall take place at the Annual Meeting of the Board.

#### 4.05 Vacancies

The Board of Directors may fill vacancies due to the expiration of a Director's term of office, resignation, death, or removal of a Director or may appoint new Directors to fill a previously unfilled Board position subject to the maximum number of Directors under these Bylaws.

- (a) Unexpected Vacancies. Vacancies in the Executive Directors due to resignation, death, or removal shall be filled by the Board for the balance of the term of the Director being replaced. Vacancies in a non-executive director may be filled at the discretion of the board unless such vacancy allows the number of directors to fall below the required number of three (3) directors, in which case, the vacancy shall be filled by the Board for the balance of the term of the Director being replaced.

#### 4.06 Removal of Directors

A Director may be removed by a majority vote of the Board of Directors then in office, if:

- a. the Director is absent and unexcused from two or more meetings of the Board of Directors in a twelve-month period. The Board President is empowered to excuse Directors from attendance for a reason deemed adequate by the Board President. The President shall not have the power to excuse him/herself from the Board meeting attendance, and in that case Board Vice President shall excuse the President. Or:
- b. for cause or no cause, if before any meeting of the Board at which a vote on removal will be made the Director in question is given electronic or written

notification of the Board's intention to discuss her/his case and is given the opportunity to be heard at a meeting of the Board.

#### 4.07 Board of Directors Meetings

a. Regular Meetings

The Board of Directors shall have a minimum of four (4) regular meetings each calendar year at times and places fixed by the Board. Board meetings shall be held upon four (4) days notice by first-class mail, electronic mail, or facsimile transmission or forty-eight (48) hours notice delivered personally or by telephone. If sent by mail, facsimile transmission, or electronic mail, the notice shall be deemed to be delivered upon its deposit in the mail or transmission system. Notice of meetings shall specify the place, day, and hour of meeting. The purpose of the meeting need not be specified. No notice of the meeting need be given of any meeting held in accordance with an approved schedule of regular meetings distributed to Directors.

b. Annual Meeting of the Board

The Annual Meeting of the Board shall generally be held in the first half of the year following the close of the Corporation's fiscal year at such time and place as the Board shall designate. Notice of the date, time, and place of the Annual Meeting shall be given to each Director by mail, telephone, facsimile, e-mail, or personally at least ten (10) days prior to the meeting.

c. Special Meetings. Special meetings of the Board may be called by the President, Vice President, Secretary, Treasurer, or any two (2) other Directors of the Board of Directors. A special meeting must be preceded by at least 2-days notice by mail, facsimile transmission, electronic mail, or delivered personally or by telephone to each Director of the date, time, and place, but not the purpose, of the meeting.

d. Waiver of Notice. Any Director may waive notice of any meeting, in accordance with Michigan Statutes.

#### 4.08 Manner of Acting

a. Quorum. A majority of the Directors in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting of the Board. No business shall be considered by the Board at any meeting at which a quorum is not present.

b. Majority Vote. Except as otherwise required by law or by these Bylaws as consistent with the Articles of Incorporation, the act of the majority of the

Directors present at a meeting at which a quorum is present shall be the act of the Board.

- c. Hung Board Decisions. On the occasion that Directors of the Board are unable to make a decision based on a tied number of votes, the Board shall table the vote until such time as a majority vote of a quorum may be reached.
- d. Participation. Except as required otherwise by law, the Articles of Incorporation, or these Bylaws, Directors may participate in a regular or special meeting through the use of any means of communication by which all Directors participating may simultaneously hear each other during the meeting, including in person, internet video meeting or by telephonic conference call.

#### 4.09 Compensation for Board Service

Directors will serve on a voluntary basis and will receive no compensation. The Board may adopt policies providing for reasonable reimbursement of Directors for expenses incurred in conjunction with carrying out Board responsibilities.

#### 4.10 Compensation for Professional Services by Directors

Directors are not restricted from being remunerated for professional services provided to the corporation. Such remuneration shall be reasonable and fair to the corporation and must be reviewed and approved in accordance with the Board Conflict of Interest Policy and any applicable state law or law of the U.S. territory.

## **ARTICLE V**

### **COMMITTEES**

#### 5.01 Committees

The Board of Directors may, by the resolution adopted by a majority of the Directors then in office, designate one or more committees, each consisting of two or more Directors, to serve at the pleasure of the Board.

