

**BYLAWS
OF
PAINT CREEK CENTER FOR THE ARTS**

**ARTICLE I
PURPOSE/OFFICES**

1.01 *Purpose.* Paint Creek Center for the Arts (PCCA) is a Michigan nonprofit corporation, tax exempt under section 501 (c) (3) of the Internal Revenue Code and organized exclusively for educational, artistic and charitable purposes.

1.02 *Principal Office.* The principal office of the corporation 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 II
DIRECTORSHIP**

2.01 The corporation shall be a directorship corporation, not a membership corporation.

**ARTICLE III
BOARD**

3.01 *General Powers.* The business, property, and affairs of the corporation shall be managed by the board of directors.

3.02 *Noncompensated Volunteers.* Board members perform their service to the corporation as volunteers. Board members shall not receive monetary or other compensation in return for their service to the corporation. Board members shall not receive distributions or dividends from the corporation. Board members may be reimbursed for corporate expenses upon submission of receipt and approval by the board.

3.03 *Duties of the Board.* The duties of the board shall include, but not be limited to:

- (a) Attending board meetings.
- (b) Serving on at least one standing and/or ad hoc board committee and attending committee meetings.
- (c) Attending annual Strategic Planning session.
- (d) Attending PCCA Art Exhibit openings.
- (e) Attending other PCCA functions.
- (f) Volunteering at PCCA's annual Art & Apples Festival.
- (g) Ensuring the PCCA Strategic Plan is reviewed and updated on a regular basis.
- (h) Establishing PCCA policies.
- (i) Hiring the Executive Director who shall conduct the day to day operations of PCCA under the direction and review of the board.

(j) Contributing hours of voluntary service or a monetary contribution as determined by the board.

3.04 *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 of directors.

3.05 *Tenure*. Each director of the corporation shall hold office for a 2 year term that may renew for two additional 2 year terms or until the director's death, resignation, or removal whichever occurs first. A director who has served out their entire term may be granted an additional 2 year term by the 2/3 vote of the board. Current board members whose term would expire with the adoption of these term limits shall be granted a 2 year term that may renew for two additional 2 year terms or until the director's death, resignation or removal whichever occurs first.

3.06 *Conflicts of Interest*. Whenever a director or officer has a financial, personal or professional interest in any matter coming before the board of directors, the affected person shall a) fully disclose the nature of the interest and b) withdraw from discussion, lobbying, and voting on the matter. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested directors determine that it is in the best interest of the corporation to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval.

3.07 *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 3.08 of the bylaws.

3.08 *Removal*. Any director may be removed *with cause* by the remaining directors on the board.

3.09 *Board Vacancies*. A vacancy on the board may be filled with a person selected by the remaining directors of the board after that person is recommended by the Nominating Committee and Executive Director.

3.10 *Annual Meeting*. The board may choose to hold an annual meeting.

3.11 *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.

3.12 *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 three days before the meeting.

3.13 *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.

3.14 *Waiver of Notice.* The attendance of a director at a board meeting shall constitute a waiver of notice of the meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. In addition, the director may submit a signed waiver of notice that shall constitute a waiver of notice of the meeting.

3.15 *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 pursuant to this section constitutes presence in person at the meeting.

3.16 *Quorum.* A majority of the directors then in office constitutes a quorum for the transaction of any business at any meeting of the board. Actions voted on by a majority of directors present at a meeting where a quorum is present shall constitute authorized actions of the board.

3.17 *Consent to Corporate Actions.* 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. Written consents shall be filed with the minutes of the board's proceeding. Electronic transmissions are an acceptable form of communicating a consent, vote or other action.

ARTICLE IV COMMITTEES

4.01 *General Powers.* The board, by resolution adopted by a vote of a majority of its directors, may create committees. Each committee shall consist of one or more directors who would serve as chairperson of the committee. The board may also designate one or more directors as the vice chairperson who may replace an absent or disqualified chairperson at a committee meeting. If a committee member is absent or disqualified from voting, 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 discretion 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 for serving on the board or on a committee.
- (f) utilize PCCA funding for any expenses that have not been approved by the Executive Director, and included in the PCCA budget

4.02 *Meetings*. Committees shall meet as directed by the board, and their meetings shall be governed by the rules provided in article III for meetings of the board. Minutes shall be recorded at each committee meeting and shall be presented to the board.

