

TRAVERSE CITY TRACK CLUB BYLAWS

ARTICLE 1 ORGANIZATION

1.01 *Name and Organization*

Traverse City Track Club, Inc., (TCTC or “**Organization**”) is a Michigan nonprofit corporation organized on a membership basis.

1.02 *Purposes*

The Corporation is organized exclusively as a charitable organization within the meaning of Internal Revenue Service Code (the “Code”) Section 501(c)(3). It is organized for the purposes stated in its articles of incorporation.

1.03 *Offices*

The principal office of TCTC shall be at such place within the state of Michigan as the Board of Directors may determine from time to time. The Board of Directors may establish other offices in or outside the state of Michigan.

ARTICLE 2 MEMBERS

2.01 *Membership Classes; Voting Rights.*

- A. **General Membership.** These bylaws create a general voting membership class and describe the qualifications, voting rights, and limitations for the general voting membership class. All references to members in these bylaws refer to general voting membership unless expressly provided otherwise. Only the general membership class shall have the right to vote on the election of the board in the manner described in these bylaws.
- B. **Additional Membership Classes.** The Board of Directors may create one or more additional classes of voting and/or non-voting membership and may prescribe the number, voting rights, qualifications, preferences, and limitations of each class, without requiring approval by the general voting membership class, if it does not reduce the rights held by the general voting membership class in these bylaws.
- C. **Membership Rules.** Each member of any class of members will have equal rights with all members of the class. Unless expressly authorized by the Board of Directors, membership in any class is not transferable and is terminated by death, resignation, expulsion, or expiration of a term of membership.

2.02 *Eligibility for Voting Membership.*

To be eligible for voting membership in the Organization, an individual must satisfy the following requirements:

- Supports the mission and goals of the Organization

- Pays membership dues and fees imposed by the Board (if any);
- Is 18 years of age or older;
- Promptly completes any paperwork or agreements the Board requests members to sign; and
- Complies with all applicable Organization bylaws, rules, policies, and procedures; including any membership requirements imposed by the Board from time to time that the Board determines to further the 501(c)(3) purposes of the Organization.

2.03 *Membership Dues.*

The Board has authority to establish the initial and annual dues for membership in the corporation. The billing and collection of dues shall be in a manner prescribed by the board of directors.

2.04 *Termination of Membership.*

The Board may adopt policies regarding the admission to, retention of, and expulsion from membership, if those rules are reasonable, germane to the purposes of the corporation, and equally enforced as to all members. Membership may be terminated or put on inactive status by the Board on the occurrence of any of the following events:

- (a) Failure to pay dues within 30 days of written notice of payment due.
- (b) Failure to satisfy the membership qualifications provided in these bylaws.

2.05 *Annual Meeting.*

The annual meeting of the members shall be held at the date and time determined by the board.

2.06 *Special Meetings.*

Special meetings of the members may be called by the Board or by the President. Such meetings shall also be called by the President or Secretary at the written request of not less than 10 percent of the members.

2.07 *Place of Meetings.*

All membership meetings shall be held at the corporation's principal office or at any other place determined by the Board and stated in the notice of the meeting.

2.08 *Notice of Meetings.*

Except as otherwise provided by statute, notice of the time, place, and purposes of a membership meeting shall be given not less than 10 days nor more than 60 days before the date of the meeting. The notice shall describe any means of remote communication by which members may participate in the meeting, pursuant to this Article.

The board of directors may fix in advance a record date for the purpose of determining members entitled to notice of and to vote at a membership meeting. The secretary of

the Organization (or other person designated by the Board as having charge of the membership records) shall make and certify a complete list of the members entitled to vote at a membership meeting, which shall be available for inspection by the members at the meeting.

The attendance at or participation of a member at a meeting waives any required notice to a member of the meeting unless a member at the beginning of the meeting, or when the member arrives, objects to the meeting or the transacting of business at the meeting and after objecting does not vote for or assent to any action taken at the meeting. In addition, the member may submit a signed waiver of notice that shall constitute a waiver of notice of the meeting. (In plain English: if a member participates in a meeting without objecting that the member did not receive sufficient notice of the meeting, the member waives all right to object to the notice of that meeting.)