#### 5.02 Meetings and Actions of Committees

Meetings and actions of the committees shall be governed by, and held and taken in accordance with, the provisions of Article IV of these Bylaws concerning meetings of the Directors, with such changes in the context of those Bylaws as are necessary to

substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee.

### 5.03 Action By the Board of Directors Without a Meeting

Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if consent in writing, setting forth the action so taken, shall be agreed by the consensus of the Board. For purposes of this section, an email transmission from an email address on record constitutes a valid writing. The intent of this provision is to allow the Board of Directors to use email to approve actions, as long as all members of the Board give consent.

## **ARTICLE VI**

### **OFFICERS/EXECUTIVE DIRECTORS**

#### 6.01 Board Officers/Executive Directors

The officers of the Corporation shall be a Board President, Vice President, Secretary, and Treasurer, all of whom shall be chosen by and serve at the pleasure of the Board of Directors. Each Board officer shall have the authority and shall perform the duties set forth in these Bylaws or by resolution of the Board or by direction of an officer authorized by the Board to prescribe the duties and authority of other officers. The Board may also appoint additional Vice Presidents and such other officers as it deems expedient for the proper conduct of the business of the corporation, each of whom shall have such authority and shall perform such duties as the Board of Directors may determine. One person may hold two or more Board offices, but no Board officer may act in more than one capacity where action of two or more officers is required.

#### 6.02 Term of Office

Other than the Initial Directors' terms which are defined by Article IV, 4.03 of these Bylaws, each officer shall serve a three year term of office and may serve consecutive terms of office if so elected. Unless elected by the Board to fill a vacancy in an officer position, each Board officer's term of office shall begin upon the adjournment of the Board meeting at which elected and shall end upon the adjournment of the Board meeting during which a successor is elected.

### 6.03 Removal and Resignation

The Board of Directors may remove an officer at any time, with or without cause as is consistent with Article IX, 4.06 of these Bylaws. Any officer may resign at any time by giving written notice to the corporation without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.

### 6.04 Board President

The Board President shall be the Chief Volunteer Officer of the Corporation. The Board President shall lead the Board of Directors in performing its duties and responsibilities, including, if present, presiding at all meetings of the Board of Directors, and shall perform all other duties incident to the office or properly required by the Board of Directors. The President shall have the responsibility of guiding the Board in effectively discharging its responsibilities for the execution of the Corporation's objective as a tax exempt organization under section 501(c)(3) of the Internal Revenue Code, as it now exists or may be amended. The President shall sign contracts and agreements in the name of the Corporation. The President shall see that the books, reports, statements and certificates required by law are properly made, kept, and filed according to law. The President shall enforce these Bylaws and perform all of the duties incident to the President's office and such other duties as from time to time may be required of him/her by the board.

### 6.05 Vice President

In the absence or disability of the Board President, the ranking Vice President or Vice President designated by the Board of Directors shall perform the duties of the Board President. When so acting, the Vice President shall have all the powers of and be subject to all the restrictions upon the Board President. The Vice President shall have such other powers and perform such other duties prescribed for him/her by the Board of Directors or the Board President. The Vice President shall normally accede to the office of Board President upon the completion of the Board President's term of office.

### 6.06 Secretary

The Secretary shall keep or cause to be kept a book of minutes of all meetings and actions of Directors and committees of Directors. The minutes of each meeting shall state the time and place that it was held and such other information as shall be necessary to determine the actions taken and whether the meeting was held in accordance with the law and these Bylaws. The Secretary shall cause notice to be given of all meetings of Directors and committees and see that all notices are duly given in accordance with these Bylaws or as required by law. The Secretary shall be custodian of the Corporations records (other than financial). The Secretary shall file all reports required by the State of Michigan and/or the Federal Government on a timely basis and in general perform all duties incident to the office of Secretary. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Board President. The Secretary may appoint, with approval of the Board, a Director to assist in performance of all or part of the duties of the Secretary.

