

**BYLAWS
OF
CLOVIS SWIM CLUB BOOSTERS
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION**

ARTICLE I

Name

Section 1.01. Name. The name of this corporation is the Clovis Swim Club Boosters (“the Boosters”). The Boosters is a California Nonprofit Public Benefit Corporation and a member organization of USA Swimming.

ARTICLE II

Offices

Section 2.01. Principal Office. The principal office for the transaction of the activities and affairs of this corporation is located at 1690 David E. Cook Way, Clovis, California, 93611. The Board of Directors may change the location of the principal office at any time.

Section 2.02. Other Offices. The Board may at any time establish branch or subordinate offices at any place or places where this corporation is qualified to conduct its activities.

ARTICLE III

Purpose of the Boosters

Section 3.01. Purpose. The purpose of the Boosters shall be:

- A. To support the mission of the Clovis Swim Club by providing logistical and financial support for club activities and programs, including, but not limited to: team building events and activities, personal development activities, incentive and achievement programs, hosting of swim meets, participation in out-of-area swim competitions, and other swimming related activities administered by the Clovis Swim Club aimed at fostering and advancing the athleticism, moral discipline, character and sportsmanship of its members through competitive swimming.
- B. To fund and administer the Juanita Allington Memorial Collegiate Swimming Scholarship program.

ARTICLE IV
Construction and Definitions

Section 4.01. Construction and Definitions:

- A. Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term “person” includes both a legal entity and a natural person. In the event the California Nonprofit Corporation law supersedes or is inconsistent with these bylaws, then these bylaws shall be deemed automatically amended to conform to the California Nonprofit Corporation law.
- B. The Clovis Swim Club (“the Club”) is a Clovis Unified School District (CUSD) Community Sports and Recreation Department program pursuant to CUSD Board Policy (“BP”) and Administrative Regulation (“AR 9214”). The Club is an affiliated member of USA Swimming and the USA Swimming Local Swim Committee (“LSC”) known as Central California Swimming (“CCS”).
- C. “By-laws” means the rules and regulations governing the operation of the Boosters.
- D. “Fiscal Year” means the period of time commencing September 1 of any calendar year and ending August 31 of the following calendar year.
- E. “General Member” means General, Auxillary and Associate members, except where specifically designated otherwise.
- F. “Account” means a family unit as registered in the Club’s membership database

ARTICLE V
Dedication of Assets

Section 5.01. Dedication of Assets. The property of this corporation is irrevocably dedicated to charitable purposes. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed equally amongst the CUSD high school foundations for the sole purpose of the competitive swimming programs.

ARTICLE VI

Membership

Section 6.01. Classes of membership.

- A. General Membership – A General member is any active account holder of the Club
- B. Auxillary Membership – An Auxillary member is one who gives money, property or service to the Boosters for the exclusive use towards furthering the Club's swimming programs and activities.
- C. Associate Membership – An Associate member is one whose participation in the Club is honorary, temporary and/or limited in nature.

Section 6.02. Eligibility for Membership

- A. Supporting Member
 - (1) Any Clovis Swim Club active account holder with an active athlete member
- B. Auxillary Member
 - (1) Other persons interested in supporting the Booster programs and activities
- C. Associate Member
 - (1) Based upon determination and approval by the Booster Board of Directors and Members at Large.

Section 6.03. Effective Date of Membership. Booster membership for any qualified person, as defined above, shall become effective upon approval of the Club membership application and registration with USA Swimming and shall remain effective through the end of the fiscal year, until eligibility can no longer be maintained under Article VI section 6.02 or until termination or suspension of membership as provided in these Bylaws, whichever occurs first.

Section 6.04. Suspension or Revocation. The Boosters may suspend or revoke the rights and/or privileges of a Member on any one or more of the following grounds:

- A. Failure to maintain eligibility under Article VI section 6.02
- B. Disruptive behavior at Booster meetings, events or activities;
- C. Refusal to abide by these Bylaws or the policies and/or the regulations of

the Club;

- D. Conduct that, under the judgment of the Executive Board, undermines the purpose of the Boosters or threatens the financial stability of the Boosters or the Club.