2.09 *Quorum.*

Unless a greater or lesser quorum is required by statute, members present in person or by proxy who, as of the record date, represent 15 members or 50% of members entitled to vote at a membership meeting, whichever is lower, shall constitute a quorum at the meeting. Whether or not a quorum is present, the meeting may be adjourned by vote of the members present.

2.10 *Voting.*

Each member is entitled to one vote on each matter submitted to a vote, in any manner authorized to vote by these bylaws and procedures adopted by the board. Except as otherwise provided in these bylaws or by law, when an action is to be taken by a vote of the members, it shall be authorized by a majority of the votes cast by the members present at the meeting and entitled to vote, unless a greater vote is required by statute. Directors shall be elected by a plurality of votes cast at any election unless the Board determines a different manner or procedure for voting.

2.11 *Meeting by Telephone or Similar Equipment.*

The Board may authorize members to participate in a meeting by conference telephone or other means of remote communication if all individuals who are participating in the meeting can communicate with the other participants. Participation in a meeting under this section constitutes attendance in person at the meeting. A description of the means of remote communication will be provided in the meeting notice.

2.12 *Action Without a Meeting*

A. Any action the members are permitted to take at an annual or special meeting, including the election of directors, may be taken without a meeting if the Board provides a ballot to each member that is entitled to vote on the action in the same manner by which the member is entitled to receive a notice of meeting under this Article.

- B. The ballot shall set forth each proposed action, and provide an opportunity to vote for or against each proposed action. The ballot shall also specify a time by which the ballot must be returned (which should be at least 20 but not more than 90 days after the date the ballot was provided to the member).
- C. A ballot action is approved if: (i) the total number of timely member votes cast received by the Organization equals or exceeds the quorum required to be present at a meeting to take the action; and (ii) the number of favorable votes equals or exceeds the number of votes required to approve the action at a meeting. An invalid ballot or an abstention does not constitute a vote cast on that action.

ARTICLE 3 BOARD OF DIRECTORS

3.01 *General Powers*

The business, property, and affairs of TCTC shall be managed by the Board of Directors (individually, "Director", or collectively "Board" or "Board of Directors"). The Board shall have authority to hire staff, including independent contractors, and delegate duties and authority to the staff as the Board determines appropriate, subject to provisions of these bylaws. Except as limited by law, all authority and duties of the Board are subject to the authority of the Board to delegate any specific power to an officer, director, member, employee, contractor, or volunteer of the Organization, including its authority to hire additional staff or independent contractors to staff. The Board shall retain oversight authority over any delegation of authority to the extent necessary to ensure the Organization's compliance with law and retain its 501(c)(3) tax-exempt status.

3.02 *Number*

There shall be not less than 7 nor more than 15 Directors on the Board, as shall be fixed from time to time by the Board.

3.03 *Qualifications*

Directors shall meet the following qualifications:

- A. Member of the Organization;
- B. Support the mission and purposes of the Organization;
- C. Support the Organization financially or through time contribution;
- D. Serve on one or more committees when reasonably possible;
- E. Attend events and participate in activities;
- F. Attend 75% of all board meetings in a 12-month period;
- G. Perform the Director's duties in good faith; and
- H. Agree to, sign as needed and follow Organization policies and procedures.

3.04 *Election and Tenure.*

Directors shall be elected at each annual membership meeting, or without meeting in another manner authorized in these bylaws. The board may create procedures for

nominating directors and holding elections. Directors shall hold office for three-year terms (until the director's successor is elected and qualified at the annual meeting two years after the Director's election), or until the director's death, resignation, or removal. Directors' terms shall be staggered so that as close to an equal number of Directors' terms ends every third year as is practicable. Directors may be elected to serve up to three consecutive terms. Directors may serve additional terms if a year has passed since the Director's last term on the Board.

3.05 Resignation or Removal.

Any Director may resign at any time by providing written notice to the Organization. The resignation will be effective on receipt of the notice or at a later time designated in the notice. The death or incapacity of a Director will be treated as a resignation, effective the date the Board receives legally effective written notice of the death or incapacitation. Any director may be removed with or without cause by a majority vote of the quorum of members entitled to vote at an election of directors.