#### 6.07 Treasurer

The Treasurer shall be the lead Director for oversight of the financial condition and affairs of the Corporation. The Treasurer shall oversee and keep the Board informed of the financial condition of the Corporation and of audit or financial review results. In conjunction with other Directors or officers, the Treasurer shall oversee budget preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the Corporation, are made available to the Board of Directors on a timely basis or as may be required by the Board of Directors. The Treasurer shall render a statement of the condition of the finances of the Corporation at regular meetings of the Board and provide a full financial report at the annual meeting of the Corporation. If/when requested, the Treasurer shall exhibit at reasonable times his or her books of account and records to any of the Directors of the Corporation during standard business hours. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation and deposit all such funds in the name of the Corporation in such depositories as shall be designated by the Board. The Treasurer shall receive and give receipt for accounts due and payable to the Corporation from any source whatsoever and, subject to the direction of the Board or of any committee authorized by the Board, payout and supervise the disbursement of funds of the Corporation. Subject to the direction of the Board, the Treasurer shall be authorized and empowered to sell, assign, transfer and or deliver any and all stocks, bonds, evidences of interest and/or indebtedness, rights and options to acquire the same, and all other securities, corporate or otherwise, now or hereafter standing in the name of, or belonging to, this Corporation in any capacity. The

Treasurer shall file reports required by the Internal Revenue Service on a timely basis. The Treasurer shall perform all duties properly required by the Board of Directors or the Board President. The Treasurer may appoint, with approval of the Board, a qualified fiscal agent or member of the staff to assist in performance of all or part of the duties of the Treasurer.

#### 6.08 Additional Officers/Directors

The Board of Directors may designate additional Executive Officer positions of the Corporation and may appoint and assign duties to any such additional Executive Officers.

### **ARTICLE VII**

#### **CONTRACTS, CHECKS, LOANS, INDEMNIFICATION AND RELATED MATTERS**

##### 7.01 Contracts and other Writings

The Corporation may enter into Contracts or incur debts only as directed by resolution of the Board. Except as otherwise provided by resolution of the Board or Board policy, all contracts, deeds, leases, mortgages, grants, debts and other agreements of the Corporation shall be executed on its behalf by an authorized Officer of the Board in accordance with a resolution or policies approved by the Board.

##### 7.02 Checks, Drafts

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such Officer or officers, agent or agents, of the Corporation, and in such manner as shall from time to time be determined by resolution of the Board.

##### 7.03 Deposits

The Treasurer or the Treasurer's designee, or other Officer in the absence of the Treasurer, shall from time to time, as appropriate, deposit the Corporation's funds in such banks, trust companies, or other depository as the Board or a designated committee of the Board may select.

##### 7.04 Loans

No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board. Such authority may be general or confined to specific instances.

#### 7.05 Contributions, Gifts, and Bequests:

Contributions, gifts and bequests may be accepted by the Corporation in accordance with its policies. Unless otherwise designated by the donor or otherwise prescribed by statute or law, such gifts, bequests, or contributions shall be utilized at the discretion of the Board.

#### 7.06 Indemnification

- a. The Corporation shall indemnify to the fullest extent authorized or permitted by the Michigan Nonprofit Corporation Act any person, and the person's estate and personal representative, who is made or threatened to be made a party to an action, suit or proceeding (whether civil, criminal, administrative or investigative) because such person is or was a director, officer or employee of the Corporation or serves or served any other enterprise at the request of the Corporation.
- b. A director, officer, agent or employee shall not be personally liable to the Corporation for monetary damages for a breach of the director's or officer's fiduciary duty, except that the liability of a director or officer is not eliminated or limited for:
  1. A breach of the director's or officer's duty of loyalty to the Corporation or its Members;
  2. Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
  3. A violation of Section 551(1) of the Michigan Nonprofit Corporation Act, which section relates to the making of unauthorized distributions or loans;
  4. A transaction from which the director or officer derived an improper personal benefit; or
  5. An act or omission that is grossly negligent.
- c. If, after the adoption of this Article, the Michigan Nonprofit Corporation Act is amended to further eliminate or limit the liability of a volunteer director or officer,

then a volunteer director or officer of the Corporation (in addition to the circumstances in which a director or officer is not personally liable as set forth in the preceding paragraph) shall, to the fullest extent permitted by the Michigan Nonprofit Corporation Act, not be liable to the corporation or its members, as so amended. No amendment to or alteration, modification or repeal of this Article shall increase the liability or alleged liability of any volunteer director or officer of the corporation for or with respect to any acts or omissions of such director or officer occurring prior to such amendment, alteration, modification or repeal.