Section 6.05. Voting. Each General Member shall be entitled to one vote.

ARTICLE VII

Board of Directors

Section 7.01. General Powers of Board of Directors. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors ("the Board").

Section 7.02. Specific Powers and Duties of the Board. The Board is authorized to act, at its lawful discretion, consistent with the following provisions:

- A. Governance. To manage and govern the Boosters consistent with these Bylaws or as otherwise lawfully determined by the Board;
- B. Bylaws. To ensure that the Bylaws are consistent with CUSD rules, regulations and policies, where applicable, and the rules and regulations of USA Swimming;
- C. Budget. To oversee the annual budget for each fiscal year of the Boosters, including completing an annual audit of the Boosters' budget and finances;
- D. Facilities. To work with the Aquatics Manager and CUSD personnel to provide Club and Boosters access to CUSD facilities, as permitted by CUSD, for Booster hosted and/or administered functions and activities;
- E. Scholarships. To fund and administer the Juanita Allington Collegiate Swimming Scholarship Program.;
- F. Employment. The Board may not employ personnel, such as coaches or officials, on behalf of the Club;
- G. Committees. To authorize specific committees as it may deem necessary to assist the Boosters or the Club;
- H. Other. To exercise any other lawful power and/or perform any other duties to ensure the success of the Boosters.

Section 7.03. Number of Directors. The Board shall consist of eleven (11) directors. There should be at least one Director from each of CUSD's high school attendance areas. However, if no willing parent or guardian is available to represent each of CUSD's high school attendance areas, the Board will make every effort to encourage General Membership to attend monthly Board meetings to allow equitable input from all CUSD areas served.

Section 7.04. Qualifications. Each member of the Board must be a General, Auxillary or Associate Member in good standing. Each member must obtain and maintain non-athlete member status with USA-Swimming through the Club for the duration of their term (§ 7.06).

Section 7.05. Selection of Directors. Individuals may be brought forward to the Nominating Committee (§ 7.11) by any other member in good standing. Separate nominations will be made for each office. Voting will be conducted by written ballots at the annual general membership meeting to be held on the third Saturday of June each year. The individual receiving the most votes will be elected to the position. In the case of a tie, the names of the top two candidates will be written on pieces of paper and one name drawn. The individual whose name is drawn will be considered elected to the position.

Section 7.06. Term of Directors. The regular term of office for the position of President, First Vice President, Second Vice President, Recording Secretary and Treasurer shall be two years. All other officers shall hold a one-year term. To facilitate budgetary consistency, the office of President, Second Vice President and Secretary will be elected in even years; and the First Vice President and Treasurer will be elected in odd years. All officers shall hold office until their successors are elected and take office.

Section 7.07. Resignation of Directors. A director may resign at any time by giving written notice, together with the effective date of resignation, to the chairperson or the president of the Board. If no date of resignation is given, the resignation shall be deemed immediate upon receipt by the president.

Section 7.08. Vacancy. If a vacancy occurs on the Board, then such vacancy will be filled at the next regularly scheduled Board meeting. The Executive Committee shall appoint a member from the Club to fill such vacancy. The new appointee(s) shall only complete the term of office remaining from the vacated position.

Section 7.09. Restriction on Interested Persons as Directors. No more than 49 percent of the persons serving on the board may be "interested persons." An interested person is (a) any person compensated by the corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (b) any brother, sister, ancestor, descendant,

spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the corporation.

Section 7.10. Meetings of Directors.

