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**B Y L A W S**

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**C A P I T A L A R E A A C T I V I T I E S**

**C O N F E R E N C E , I N C .**

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**Capital Area Activities Conference, Inc.**  
**BYLAWS**

**A R T I C L E I**

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**Purposes of the Corporation**

- 1.01 Purposes.** Capital Area Activities Conference, Inc. is organized exclusively for charitable and educational purposes under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. Such purposes include the promoting, organizing, and scheduling of interscholastic athletic tournaments.
- 1.02 Mission.** Capital Area Activities Conference, Inc. is formed to provide students of the Corporation's member schools an opportunity to learn from cooperation and competition. Capital Area Activities Conference, Inc is organized to:

- Develop and encourage high school athletic conference programs in a variety of areas
- Develop and promote citizenship, sportsmanship, acceptance of cultural diversity and a commitment to community service
- Student leadership and activities in the areas of arts, clubs, athletics, curriculum, and other areas of competition
- Provide workshops and seminars for students and faculty
- Act jointly in matters of concern (where appropriate) such as statewide athletic policies, MHSAA policies and decisions, State department and State Board of Education decisions and policies and legislative action
- To help fellow conference members effectively use school and community facilities and resources.

**1.03 Limitations on Activities.** No part of the net earnings of Capital Area Activities Conference, Inc. shall inure to the benefit of or be distributable to its members, officers, or other private persons, except that Capital Area Activities Conference, Inc. shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes.

## ARTICLE II

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### Location

- 2.01 Principal Office.** The principal office of the Corporation shall be located within the State of Michigan at a place designated by the Board of Directors (“Board”).
- 2.02 Registered Office.** The registered office shall be maintained in the State of Michigan as required by the *Michigan Nonprofit Corporation Act*, and the address of such registered office may be changed from time to time by the Board of Directors.

## ARTICLE III

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### Corporate Structural Basis

- 3.01 Basis.** The Corporation is organized on a Non-stock, Directorship basis within the meaning of Section 2202 of the *Michigan Nonprofit Corporation Act*, as amended.

## ARTICLE IV

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## Board of Directors

- 4.01 General Powers.** Subject to the provisions of the *Michigan Nonprofit Corporation Act*, as amended, the activities and affairs of the corporation shall be managed by or under the Board of Directors. All corporate powers shall be exercised by or under the direction of the Board of Directors. The Board of Directors will be under the authority of the Executive Council. The Board may delegate the management of the day-to-day operation of the business of the Corporation.
- 4.02 Duties and Responsibilities.** The Directors shall exercise powers consistent with the Act, rules, and regulations governing Nonprofit Corporations in Michigan and sound business practices. The duties of the Board of Directors shall include, but are not limited to, duties set forth in the Act and the following:
- (a) **Care:** Each Director shall exercise reasonable care when he or she makes a decision as a steward of the Corporation.
  - (b) **Loyalty:** Each Director must give undivided allegiance when making decisions affecting the Corporation.
  - (c) **Obedience:** Each Director shall be faithful to the Corporation's mission, and not act in any way that is inconsistent with the goals of the Corporation.
- 4.03 Qualifications.** An individual must be a member of Capital Area Activities Conference, Inc. For purposes of this subsection, individual membership refers to the high school principal or elected representative of a member school.
- 4.04 Number.** The Board shall consist of at least five (5) Directors as shall be fixed from time to time by the Board.
- 4.05 Tenure.** Each Director of the Corporation shall serve five year term unless he or she is removed or resigns. The Board shall be staggered so that one qualifying member is elected director through majority vote, replacing the oldest tenured director.
- 4.06 Resignation.** Any Director may resign at any time by providing written notice to the Corporation. The resignation will be effective on receipt of the notice or at a later time designated in the notice. A successor shall be appointed as provided in section 4.08 of the Bylaws.
- 4.07 Removal.** Any Director may be removed for cause by a majority vote of the remaining Directors on the Board. In this section, "for cause" means continual failure by the Director to fulfill the Duties and Responsibilities of a Director enumerated in section 4.02 of the Bylaws.