## **ARTICLE VIII**

### **MISCELLANEOUS**

#### **8.01 Books and Records**

The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its Board of Directors, a record of all actions taken by Board of Directors without a meeting, and a record of all actions taken by committees of the Board. In addition, the Corporation shall keep a copy of the Corporation's Articles of Incorporation and Bylaws as amended to date.

#### **8.02 Fiscal Year**

The fiscal year of the Corporation shall be from July 1 to June 30th.

#### **8.03 Conflict of Interest**

The board shall adopt and periodically review a Conflict of Interest Policy to protect the Corporation's interest when it is contemplating any transaction or arrangement which may benefit any Director, officer, employee, affiliate, or member of a committee with Board delegated powers.

#### **8.04 Nondiscrimination Policy**

It is the policy of the Westra Bye Memorial Art Foundation not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, national origin or

any physical attribute such as, but not exclusive to, height or weight, or any other characteristic protected by law.

#### 8.05 Bylaw Amendment

These Bylaws may be amended, altered, repealed, or restated by a vote of two-thirds of the Board of Directors then in office at a meeting of the Board, provided, however,

- a. that no amendment shall be made to these Bylaws which would cause the Corporation to cease to qualify as an exempt corporation under Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code and,
- b. that an amendment does not affect the voting rights of Directors unless a specific exceptional circumstance is indicated by the amendment and,
- c. that all amendments be consistent with the Articles of Incorporation.

## **ARTICLES IX**

### **COUNTERTERRORISM AND DUE DILIGENCE POLICY**

In furtherance of its exemption by contributions to other organizations, domestic or foreign, the Corporation shall willfully and voluntarily recognize and put to practice guidelines and suggestions to reduce, develop, re-evaluate and strengthen a risk-based approach to guard against the threat of diversion of charitable funds or exploitation of charitable activity by terrorist organizations and their support networks.

The Corporation shall also comply and put into practice the federal guidelines, suggestion, laws and limitations set forth by pre-existing U.S. legal requirements related to combating terrorist financing which include, but are not limited to various sanctions programs administered by the Office of Foreign Assets Control (COFA) in regard to its foreign activities.

## **ARTICLE X**

### **DOCUMENT RETENTION POLICY**

#### 10.01 Purpose of the Document Retention Policy

The purpose of this Document Retention Policy is to establish standards for document integrity, retention, and destruction, and to promote the proper treatment of the Corporation's records.

## 10.02 Policy

Section 1. General Guidelines. Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files as a mass of records also makes it more difficult to find pertinent records.

From time to time, the Corporation may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention as well as the exception for litigation relevant documents and any other pertinent factors.

Section 2. Exception for Litigation Relevant Documents. The Corporation expects all officers, Directors, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers, Directors, and employees should note the following general exception to any stated destruction schedule: If you believe, or the Corporation's representative informs you, that corporate records are relevant to litigation, or potential litigation (i.e. a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

## Section 3. Minimum Retention Periods for Specific Categories

- a. Corporate Documents. Corporate records include the Corporation's Articles of Incorporation, Bylaws and IRS form 1023 and Application for Exemption. Corporate records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.
- b. Tax Records. Tax Records include, but may not be limited to, documents concerning expenses, proof of contributions made by donors, accounting

procedures, payroll and other documents concerning the Corporation's revenues. Tax records should be retained for at least seven (7) years from the date of filing the applicable return.

- c. Board and Board Committee Materials. Meeting minutes should be retained in perpetuity in the Corporations minute book. A clean copy of all other Board and Board Committee materials should be kept for no less than three (3) years by the Corporation.
- d. Banking and Accounting. Accounts payable ledgers and schedules should be kept for seven (7) years. Bank reconciliations, bank statements, deposit slips and checks (unless for important payments and purchases) should be kept for three (3) years. Any inventories of products, materials, supplies and any invoices should be kept for seven (7) years.
- e. Insurance. Expired insurance policies, insurance records accident reports, claims, etc. should be kept permanently.
- f. Audit Records. External audit reports should be kept permanently. Internal audit reports should be kept for three (3) years.