4.03 *Consent to Committee Actions*. Any action required or permitted to be taken pursuant to 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.

4.04 *Committees*. The corporation's current committees are:

- The Executive Committee
- The Facilities Committee
- The Art Exhibition Committee
- The Art School Committee
- The Art & Apples Committee
- The Marketing Committee
- The Nominating Committee
- The Fundraising Committee

4.05 *Selection of Committee Members*. Board members or others who wish to serve on a committee shall submit their names and the position they seek to the Nominating Committee who shall qualify the nominees and report their recommendations to the Executive Committee who, through the president, shall notify nominees of their appointment.

ARTICLE V OFFICERS

5.01 *Noncompensated Volunteers*. Officers perform their service to the corporation as volunteers. Officers shall not receive monetary or other compensation in return for their service to the corporation. Officers shall not receive distributions or dividends from the

corporation. Officers may be reimbursed for corporate expenses upon submission of receipt and approval by the board.

5.02 *Number.* The officers of the corporation shall be appointed by the board. An officer shall be a member of the board of directors. The officers shall be a president, a vice president, a secretary, and a treasurer. There may also be a chairperson and such other officers as the board deems appropriate. The president shall be a voting member of the board. Two or more offices may be held by the same person, but such person shall not execute, acknowledge, or verify an instrument in more than one capacity if the instrument is required by law or by the president or by the board to be executed, acknowledged, or verified by two or more officers.

5.03 *Term of Office.* Each officer shall hold office for a two year term and until a successor is appointed and qualified. An officer may serve an additional two year term or less if approved by a 2/3 vote of the board. An officer may resign at any time by providing written notice to the corporation. Notice of resignation is effective on receipt or at a later time designated in the notice.

5.04 *Removal.* An officer appointed by the board may be removed with or without cause by vote of a majority of the board. The removal shall be without prejudice to the person's contract rights, if any. Appointment to an office does not of itself create contract rights.

5.05 *Vacancies.* A vacancy in any office for any reason may be filled by the board.

5.06 *Executive Director.* The Executive Director is not an officer of the corporation. The Executive Director is an employee of the corporation. The Executive Director shall be hired by and report to the board of directors. The Executive Director shall be responsible for the day to day operations of the corporation which includes but is not limited to, hiring, disciplining and terminating all staff positions, establishing and operating the art exhibitions, the art school, the Art & Apples Festival, the facility that houses the corporation, marketing and fundraising events, identifying, preparing and submitting grant applications and preparing, monitoring and reporting the annual budget to the board. The Executive Director shall be involved in the selection of new board members and may, but is not required to, identify new, potential board members. The Executive Director shall also be involved with the board in the review and revision of the corporation's Strategic Plan and Mission Statement.

5.07 *President.* The president shall serve as the chairperson of the board of directors and the chairperson of the Executive Committee. The president shall sign all corporate documents and agreements on behalf of the corporation, unless the president or the board instructs that the signing be done with or by some other officer, agent, or employee. The president shall see that all actions taken by the board and the Executive Committee are executed and shall perform all other duties incident to the office. This is subject, however, to the president's right and the right of the board to delegate any specific power to any other officer of the corporation.

5.08 *Vice President.* The vice president shall serve on the Executive Committee. The vice president shall have the power to perform duties that may be assigned by the president or the board. If the president is absent or unable to perform his or her duties, the vice president shall perform the president's duties until the board directs otherwise. The vice president shall perform all duties incident to the office.

5.09 *Secretary.* The secretary shall (a) keep minutes of board meetings; (b) be responsible for providing notice to each director as required by law, the articles of incorporation, or these bylaws; (c) be the custodian of corporate records; (d) keep a register of the names and addresses of each officer and director; and (e) perform all duties incident to the office and other duties assigned by the president or the board.

5.10 *Treasurer.* The treasurer shall (a) perform monthly financial review of the corporation; (b) compare monthly bank statements with Quickbooks reconciliations and sign and date all documents; (c) participate as required in the annual corporation audit; (d) perform all duties incident to the office and other duties assigned by the president or the board.

ARTICLE VI CORPORATE DOCUMENT PROCEDURE

6.01 *Corporate Checks and Contracts.* The Executive Director shall be the sole staff member authorized to sign checks and sign contracts within the board approved budget.