- 4.08 Board Vacancies.** A vacancy on the Board may be filled with a person selected by a majority vote of the remaining Directors on the Board. Directors may hold office without being a resident of the State of Michigan.
- 4.09 Regular Meetings.** The Board of Directors shall hold regular meetings at a time and place determined by the Board. At least one regular meeting shall be held each year. The Board of Directors may provide for other meetings as needed. Minutes shall be recorded at each regular meeting.
- 4.10 Special Meetings.** Special meetings of the Board may be called by any two (2) Directors at a reasonable time and place as determined by the Directors calling for the meeting. Notice of the time and place of special meetings shall be given to each Director ten (10) to sixty (60) days before the meeting. Minutes shall be recorded at each special meeting.
- 4.11 Statement of Purpose.** Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board needs to be specified in the notice for that meeting.
- 4.12 Waiver of Notice.** Directors may waive notice of any special meeting. Any Director attending a special meeting shall be deemed to have waived notice of the meeting unless attendance is for the express purpose of objecting to the transaction of any business because the meeting is not properly called or convened.
- 4.13 Meeting by Telephone or Similar Equipment.** A Director may participate in a meeting by conference telephone or any similar communications equipment through which all persons participating in the meeting can hear each other. Participation in a meeting under this section constitutes presence in person at the meeting.
- 4.14 Voting and Quorum.** Each Director shall be entitled to one vote for a Board action. A majority of the Directors then in office constitutes a quorum for the transaction of business at any meeting of the Board unless otherwise provided in these Bylaws. Actions voted on by a majority of Directors present at a meeting where a quorum is present shall constitute authorized actions of the Board.
- 4.15 Consent to Corporate Actions.** Any action required or permitted to be taken by authorization of the Board may be taken without a meeting if, before or after the action, all Directors consent to the action in writing. Written consents shall be filed with the minutes of the Board's proceeding.
- 4.16 Presumption of Assent.** A Director of the Corporation shall be deemed to have assented to an action taken by the Board of Directors unless he or she makes his or her dissent known during the meeting at which action was taken and his or her dissent is recorded in the minutes of the meeting, or unless the dissenting Director, immediately after the meeting, shall send by registered mail, to the Secretary of the Corporation, a written dissent against the action. No Director who affirmatively votes for any action may later dissent to that action.

## A R T I C L E   V

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### Committees

**5.01 General Powers.** The Board may designate one (1) or more committee(s), each committee consisting of one (1) or more Director(s). The Board may also designate one (1) or more Director(s) as alternate committee members who may replace an absent or disqualified member at a committee meeting. If a committee member is absent or disqualified from voting, then members present at a meeting who are not disqualified from voting may, whether or not they constitute a quorum, unanimously appoint an alternate committee member to act at the committee meeting in place of the absent or disqualified member. All committees designated by the Board shall serve at the pleasure of the Board.

A committee designated by the Board may exercise any powers of the Board in managing the Corporation's business and affairs to the extent provided by resolution of the Board. However, no committee shall have the power to:

- (a) amend the Articles of Incorporation;
- (b) adopt an agreement of merger or consolidation;
- (c) amend the Bylaws of the Corporation;
- (d) fill vacancies on the Board; or
- (e) fix compensation of the Directors.

**5.02 Meetings.** Committees shall meet as directed by the Board, and their meetings shall be governed by the rules provided in Article IV for meetings of the Board. Minutes shall be recorded at each committee meeting and shall be presented to the Board.

**5.03 Consent to Committee Actions.** Any action required or permitted to be taken by authorization of a committee may be taken without a meeting if, before or after the action, all members of the committee consent to the action in writing. Written consents shall be filed with the minutes of the committee's proceedings.

## A R T I C L E   V I

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### Officers

**6.01 Number.** The officers shall consist of a President, Vice President, Past President, a Secretary, and a Treasurer. Any two (2) or more offices, except for those of the President and Secretary, may be held simultaneously by the same person. Additional officers may be appointed at the Board's discretion.