3.06 Vacancy

When a vacancy occurs for any reason, the Board will select a person to fill vacancy for the unexpired term. The Board may adopt a policy to create procedures for filling vacancies. The person may be re-elected at the end of the term to serve up to 3 additional consecutive terms, or 11 consecutive years, whichever is shorter.

3.07 Manner of Voting.

To the extent permitted by law, on all actions subject to approval by the Board of Directors, at a meeting director may cast a vote either orally, in writing, or by electronic transmission such as electronic mail, if permitted by the policy or practices of the Board of Directors. However, proxy voting shall not be permitted. TCTC shall maintain a record of all votes that are submitted by remote communication.

3.08 Consent to Corporate Actions (Action without Meeting).

Any action required or permitted to be taken pursuant to authorization of the Board may be taken without a meeting if, before or after the action, all Directors consent to the action in writing or by electronic transmission. Written consents and electronic transmissions shall be filed with the minutes of the Board's proceeding. (In plain English: everybody has to vote, and everybody has to agree, for the vote to count.)

3.09 Meetings.

- A. **Regular Meetings.** Regular meetings of the Board may be held at the time and place as determined by resolution of the Board without notice other than the resolution.
- B. **Special Meetings.** Special meetings of the Board may be called by the president or any two Directors at a time and place as determined by those persons authorized to call special meetings. Notice of the time and place of special

meetings shall be given to each Director in any manner at least 3 days before the meeting.

- C. **Statement of Purpose.** Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice for that meeting.
- D. **Waiver of Notice.** The attendance at or participation of a Director at a Board meeting waives any required notice to him or her of the meeting unless he or she at the beginning of the meeting, or when he or she arrives, objects to the meeting or the transacting of business at the meeting and after objecting does not vote for or assent to any action taken at the meeting. In addition, the Director may submit a signed waiver of notice that shall constitute a waiver of notice of the meeting.
- E. **Meeting by Telephone or Similar Equipment.** Subject to restrictions or requirements adopted by Board policy, a Director may participate in a meeting by conference telephone or other means of remote communication if all individuals who are participating in the meeting can communicate with the other participants. Participation in a meeting under this section constitutes attendance in person at the meeting.
- F. **Meeting Procedures.** The Board may adopt by majority vote from time to time rules or guidelines for meeting procedures. The purpose of the rules will be to: (a) facilitate participation and learning by all meeting participants; and (b) enable efficient meeting process and decision making. The Board will strive not to adopt rules that interfere with the effective operation of the Board or the Organization. The failure of the Board to follow any specific meeting procedure will not invalidate the Board action unless the error or omission was made in bad faith.
- G. **Voting and Quorum.** A majority of the Directors then in office constitutes a quorum for the transaction of any business at any meeting of the Board. . When the Board has more than 12 members, 1/3 of the Directors shall constitute a quorum for purposes of voting on any matter stated in the meeting notice unless prior to the vote any Director (whether or not present at the meeting) objects that the action should require approval by a quorum constituting a majority of the Board. Actions voted on by at least a majority of directors present at a meeting where a quorum is present shall constitute authorized actions of the Board, except as otherwise provided by law or herein.

A majority of the Board may adopt a policy designating certain decisions as significant decisions that must be approved by a majority of the Board, regardless of the number of directors at a meeting (“Significant Decisions”). Significant Decisions shall include:

- Appointment of a board member;
- Voting to approve/propose membership requirements or amendment of bylaws or the articles of incorporation;

- Hiring or termination of an executive director, or any other contract or agreement delegating significant decision-making authority to another individual or entity;
- Significant expenditure on capital asset acquisition or improvements representing at least 25% of the Organization’s budget;
- Dissolving membership in the Road Runners Club of America;
- Any decision designated as a “significant decision” if the board adopts a policy designating certain decisions as significant decisions that must be approved by a majority of the Board, regardless of the number of directors at a meeting.

3.10 Officers - Term of Office; Removal or Resignation; Vacancy.

The officers of TCTC designated below shall be elected by members during the board elections. The Board may appoint additional officers who shall serve at the pleasure of the Board. The officers serve three-year terms and may be elected to additional terms. 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. An officer may resign at any time by providing written notice to TCTC. Notice of resignation is effective on receipt or at a later time designated in the notice. An officer may be removed with or without cause by vote of the members. A vacancy in any office shall be filled by the Board.