- A. Place of Board Meetings. Meetings of the board of directors may be held at any place within California or such other venues as may be necessary to carry out the purpose of the corporation.
- B. Annual Meeting. The annual meeting of the board of directors shall occur in September of each year, or as soon thereafter as the annual meeting may be held. Thereafter, the Board may hold regular meetings on a monthly basis.
- C. Notice of Special Meetings. Special meetings of the Board may be held upon 24 hours notice delivered personally or by telephone, including a voice messaging system or by electronic transmission. The notice need not specify the purpose of such meeting.
- D. Quorum. Seven members of the Board, including at least one member of the Executive Board, shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be an act of the board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some directors from that meeting, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.
- E. Action Without Meeting. Any action that the Board is required or permitted to take may be taken without a meeting if all Board members consent in writing to the action; provided, however, that the consent of any director who has a material financial interest in a transaction to which the corporation is a party and who is an “interested director” as defined in Corporations Code section 5233 shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the board. All such consents shall be filed with the minutes of the proceedings of the Board.
- F. No Compensation. The board of directors shall serve without compensation on a voluntary basis. However, any member of the Board of directors who has advanced costs or expenses on behalf of the corporation shall be entitled to reimbursement for any such expenses.

G. Executive Committee of the Board. The Executive Committee shall consist of four members, including the President, First Vice-President, Recording Secretary and Treasurer. The Board may delegate any of the powers and authority of the board in the management of the business and affairs of the corporation to the Executive Committee except with respect to:

- (1) The approval of any action which, under law or the provisions of these bylaws, requires the approval of the members or of a majority of all of the members of the board of directors.
- (3) The amendment or repeal of bylaws or the adoption of new bylaws.
- (4) The amendment or repeal or any resolution of the board which by its express terms is not so amendable or repealable.
- (6) The approval of any transaction to which this corporation is a party and in which one or more of the directors has a material financial interest, except as expressly provided in Section 5233(d)(3) of the California Nonprofit Public Benefit Corporation Law.

By a majority vote of its members then in office, the board may at any time revoke or modify any or all of the authority so delegated, increase or decrease but not below two (2) the number of committee members, and fill vacancies therein from the members of the board. The committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board from time to time as the Board may require.

H. Other Committees. The corporation shall have such other committees as may from time to time be designated by resolution of the board of directors. Such other committees may consist of persons who are not also members of the board. These additional committees shall act in an advisory capacity only to the board and shall be clearly titled as "advisory" committees.

Section 7.11. Nominating Committee: The Board of Directors shall appoint a Nominating Committee. The Nominating Committee shall consist of five members, two of whom shall represent the Board of Directors and three of whom shall represent the General Membership. The Nominating Committee must nominate at least one member from each of CUSD's high school attendance areas.

Section 7.12. CUSD Program Coordinator. CUSD Shall Designate a CUSD employee to serve as the Program Coordinator. Unless otherwise specified, this shall be the CUSD

Aquatics Manager. The Program Coordinator shall have the right to attend all Booster Board of Directors' meetings to promote and achieve the objective of CUSD. The Program Coordinator shall be authorized to coordinate all activities between the Club, the Boosters and CUSD for the orderly management and operation of the Club within all applicable CUSD guidelines, policies and procedures.

ARTICLE VIII

Officers

Section 8.01. Officers. The officers of this corporation shall be a president, first vice president, a second vice president, treasurer, and recording secretary.

Section 8.02. Election of Officers. Officers of the corporation shall be elected in the same manner to the election of directors under Article 7.05 of these Bylaws.

Section 8.03. Removal of Officers. The board may remove any officer with or without cause.

Section 8.04. Resignation of Officers. Any officer may resign at any time by giving written notice to the board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the corporation under any contract to which the officer is a party.

Section 8.05. Vacancies in Office. A vacancy in any office because of resignation, disqualification, removal or death or any other cause may be filled in any manner desired by a quorum of the board of directors.

Section 8.06. Responsibilities of Officers.