- 6.02 Election and Terms of Office.** The Board of Directors shall initially elect the officers of the Corporation at a properly convened Board meeting. An officer's term shall commence on his or her election by the Board. Each year after, the Board of Directors will elect a new Secretary. In succeeding years this person will ascend to Treasurer, Vice President, President, and then Past President.
- 6.03 Removal.** The Board of Directors may remove any officer when the removal serves the best interest of the Corporation as determined by the Board. Removal shall be by a majority vote of the Board. The removal of an officer shall be without prejudice to the contract rights of the officer, if any. The election or appointment of an officer by itself does not create contract rights.
- 6.04 Resignation.** Any Officer may resign at any time by providing written notice to the Corporation. The resignation will be effective on receipt of the notice or at a later time designated in the notice. A successor shall be appointed as provided in section 6.05 of the Bylaws.
- 6.05 Vacancies.** Vacancies shall be filled by the Board in compliance with 6.02.
- 6.06 President.** The President shall be the chief executive officer of the Corporation and shall have authority over the general control and management of the business and affairs of the Corporation. The President may sign any instruments necessary to the operations of the Corporation, unless the signing of the documents has been delegated by the Board of Directors to some other officer of the Corporation, or unless the signing is prohibited by law to be so signed or required by law to be otherwise signed. The President shall perform all other duties prescribed by the Board of Directors from time to time, and all other duties incident to the office of President. The President's authority is subject to the right of the Board to delegate any specific power to another officer and to the Board's control.
- 6.07 Vice President.** The Vice President shall:
- (a) in the absence or disability of the president, perform the duties the owners of the president and shall perform any other duties that the Board of Directors or the President may from time to time prescribe.
- 6.08 Secretary.** The Secretary shall:
- (a) keep minutes of the Board meetings;
  - (b) be responsible for providing notice to each Director of all meetings as required by law, the Articles of Incorporation, or these Bylaws;
  - (c) keep a register containing the address of each officer and Director as provided by those individuals;
  - (d) maintain the Corporation's records; and

- (e) perform all duties incident to the office of Secretary, or any other duties assigned to the Secretary from time to time by the Board of Directors or the President.

**6.09 Past President.** The Past President shall:

- (a) serve in an advisory and oversight capacity, as well as perform any duties the President or Board of Directors assigns him or her.

**6.10 Treasurer.** The Treasurer shall:

- (a) have charge and custody over all the funds and securities of the Corporation;
- (b) receive and issue receipts for any money due and payable to the Corporation;
- (c) deposit any and all money in the Corporation's name in accordance with Article VII of these Bylaws;
- (d) assure that accurate books and records are kept of corporate receipts and disbursements; and
- (e) perform all duties incident to the office of Treasurer or any duties designated from time to time by the Board of Directors or the President.

## A R T I C L E   V I I

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### Conflict of Interest

**7.01 Policy.** It is the policy of Capital Area Activities Conference, Inc. to protect this organization'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 might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

**7.02 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.

**7.03 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.

**7.04 Procedures for Addressing the Conflict of Interest.** The transaction or arrangement must be fair and reasonable to the corporation when it is authorized, approved, or ratified.

- (a) An interested person may make a presentation at the governing 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.
- (b) The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- (c) After exercising due diligence, the governing 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.
- (d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing 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.

**7.05 Violations of the Conflicts of Interest Policy.**

- (a) If the governing 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.
- (b) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action as outlined in Section 4.07.

## A R T I C L E   V I I I

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### **Indemnification**



**8.01 Non-derivative Actions.** Subject to all of the other provisions of this Article, the Corporation may indemnify any person, as described in (a) or (b) below, who was or is a party to, or is threatened to be made a party to, any threatened, pending, or completed action, suit, or proceeding, whether formal or informal (other than an action by or in the right of the Corporation). The indemnification shall apply only to a person who was or is a Director or officer of the Corporation.

The person may be indemnified and held harmless against expenses (including attorney fees), judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit, or proceeding, if 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 the Corporation. With respect to any criminal action or proceeding, the person must have had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction or on a plea of nolo contendere or its equivalent, shall not by itself create a presumption that:

- (a) the person did not act in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Corporation; or
- (b) with respect to any criminal action or proceeding, the person had reasonable cause to believe that his or her conduct was unlawful.