3.11 Officer Duties.

All duties of officers are subject to the authority of the Board to delegate any specific power to another officer, director, member, employee, or volunteer of the Organization, in a manner consistent with law:

- President/Chairperson.** The President (who may be referred to as the “Chairperson”) shall supervise the general control and management of the business and affairs of TCTC and shall preside at meetings of the Board of Directors.
- Vice-President/Vice-Chairperson.** The Vice-President (who may be referred to as the “Vice-Chairperson”) shall, in the absence, disability, resignation, or removal of the President, perform the duties and exercise the powers of the President, and shall generally assist the President and perform other duties as the Board shall prescribe.
- Secretary.** The secretary shall (a) keep minutes of Board meetings and other corporate records and correspondence; (b) be responsible for providing notice to each Director; and (c) keep a register of the member and director names and addresses.
- Treasurer.** The treasurer shall (a) deposit and keep receipt of all monies which shall be deposited in a recognized financial institution in the name of the Organization; (b) give a report of at all general membership and Board meetings; (c) keep accurate books and records of corporate receipts and disbursements; (d)

oversee filing of the annual tax return; and (d) oversee preparation of an annual cash receipts and disbursement statement.

3.12 *Duties*

In addition to any other duties required by law, the Articles of Incorporation, these Bylaws, or adopted by the Board, a Director of TCTC shall discharge his or her duties as a Director, including his or her duties as an officer or a member of a committee, in good faith; with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and in a manner he or she reasonably believes is in the best interests of the organization.

In discharging these and other duties, unless the Director has knowledge concerning the matter in question that makes reliance unwarranted a Director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared by third parties, if prepared or presented by any of the following:

- A. One or more directors, officers, or employees of the corporation, or of a domestic or foreign corporation or a business organization under joint control or common control, whom the director or officer reasonably believes to be reliable and competent in the matters presented;
- B. Legal counsel, public accountants, engineers, or other persons as to matters the director or officer reasonably believes are within the person's professional or expert competence; or
- C. A committee of the Board of which he or she is not a member if the director or officer reasonably believes that the committee merits confidence.

ARTICLE 4 COMMITTEES

4.01 *Committees; General Powers.*

The Board may designate one or more committees and subcommittees, as defined in the Michigan Nonprofit Corporation Act. Committees may include one or more Directors as well as individuals who are not Directors.

A committee with at least one Director may exercise any powers of the Board in managing the Organization's business affairs to the extent the powers are delegated in writing by the Board to the Committee, except that no committee shall have the power to: (a) amend the articles of incorporation; (b) adopt an agreement of merger or conversion; (c) amend the bylaws of the Organization; (d) fill vacancies on the Board; or (e) fix compensation of the Directors for serving on the Board or on a committee.

Any committee that does not include at least one Director may not execute the power or authority of the board in the management of the business and affairs of the

Organization, but may perform under the direction of the board other functions determined from time to time by the Board.

4.02 *Establishing Committees*

The Board shall establish committees by resolution or other written document and shall make reasonable efforts to state in the resolution: the committee's purposes, the terms and qualifications of committee members, the authority and responsibilities of the committee (including spending authority, if any), and the ways in which members of the committees are selected and removed. All committee members serve at the pleasure of the Board, and Committees may be modified or terminated by the Board at any time.

4.03 *Committee Voting, Notice, and Meetings.*

Committees shall meet as directed by the Board, and their meetings shall be governed by the rules provided in these bylaws for notice, voting, and meetings of the Board.

ARTICLE 5 CONTRACTS AND FINANCIAL MATTERS

5.01 *General.*

- A. **Corporate Documents.** No corporate documents (including agreements, checks, notes, disbursements, loans, and other debt obligations) shall be signed by any person unless authorized by the Board, these bylaws, or a policy or resolution adopted by the Board.
- B. **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 a resolution of the Board. Such authority may be general or confined to specific instances.
- C. **Financial Documents.** Unless otherwise authorized by the Board, checks issued by TCTC in an unbudgeted amount over \$500 shall require the signature of at least two authorized persons to be valid, unless the Board adopts different signature requirements for certain types of expenditures or amounts in its sole discretion. The Board may authorize staff or other individuals to issue checks or other disbursements, provided a detailed record is kept of all expenditures and the expenditures are subject to regular review by the Board and auditors as provided in these bylaws. No person is authorized to sign a check made out to the him- or herself.