- A. President/Chairperson of the Board: The President shall conduct all meetings of the Board and shall have the responsibility of management and operation of the Boosters. The President shall represent the Board in all matters with the Program Coordinator and CUSD. The President shall be designated as CUSD's primary contact person representing the Boosters. The President shall also be responsible for appointing all committees subject to the approval of the Board and to see that the Booster Bylaws, regulations and policies are enforced. In addition, the President will provide to the Board a regular report of the general concerns of the Club during the previous year. The President shall be an ex-officio member of all committees. Upon election, the President's contact information shall be furnished to the Program Coordinator and to the

CUSD's Director of Co-curricular Services.

- B. First Vice President: In the absence of the President, the First Vice President shall preside at meetings of the Board, and serve as the President of the Board during the President's absence. The First Vice President shall have the responsibility of Chairman of Swim Meet Directors.
- C. Second Vice President. In the absence of the President and the First Vice President, the Second Vice President shall preside at all meetings of the Board and otherwise perform the duties of the President. The Second Vice President shall be the representative of the Boosters to the Local Swim Committee in the event that the CUSD Aquatics Manager holds an LSC position that has a vote.
- D. Recording Secretary. The Recording Secretary shall keep an accurate book of minutes of all meetings of the Boosters and Board of Directors. S/he shall post a copy of the minutes of each meeting within seven days of the meeting on the Club's website. S/he shall give written notice of all annual and regular meetings and shall perform such other duties as the Board may require. The Secretary shall also post on the Club's website the agenda for regular meetings at least three days prior to the meeting, or at least twenty four hours prior to any special meeting. The Secretary will also keep a copy of the Articles of Incorporation and Bylaws, as amended to date.
- E. Treasurer: The Treasurer shall oversee the financial aspects of the Boosters. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions.
 - (1) The Treasurer shall send or cause to be given to the members and directors such financial statements and reports as are required to be given by law, by these bylaws, or by the board.
 - (2) The books of account shall be open to inspection by any director at all reasonable times.
 - (3) The Treasurer shall (i) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the board may designate; (ii) disburse the corporation's funds as the board may order; (iii) render to the President/Chairperson of the Board, if any, and the Board, when requested, an account of all transactions as chief financial officer and of the financial condition of the corporation; and (iv) have

such other powers and perform such other duties as the board or the bylaws may require. The Treasurer will prepare or cause to be prepared any necessary tax forms.

- F. Directors at Large. The Directors-at-Large shall be responsible for the following areas: Safety, Records, Fundraising, Apparel, Deck Parents, Swim Meets, Team Travel, Scholarship, Special Events, and Publicity. They will perform such other duties as the Board may require.

ARTICLE IX

Execution of Instruments, Deposits, Expenditures, Gifts and Finances

Section 9.01. Execution of Instruments. The board of directors may, by resolution, authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized or is otherwise provided in these bylaws, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 9.02. Collection and Deposits of Funds.

- A. The Boosters shall be responsible for the collection of money from fundraising activities, including but not limited to such activities as hosted swim meets, a Swim-a-thon, fundraisers sponsored by private restaurants or retailers, T-shirt sales, swim clinics or other fundraising events. All Booster funds shall be deposited from time to time to the credit of the corporation in such banks, trust companies, financial institutions or other depositories as the Board may select.

Section 9.03. Expenditure of Funds.

- A. The Board or its designee shall disperse funds from Booster accounts, consistent with these Bylaws. Expenditure of Booster funds does not require prior CUSD approval. Booster funds may be used to purchase equipment and supplies, Club apparel ; to fund meet operations; to pay meet entry fees, travel, lodging and food expenses for swimmers; to pay for travel expenses for chaperones and coaches to attend out-of-town meets; to pay for official Booster business, subject to prior Board approval; and to pay any other expenses which will support the Club's mission and objectives.

Section 9.04. Gifts. The Board, the chairperson of the Board, the President, the First

Vice President, or the Treasurer may accept, on behalf of the corporation, any contribution, gift, bequest, or devise for the nonprofit purposes of this corporation.