**8.02 Derivative Actions.** Subject to all of the provisions of this Article, the Corporation may indemnify any person who was or is a party to, or is threatened to be made a party to, any threatened, pending, or completed action or suit by or in the right of the Corporation to procure a judgment in its favor because the person was or is a Director or officer of the Corporation.

The person may be indemnified and held harmless against expenses (including actual and reasonable attorney fees) and amounts paid in settlement incurred by the person in connection with the action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Corporation.

However, indemnification shall not be made for any claim, issue, or matter in which the person has been found liable to the Corporation unless and only to the extent that the court in which the action or suit was brought has determined on application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for the expenses that the court considers proper.

**8.03 Expenses of Successful Defense.** To the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Sections 8.01 or 8.02 of this Article, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person may be indemnified against expenses (including actual and reasonable attorney fees) incurred in connection with the

action and in any proceeding brought to enforce the mandatory indemnification provided by this article.

**8.04 Contract Right; Limitation on Indemnity.** Any indemnification conferred in this Article shall be a contract right and shall apply to services of a Director or officer as an employee or agent of the Corporation as well as in the person's capacity as a Director or officer. Except as provided in Section 8.03 of this Article, the Corporation shall have no obligations under this Article to indemnify any person in connection with any proceeding, or part thereof, initiated by the person without authorization by the Board.

**8.05 Determination That Indemnification Is Proper.** Any indemnification under Sections 8.01 or 8.02 of this Article (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case. The Corporation must determine that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in Sections 8.01 or 8.02 whichever is applicable. Determination shall be made in any of the following ways:

- (a) by a majority vote of a quorum of the Board consisting of Directors who were not parties to the action, suit, or proceeding;
- (b) if the quorum described in clause (a) above cannot be obtained, then by a committee of not less than two disinterested Directors who are not parties to the action; or
- (c) by independent legal counsel in a written opinion.

**8.06 Proportionate Indemnity.** If a person is entitled to indemnification under Sections 8.01 or 8.02 of this Article for a portion of expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount, the Corporation shall indemnify the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

**8.07 Expense Advance.** Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Sections 8.01 or 8.02 of this Article may be paid by the Corporation in advance of the final disposition of the action, suit, or proceeding, on receipt of an undertaking by or on behalf of the person involved to repay the expenses, if it is ultimately determined that the person is not entitled to be indemnified by the Corporation. The undertaking shall be an unlimited general obligation of the person on whose behalf advances are made, but need not be secured.

**8.08 Non-exclusivity of Rights.** The indemnification or advancement of expenses provided under this Article is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under a contractual arrangement with the Corporation. However, the total amount of

expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses.

**8.09 Indemnification of Employees and Agents of the Corporation.** The Corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation to the fullest extent of the provisions of this Article with respect to the indemnification and advancement of expenses of Directors and officers of the Corporation.

**8.10 Insurance.** The Corporation may purchase and maintain insurance on behalf of any person who was or is a Director, officer, employee, or agent of the Corporation.

The insurance may protect against any liability asserted against the person and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Corporation would have power to indemnify against such liability under this article or the laws of the State of Michigan.

**8.11 Changes in Michigan Law.** If there are any changes in the Michigan statutory provisions applicable to the Corporation and relating to the subject matter of this Article, then the indemnification to which any person shall be entitled shall be determined by the changed provisions, but only to the extent that any change permits the Corporation to provide broader indemnification rights than the provisions permitted the Corporation to provide before the change.

## A R T I C L E   I X

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### Compensation

**9.01 Compensation for Members of the Board and Officers.** A person may be compensated for reasonable reimbursement of expenses incurred while serving as an officer or as a member of the Board.

**9.02 Compensation for Executive Director, Employees, Agents or Independent Contractors.** When authorized by the Board, a person shall be reasonably compensated for services rendered to the Corporation as an executive director, employee, agent or independent contractor, except as prohibited by these Bylaws.

## A R T I C L E   X

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### Contracts, Loans, Checks, and Deposits

**10.01 Contracts.** The Board of Directors may authorize any officer or agent of the Corporation to enter into contracts on behalf of and in the name of the Corporation. The Board of Directors may also authorize any officer or agent of the Corporation

to execute and deliver any instrument in the name of and on behalf of the Corporation.