## **ARTICLE XI**

### **TRANSPARENCY AND ACCOUNTABILITY**

#### **DISCLOSURE OF FINANCIAL INFORMATION WITH THE GENERAL PUBLIC**

##### 11.01 Purpose

By making full and accurate information about its mission, activities, finances, and governance publicly available, the Corporation practices and encourages transparency and accountability to the general public. This policy will:

- a. indicate which documents and materials produced by the corporation are presumptively open to staff and/or the public,
- b. indicate which documents and materials produced by the corporation are presumptively closed to staff and/or the public, and
- c. specify the procedures whereby the open/closed status of documents and materials can be altered.

The details of this Policy are as follow:

#### 11.02 Financial and IRS documents.

The Corporation shall provide its Internal Revenue forms as required by law including forms but not limited to its Bylaws, Conflict of Interest Policy and financial statements to the general public for inspection free of charge.

#### 11.03 Means and Conditions of Disclosure

The Corporation shall make "Widely Available" the aforementioned documents at its office as registered with the State of Michigan. If and when an internet website URL is created for the corporation, said documents will be available on its internet website to be viewed and inspected by the general public.

#### 11.04 IRS Annual Information Returns and other filings with the State of Michigan

The Corporation shall submit any required IRS or State of Michigan forms or filings to its Board of Directors prior to the filing of these forms or filings. While the approval or review of said forms may not be required by law, the Corporation shall submit to each member of the Board of Directors via a hard copy or email at least ten (10) days before forms are filed.

#### 11.05 Board

- a. All Board minutes shall be open to the public once accepted by the Board, except where the Board passes a motion to make any specific portion confidential.
- b. All papers and materials considered by the Board shall be open to the public following the meeting at which they are considered, except as provided in these Bylaws or where the Board passes a motion to make any specific paper or material confidential.

#### 11.06 Donor Records

- a. All donor records shall be available for consultation by the Board and donors concerned or by their legal representatives.
- b. No donors' contact information shall be made available to any other person outside the Corporation except as authorized by governmental agencies or by written consent of the donor.

- c. Within the Corporation, donor contact information shall be made available only to the Board and/or those persons with managerial responsibilities for dealing with those donors.

#### 11.07 Scholarship Recipient Records

- a. The name of any scholarship recipients and the corresponding monetary amount of any scholarship may be published and/or made available as a matter of public record. The regulations of the Family Educational Rights and Privacy Act specifically include honors and awards received as directory information, which generally may be disclosed to the public.
- b. A public display permission document granting permission for public display of any artwork or specific written statements by the scholarship recipient(s), including but not exclusive to those submitted within the scholarship application materials, will be signed by a college scholarship recipient prior to public display. Under no circumstances will transcript information or financial information be included in such a permission document or public display. Permission documents may be included in the application materials in order to pre-approve public display so that artwork and/or artist statements could be displayed at the time of the recipient announcement.
- c. All scholarship materials other than the exceptions listed above in 11.07(a) and 11.07(b) shall be considered confidential and no scholarship application materials other than those exceptions will be made available to any person outside the Corporation except the authorized governmental agencies or volunteers who are appointed by the Board to serve on a scholarship selection committee.

## **ARTICLE XII**

### **CODE OF ETHICS AND WHISTLEBLOWER POLICY**

#### 12.01 Purpose

The Corporation requires and encourages Directors/officers to observe and practice high standards of business and personal ethics in the conduct of their duties and responsibilities. All representatives of the Corporation must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. It is the intent of the Corporation to adhere to all laws and regulations that

apply to the Corporation and the underlying purpose of this policy is to support the Corporation's goal of legal compliance.

#### 12.02 Reporting Violations

If any Director/officer reasonably believes that some policy, practice, or activity of the Corporation is in violation of law, a written complaint must be filed by that person with the Vice President or the Board President.

#### 12.03 Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of a law or regulation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false shall be viewed as a serious disciplinary offense.

#### 12.04 Retaliation

A person filing a complaint is protected from retaliation only if she/he brings the alleged unlawful activity, policy, or practice to the attention of the Corporation and provides the Corporation with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to individuals that comply with this requirement.