Section 9.05. Financial Responsibility. Unless otherwise agreed in writing and specifically authorized by the Board, the Boosters shall not assume, nor be liable for the debts and/or financial responsibilities either implied or incurred by CUSD, the Club, the Board of Directors, swimmers, coaches, managers, officials, chaperones, or others.

Section 9.06. Budget. The Booster budget shall be set by the Board and shall be prepared on a fiscal year basis.

ARTICLE X

Maintenance of Corporate Records

Section 10.01. Maintenance of Corporate Records. The minutes and other books and records of the corporation shall be kept either in written form or in any other form capable of being converted into clearly legible tangible form or in any combination of the two.

This corporation shall keep at its principal California office the original or a copy of the articles of incorporation and bylaws, as amended to the current date. The directors shall have the right to inspect the corporate records at any reasonable times and upon giving a reasonable notice to the secretary of the corporation.

ARTICLE XI

Contracts with Directors

Section 11.01. Contracts with Directors. No director of this corporation nor any other corporation, firm, association, or other entity in which one or more of this corporation's directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this corporation, unless (a) the material facts regarding that director's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the board prior to the board's consideration of such contract or transaction; (b) such contract or transaction is authorized in good faith by a majority of the board by a vote sufficient for the purpose without counting the votes of the interested directors; (c) before authorizing or approving the transaction, the board considers and in good faith decides after reasonable investigation that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (d) the corporation for its own benefit enters into the transaction, which is fair and reasonable to the corporation at the time the transaction is entered into. This section does not affect any donations received from the directors.

Section 11.02. Loans to Directors and Officers. This corporation shall not lend any money or property to or guarantee the obligation of any director or officer; provided, however, that the corporation may advance money to a director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that director or officer would be entitled to reimbursement for such expenses by the corporation.

ARTICLE XII

Meetings of General Members

Section 12.01. Meetings. A meeting of all general members shall be held on an annual basis on the third Saturday of June each year at the time and place designated by the Board. Special meetings may be called whenever deemed necessary by the President or upon the written request to the President by any five General Members. All members shall be notified of the time and place of any regular or special meeting by e-mail, mail, or telephone at least seven days prior to the date of the meeting.

Section 12.02. Quorum. A quorum for the transaction of business at any annual meetings and/or special meetings for General Members shall consist of twenty-five voting members.

Section 12.03. Parliamentary Rules. To the extent not inconsistent with these Bylaws, "Robert's Rules of Order Newly Revised" shall govern the meetings of the Executive Board and all General Membership Meetings. Committees need not be guided by Robert's Rules of Order.

Section 12.04. Conduct and Order During Meetings. Members shall exercise proper behavior and decorum during all meetings, activities and events at which the Boosters is sponsoring, assisting or participating. Any Member who engages in disruptive behavior and persists in such disruptive behavior will be requested to leave by the President, and may have his or her rights and privileges suspended or terminated as provided in these Bylaws. Nothing herein shall limit the Boosters' right to exercise its legal remedies, including injunctive relief, with regard to any such Member, or to file a complaint with local law enforcement for disturbance of the peace or any other violation of the California Penal Code, or to remove a Member from a meeting who is engaging in disruptive behavior by a law enforcement officer or security guard.

Section 12.05. Location of Meetings. Meetings shall not be required to be held at a particular place, date or time. If meetings are held at school facilities, meetings shall be in conformance with requirements of the particular school under the Civic Center Act and CUSD's Civility Policy.

Section 12.06. Attendance of Non-Members at Meetings. Non-members have no right to attend or participate in any meetings of the Boosters. The Executive Board and

Committees, in their discretion, may allow non-members to attend, including attendance at open General Membership Meetings, in order to assist in carrying out the purposes of the Boosters.

Section 12.07. Meetings by Teleconference: Nothing herein shall prevent any meeting held by teleconference, video screen communication, or other forms of communication enhanced by technology. Participation in a meeting under this paragraph shall constitute presence in person at the meeting.