6.02 *Submitting Contracts to the Board.* The Executive Director shall submit all standard contracts including but not limited to, art school instructor contracts, art exhibition artist contracts and art marketplace artist contracts to the board at the beginning of the fiscal year and sponsorship contracts as they arise throughout the year for review and approval.

6.03 *Expenditures by Check in Excess of \$5,000.* Corporate expenditures in excess of Five Thousand (\$5,000) Dollars payable by check shall be co-signed by the Executive Director and the president or the bank authorized board member if different.

6.04 *Expenditures by Credit Card in Excess of \$5,000.* PCCA credit card expenditures in excess of Five Thousand (\$5,000) Dollars shall be signed by the Executive Director after receipt of prior written board approval. Written board approval can be in the form of electronic transmissions.

6.05 *Line of Credit Advance in Excess of \$5,000.* Advances from the corporation's line of credit in excess of Five Thousand (\$5,000) Dollars shall require written board and treasurer approval. Written board and treasurer approval can be in the form of electronic transmissions.

6.06 *Other Corporate Documents.* Other corporate documents including but not limited to, contracts, insurance policies, loans, and other debt obligations shall be co-signed by the president and either the treasurer or the Executive Director after receipt of prior written board authorization. If time is of the essence and one or all of the required parties are not able to co-sign, the board shall identify and authorize the co-signers by written resolution which can be in the form of an electronic transmission.

ARTICLE VII INDEMNIFICATION

7.01 *Nonderivative Actions.* Subject to all of the other provisions of this article, the corporation 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. This includes any civil, criminal, administrative, or investigative proceeding, whether formal or informal (other than an action by or in the right of the corporation). Such indemnification shall apply only to a person who was or is a director or officer of the corporation or who was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not for profit. The person shall 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 such 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.

7.02 *Derivative Actions.* Subject to all of the provisions of this article, the corporation shall 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 (a) the person was or is a director or officer of the corporation or (b) the person was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether or not for profit. The person shall 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.

7.03 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 7.01 or 7.02 of this article, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person shall 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.

7.04 Contract Right; Limitation on Indemnity. The right to 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 such person's capacity as a director or officer. Except as provided in section 7.03 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 such person without authorization by the board.

7.05 Determination That Indemnification Is Proper. Any indemnification under sections 7.01 or 7.02 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 7.01 or 7.02, whichever is applicable. The 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 such action, suit, or proceeding.
- (b) If the quorum described in clause (a) above is not obtainable, by a committee of directors who are not parties to the action. The committee shall consist of not less than two disinterested directors.
- (c) By independent legal counsel in a written opinion.

7.06 Proportionate Indemnity. If a person is entitled to indemnification under sections 7.01 or 7.02 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.

7.07 Expense Advance. Expenses incurred in defending a civil or criminal action, suit, or proceeding described in sections 7.01 or 7.02 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 it need not be secured.

7.08 Nonexclusivity 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.

7.09 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.

7.10 Former Directors and Officers. The indemnification provided in this article continues for a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, and administrators of that person.

7.11 Insurance. The corporation may purchase and maintain insurance on behalf of any person who (a) was or is a director, officer, employee, or agent of the corporation or (b) was or is serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise. 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 liability under this article or the laws of the state of Michigan.

7.12 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, the indemnification to which any person shall be entitled shall be determined by the changed provisions, but only to the extent that the change permits the corporation to provide broader indemnification rights than the provisions permitted the corporation to provide before the change.

ARTICLE VIII COMPENSATION

8.01 When disclosed and authorized by the full board, a person who is not a board member or an officer of the corporation shall be reasonably compensated for services rendered to the corporation as an employee, agent, or independent contractor, except as prohibited by these bylaws.

ARTICLE IX
FISCAL YEAR

9.01 The fiscal year of the corporation shall end on June 30.

ARTICLE X
AMENDMENTS

10.01 The board of directors at any regular or special meeting may amend or repeal these bylaws, or 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 requirement for the meeting of the board.

ARTICLE XI
DISSOLUTION

11.01 In the event of dissolution, all assets, real and personal of the corporation shall be distributed to such organizations, as are qualified as tax-exempt under Section 501 (c) (3) of the Internal Revenue Code or the corresponding provisions of future United States Revenue Law.

Approved by Board of Directors vote 3-24-2015