The Corporation shall not retaliate against any Director, who in good faith, has made a protest or raised a complaint against some practice of the Corporation or of another individual or entity with whom the Corporation has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

The Corporation shall not retaliate against any Director, who discloses or threatens to disclose to a supervisor or a public body, any activity, policy, or practice of the Corporation that the individual reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

#### 12.05 Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

#### 12.06 Handling of Reported Violations

The Board President or Vice President shall notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports shall be promptly investigated by the Board and its appointed committee and appropriate corrective action shall be taken if warranted by the investigation. This policy shall be made available to all Directors/officers and they shall have the opportunity to ask questions about the policy.

### **ARTICLE XIII**

#### **Scholarships/Grants**

College Scholarship Eligibility, Application Materials and Requirements, Recipient Selection and Disbursement of Awards

#### 13.01 College Scholarship Eligibility for the **Westra Bye Memorial and Grand Haven Area Art Educators' Scholarship**

In order to be eligible to apply for the Corporation's Westra Bye Memorial and Grand Haven Area Art Educators' Scholarship, an applicant must meet the following requirements at the time of application as determined by the due date published in the application materials:

- a. An applicant must be a student enrolled either full or part-time with Grand Haven Area Public Schools.
- b. An applicant must be a student in good standing with GHAPS both academically and in regards to disciplinary issues. (Although a minimum grade point is not required, academic records may be considered as evidence for the likelihood of future academic success.) The definition for the phrase "in good standing" shall be determined by resolution of the Board of Directors from time to time.
- c. An applicant must be a senior who is a successful active participant in the GHHS visual arts program and who has chosen visual arts as their major at an accredited post secondary college or university. The definition for the

phrase “successful active participant” shall be determined by resolution of the Board of Directors from time to time.

- d. An applicant must have earned a passing grade in a minimum of three art courses offered at Grand Haven High School.

### 13.02. College Scholarship Application Materials and Requirements

College Scholarship Application materials and requirements will be made available via the Student Services Office at Grand Haven High School beginning in August of any given school year. If and when the Corporation creates and maintains an internet website, the application materials and requirements may also be made available via the Corporation's internet website. In order to be eligible for scholarship consideration, applicants must meet the eligibility requirements as outlined in the application materials and complete and submit all required application materials by the due date and at the location(s) as published in the application materials. The application requirements will include:

- a. an applicant's current transcript.
- b. an applicant's statement of financial information signed by the applicant's parent(s) or legal guardian.
- c. two letters of recommendation, one of which must be from the applicant's most recent art teacher at GHHS.
- d. artist statements/personal narratives/essays in response to prompts provided in the application materials. Any prompts for artist statements, personal narratives, or essays required for college scholarship applications shall be determined by the Board of the Corporation and will be provided to applicants within the application materials.
- e. Five (5) to Seven (7) artworks, one of which may be a sketchbook.

### 13.03 College Scholarship Recipient Selection

- a. Selection Committee Members
  - i. A college scholarship selection committee shall be appointed by the Corporation. The selection committee shall have a minimum of three (3) jurors and a maximum of seven (7) jurors. In any case, jury committees shall have an odd number of jurors (3,5, or 7 jurors).
  - ii. Selection Committee terms of service:  
The Initial Selection Committee members shall be assigned 1, 2 or 3 year terms of service by a lottery drawing of names for the purpose of

staggering end dates of the terms of service such that the committee is not made up of all new members in any given year. Upon the expiration of the terms of service of the Initial Selection Committee, subsequent members of the selection committee shall serve 2 year terms.