5.02 *Fiscal Year*

For tax and accounting purposes the fiscal year is a period of 12 consecutive months beginning January 1 and ending December 31.

5.03 *Financial Reports*

On an annual basis, the Board shall have a qualified person or entity prepare a report on the financial activities of TCTC for the preceding fiscal year and distribute that report to

each director at the annual meeting of the Board. The Board may in its discretion require a full audit. The report may be distributed electronically but will provided in written form to any Board member who so requests. The report shall include all of the following for the preceding fiscal year:

- A. An income statement.
- B. The year-end balance sheet, including trust funds and funds restricted by donors or the board.
- C. A statement of source and application of funds, if the corporation prepares that statement.
- D. Any other information required by the Board.

5.04 *Budget*

If the Board approves an annual budget, and all expenditures must be within the budget or as otherwise approved by the Board. Any change in the budget must be approved by the Board or other designated executive committee.

ARTICLE 6 INDEMNIFICATION

6.01 *Nonderivative and Derivative Actions.*

TCTC shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding of any nature, against expenses (including attorneys' fees, judgments, penalties, fines, and amounts paid in settlement) in part of in full to the extent the Board determines the following criteria are met:

- A. The suit arises out of actions or inactions taken by the person in his or capacity as a Director, officer, employee, volunteer, or agent of TCTC (or another entity at the request of TCTC);
- B. The person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of TCTC, and the person acted or reasonably believed he or she was acting within the scope of his or her authority under TCTC;
- C. With respect to any criminal action or proceeding, the person had no reasonable cause to believe his or her conduct was unlawful;
- D. The lawsuit (and/or defense) and the proposed legal strategy and costs have been given prior authorization by the Board of Directors, unless this requirement is waived by the Board;
- E. The person provided prompt and timely notice of the lawsuit to the Board (usually within 14 days), unless the Board waives this requirement;
- F. The expenses are covered by insurance carried by the Board (unless this requirement is waived by the Board);
- G. The person is not liable to TCTC for the claim, issue, or matter; and
- H. Indemnification is authorized by law, the Articles of Incorporation, these Bylaws, and is consistent with the organization's status as a 501(c)(3) organization.

6.02 Authority to Determine That Indemnification Is Proper.

The Organization's decisions regarding whether indemnification is proper and the extent to which indemnification is proper shall be made in one of the following ways, or other manner authorized by statute:

- A. By a majority vote of a quorum of the Board that consists of Directors who are not parties or threatened to be made parties to the action, suit, or proceeding;
- B. If the Board is unable to obtain a quorum under subdivision (a), by majority vote of a committee appointed by the Board that consists of at least 2 directors who are not at the time parties or threatened to be made parties to the action, suit, or proceeding (all Directors may participate in designating the committee); or
- C. By independent legal counsel in a written opinion.

6.03 Exempt Purposes.

Notwithstanding any other provision in this article, no indemnification or insurance shall be maintained if doing so would be inconsistent with the organization's tax exempt purposes recognized under Section 501(c)(3) of the Internal Revenue Code.

ARTICLE 7 COMPENSATION

Directors shall receive no compensation for carrying out their duties as Directors. The Board may adopt policies providing for reasonable reimbursement of Directors for expenses incurred in conjunction with carrying out Board responsibilities, such as travel expenses to attend Board meetings.

ARTICLE 8 AMENDMENTS

The Board of Directors at any regular or special meeting may amend or repeal these bylaws, or adopt new bylaws by majority vote of the Board, if notice setting forth the terms of the proposal has been given in accordance with any notice requirement for the meeting of the Board. The members and each affected class of members, if any, shall approve by a majority vote any bylaw denying, limiting, or otherwise prescribing the voting rights of any class of members.

Bylaws adopted on December 17, 2017