Section 12.08. Minutes. Minutes of any General Membership Meeting shall be kept by the Secretary or such other designated Officer of the Executive Board. Any committee formed by general members is encouraged to keep minutes of its meetings. If no minutes are kept, the chair of any such committee shall provide the Board a summary of the meeting at the next regularly scheduled Board meeting.

ARTICLE XIII

Insurance

Section 13.01. Insurance. This corporation shall have the right, and shall use its best efforts, to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising from the officer's, director's, employee's, or agent's status as such.

ARTICLE XIV

Director and Officer Indemnification

Section 14.01. Each person who is or was a director or officer of the Boosters (including the heirs, executors, administrators or estate of such person) shall be indemnified by the Boosters to the full extent permitted by the Non-profit Corporation Law of the State of California against any liability, cost or expense arising from authorized activities by him/her in his/her capacity as director or officer, or arising out of his/her status as a director or officer.

Section 14.02. The indemnification referenced in Article XIV, §14.01 shall not be extended to any director or officer of the Boosters where such liability, cost or expense arises because the director's or officer's conduct was immoral, was undertaken contrary to Club by-laws, is undertaken in violation of any State or Federal law or regulation, or violates any State or Federal Constitution.

ARTICLE XV

Compensation

Section 15.01. No Member shall be compensated for their service to the Boosters. However, any Member of the Board or a Member of a Committee shall be reimbursed for

reasonable and necessary out-of-pocket costs advanced on behalf of the Boosters and pre-approved or subsequently ratified by the Board.

ARTICLE XVI

By-Laws

Section 16.01. Governance. The Boosters shall be governed by these Bylaws and by such amendments as be adopted from time to time by the Board or the Boosters' members. Each Member of the Boosters agrees to comply with and be bound by the provisions of these Bylaws and further agrees that the Boosters shall be operated pursuant to these Bylaws.

Section 16.02. Amendment. The process for amendment of by-laws shall be as follows:

- A. Recommendation. Any Board member may recommend an amendment or amendments to these Bylaws by submitting such amendments(s) to the Executive Board.
- B. Notice of Amendment. If the Executive Board approves a proposed amendment, the Executive Board or its designee shall provide notice to Booster members of the proposed amendment. A copy of the proposed amendment shall be made available to any Member. Notice of the proposed amendment shall be given and may be merged with any notice of meeting provided that the proposed Bylaw is described or summarized in the notice or in any agenda accompanying such notice. Notice shall be given in the same manner as a notice for a General Membership Meeting.
- C. Votes Required. These Bylaws may be amended by a majority vote of those members present at the meeting where the amendment is considered. After adoption, any amendments to these Bylaws shall be binding upon the members of the Boosters.
- D. Effective Date. Unless otherwise stated by a proposed amendment to the Bylaws, any amendment shall be effective immediately following adoption of the amendment.

Section 16.03. Supersession. These Bylaws and any amendments hereto, supersede any prior Bylaws, to the extent such Bylaws may exist.

ARTICLE XVII

Dissolution of the Boosters

Section 17.01 Upon at least two-thirds (2/3) of the votes of all of the Members, the Boosters may be voluntarily dissolved effective at the end of a Fiscal Year. Thereafter, the Boosters shall continue to exist for the purpose of disposing of all assets and obligations of the Boosters, and performing all other functions necessary to

conclude the affairs of the Boosters.

Section 17.02. The process for dissolution shall be as follows:

- A. A request to dissolve the Boosters must be made in writing and signed by at least forty (40) percent of the Members in good standing.
- B. Within five (5) business days after receipt of the request to voluntarily dissolve the Boosters, the Secretary shall mail a notice of the request and a ballot presenting the issue of whether to dissolve the Boosters to each Member. The question shall state as follows: "Shall the Clovis Swim Boosters be dissolved?" The notice shall notify the Members that a vote on the request will be taken at the next regularly scheduled meeting, and that the Members may return the ballot to the Secretary no later than three (3) business days prior to the next regularly scheduled meeting or they may appear at the meeting and cast their votes on the issue at the meeting. Each ballot must contain the name of the Member casting the vote in order to be a valid vote and to be counted.
- C. The Secretary shall retain all ballots returned to him or her, but shall not open them until the request for dissolution is heard at the meeting on which the request is to be voted. The ballots shall be opened at the meeting in the presence of the Members attending and the votes of all ballots shall be counted at the meeting.
- D. An involuntary dissolution shall occur if the Boosters remains inactive for a period of one Fiscal Year or is involuntarily dissolved by operation of law.