- iii. Members may serve terms in succession up to three terms.
  - iv. Appointed members of the selection committee must have an appropriate visual arts education. The board of directors reserves the right to determine what constitutes an appropriate visual arts education.
  - v. Members of the selection committee may not be an applicant's current teacher. An applicant's current teacher is defined as an applicant's teacher during a semester in which the application review and/or selection process takes place. In addition, a selection committee member may not be a relative of the applicant, may not be a person who has recused themselves due to a Conflict of Interest, and may not be a person for whom the Board has determined as having a conflict of interest in accordance with the procedures in the Corporation's Conflict of Interest Policy and these bylaws.
  - vi. Vacancies in the selection committee must be filled only if it is necessary to maintain the minimum number of jurors or to restore the number of jurors to an odd number. Selection Committee appointments made in order to fill vacancies shall be determined by the Board.
- b. The selection committee shall only review the scholarship applications of applicants who are both eligible as defined by these Bylaws and who have submitted completed applications as determined by the requirements published in the scholarship application materials. In the event that a chosen recipient becomes ineligible prior to the announcement of the recipient's name and/or disbursement of scholarship funds, the selection committee reserves the right to choose an alternate recipient and as such may choose to make note of said alternate in their committee meeting minutes. All application materials will be available to be returned to the applicants upon selection of the recipient by the committee. Applicants will be notified when their application materials are available to be returned. Notification of a return date may be published in the application materials or via any other reasonable method.
- c. The selection committee shall choose a recipient or recipients by majority vote

of the committee based upon the criteria of a selection rubric. The selection rubric shall be determined by the board and may include such categories as:

- i. quality of the visual arts portfolio (Quality of the portfolio shall be determined by the selection committee. In determining quality, the selection committee shall consider topics such as evidence of creativity, use of visual art vocabulary for expressive purposes, evidence of understanding of the art elements and principles of design/composition, breadth of the portfolio in terms of mastery of skill/technique for a specific medium or media, evidence of quality craftsmanship and the professional presentation of the art portfolio.),
  - ii. content provided in letters of recommendation,
  - iii. content of artist statements/personal narratives/essays as required by the application materials,
  - iv. financial need,
  - v. evidence of an applicant's dedication and commitment to pursuing education in the visual arts including but not exclusive to the number of art courses successfully completed at GHHS, and
  - vi. grade point average
- d. The Westra Bye Memorial and Grand Haven Area Art Educators' Scholarship is intended as an annual scholarship. However, the Scholarship Selection Committee shall reserve the right to determine if any given candidate meets all the qualifications as outlined in the Westra Bye Memorial and Grand Haven Area Art Educators' Scholarship application materials. The Scholarship Selection Committee will also reserve the right to determine the quality of any candidate's visual arts portfolio and whether it is of a quality deserving of a scholarship. In any given year, if it is determined by the Scholarship Selection Committee and/or the Board of Directors that there are no qualified candidates in terms of the eligibility requirements, the content and completion of the application materials provided by applicants, or the quality of submitted portfolios, then the Scholarship Selection Committee and/or Board may vote to bypass that particular year in awarding a scholarship.

#### 13.04 Requirements for Disbursement of Funds for College Scholarships

The disbursement of college scholarship funds shall be limited to a one-time disbursement per recipient. Recipients shall be typically announced at the Senior Awards Night at Grand Haven High School. Disbursements of scholarship funds shall not be made directly to a recipient. Disbursements of scholarship funds shall be made to the recipient's account at the accredited college or university in which the recipient is enrolled. In order for the Corporation to disburse funds for a college scholarship, the recipient must

- a. have maintained all eligibility requirements as outlined in the College Scholarship Eligibility requirements section of these bylaws (Section XII, 13.01),
- b. provide proof of enrollment at an accredited post-secondary college or university,
- c. provide proof of acceptance into a visual art program at the aforementioned accredited post-secondary college or university.

#### 13.04 Monetary Amount of College Scholarships

In consideration of the finances of the Corporation in any given year, the monetary amount and the number of college scholarship recipients shall be determined by the board.

#### 13.05 Conditions for Scholarships or Grants awarded to GHAPS visual arts students for purposes other than the Westra Bye Memorial and Grand Haven Area Art Educators' Scholarship

The board may adopt policies or resolutions and/or make amendments to the Corporations Bylaws in order to award scholarships or grants for purposes other than College Scholarships under the following conditions:

- a. if the purpose of a scholarship/grant furthers GHAPS students' visual arts opportunities as is in accordance with Article II of this Corporation's Bylaws.
- b. if the disbursement of funds for non-college scholarships/grants is determined by the board as being financially responsible in terms of the financial health of the Corporation and does not jeopardize the corporation's ability to provide the Westra Bye Memorial and Grand Haven Area Art Educators' Scholarship on an annual basis (dependent on the availability of funds and qualified candidates) of an amount determined by the board.

**ADOPTION OF BYLAWS: September 24, 2018**