- 10.02 Loans.** The Board of Directors by resolution may authorize that loans shall be contracted for or that evidence of indebtedness shall be issued in the name of the Corporation. This is the only manner by which loans or evidence of indebtedness shall be authorized. Authorization may be general or limited to specific instances.
- 10.03 Checks and Drafts.** The Board of Directors shall determine by resolution which officer or officers, agent or agents of the Corporation shall have the authority and duty to sign all checks, drafts, or other orders for the payment of money issued in the name of the Corporation.
- 10.04 Deposits.** Any funds of the Corporation not being used in any other manner for the benefit of the Corporation shall be deposited to the credit and in the name of the Corporation in a manner the Board of Directors shall select from time to time.

## A R T I C L E X I

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### Membership

- 11.01 Members.** The Corporation shall have members in accordance with Section 305 of the *Michigan Nonprofit Corporation Act*. The members shall have no right to vote.
- 11.02 Qualifications.** An individual must have continuing membership in the Michigan High School Athletic Association (MHSAA). The Board may modify or amend membership qualifications, including membership dues, by a regular vote.
- 11.03 Termination.** Failure to satisfy membership qualifications may result in termination of membership.
- 11.04 Dues.** The Board of Directors may fix an amount of dues required for admission and retention of membership in the Corporation. New member schools are assessed a one-time league entry fee which shall be paid within 60 days of the school's acceptance in Capital Area Activities Conference, Inc. membership.

## A R T I C L E X I I

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### Miscellaneous

- 12.01 Calendar Fiscal Year.** The Corporation's fiscal year shall begin on the first day of January and end on the 31st day of December of each and every year.
- 12.02 Notice.** When notice is required, it shall be written and given in person or by first-class mail.
- 12.03 Waiver of Notice.** A waiver of notice in writing, signed by the person entitled to notice, either before or after the time stated herein, shall be deemed the equivalent

of the giving of notice when notice is required to be given to any Director under these Bylaws or the Articles of Incorporation of this Corporation or the Michigan Nonprofit Corporation Act.

**12.04 Amendments.** The Board of Directors at any regular or special meeting, may alter, amend, or repeal these Bylaws and adopt new Bylaws by vote of a majority of the Directors, if notice setting forth the terms of the proposal has been given in accordance with any notice requirements for a meeting of the Board.

**12.05 Distribution of Assets upon Dissolution.** As such, no portion of the assets of the Corporation shall ever inure to the benefit of any director, officer, or member thereof, nor shall such assets ever inure to the benefit of a private person. Upon dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

**12.06 Books of Accounts, Minutes, and Records.** Except as otherwise provided by law, the Corporation:

- (a) Shall keep as permanent records minutes of all meetings of its members and Board of Directors, a record of all actions taken by the Board without a meeting, and a record of all actions taken by a committee of the Board exercising the authority of the Board on behalf of the Corporation;
- (b) Shall maintain appropriate accounting records;
- (c) Shall keep a copy of the following records at its principal office:
  - i. The Articles or Restated Articles of Incorporation and all amendments to them currently in effect;
  - ii. The Bylaws or Restated Bylaws and all amendments to them currently in effect;
  - iii. Its financial statements for the past three (3) years;
  - iv. A list of the names and business addresses of its current Directors and Officers; and
  - v. Its most recent annual report delivered to the State of Michigan.

**12.07 Anti-Discrimination Policy.** The CAAC is an “equal opportunity employer”

The CAAC will not discriminate and will take measures to ensure against discrimination in employment, recruitment, advertisement for employment, compensation, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant on the bases of race, creed national origin, or sex.

**12.08 Anti-Harassment Policy.** The CAAC is a committed in all areas to providing a work environment that is free from harassment. Harassment based upon an individual’s sex, race, ethnicity, national origin, age. religion or any other legally protected characteristics will not be tolerated. All employees, including supervisors and other management personnel, are expected and required to abide by this policy. No person will be adversely affected in employment with the employer as a result of bringing complaints of unlawful harassment.

**ADOPTED BY RESOLUTION OF THE BOARD**

\_\_\_\_\_  
Printed Name, President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature, President

\_\_\_\_\_  
Printed Name, Secretary

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature, Secretary