Section 17.03 In the event of dissolution of the Boosters, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed equally amongst the CUSD high school foundations for the sole purpose of the competitive swimming programs.

ARTICLE XVIII

Conflict of Interest and Compensation

Approval Policies

Section 18.01 Purpose of Conflict of Interest Policy. The purpose of this conflict of interest policy is to protect this tax-exempt corporation'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 corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. 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 18.02. Definitions.

- A. **Interested Person.** Any director, principal officer, member of a committee with governing board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, 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:
 - (1) An ownership or investment interest in any entity with which the corporation has a transaction or arrangement; or
 - (2) A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement; or
 - (3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation 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. 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 18.03. Conflict of Interest Avoidance Procedures.

- A. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- B. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- C. **Procedures for Addressing the Conflict of Interest.** An interested person may make a presentation at the Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the

transaction or arrangement involving the possible conflict of interest.

The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the Board or committee shall determine whether the corporation 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.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

- D. Violations of the Conflicts of Interest Policy. If the Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action.

Section 18.04. Records of Board and Board Committee Proceedings. The minutes of meetings of the board and all committees with board delegated powers shall contain:

- A. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee'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 18.05 Compensation Approval Policies. Currently, the bylaws do not permit compensation of members of the board of directors, as the Board. However, if the bylaws are ever amended to approve compensation, these policies shall apply.

A voting member of the Board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

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

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

When approving compensation for directors, officers and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the Board or a duly constituted compensation committee of the Board shall also comply with the following additional requirements and procedures:

- A. The terms of compensation shall be approved by the Board or compensation committee prior to the first payment of compensation.
- B. All members of the Board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):
 - (1) is not the person who is the subject of compensation arrangement, or a family member of such person;
 - (2) is not in an employment relationship subject to the direction or control of the person who is the subject of compensation arrangement;
 - (3) does not receive compensation or other payments subject to approval by the person who is the subject of compensation arrangement;
 - (4) has no material financial interest affected by the compensation arrangement; and

- (5) does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or committee member.

C. The board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:

- (1) compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size and purpose and with similar resources;
- (2) the availability of similar services in the geographic area of this organization;
- (3) current compensation surveys compiled by independent firms; and
- (4) actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement.

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

D. The terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the board or compensation committee that approved the compensation. Such documentation shall include:

- (1) the terms of the compensation arrangement and the date it was approved.
- (2) the members of the board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each board or committee member.
- (3) the comparability data obtained and relied upon and how the data was obtained.
- (4) If the board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization

is higher or lower than the range of comparability data obtained, the board or committee shall record in the minutes of the meeting the basis for its determination.

- (5) If the board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the board or committee meeting.
- (6) any actions taken with respect to determining if a board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement).
- (7) The minutes of board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next board or committee meeting or 60 days after the final actions of the board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next board or committee meeting following final action on the arrangement by the board or committee.

END OF BYLAWS

Certification of Adoption

The undersigned Secretary to the Clovis Swim Club Boosters does hereby certify that the above and foregoing Bylaws of said corporation were adopted by the Directors and that the same do now constitute the Bylaws of this corporation. The powers and duties, number, qualifications, terms of office, manner of election, criteria for removal, time and place of meetings and powers and duties of the directors shall be prescribed in the Bylaws of the corporation.

Dated: _____

By: Johanna Starkweather
Its: Secretary