



CITY COUNCIL ACTION REPORT

Date January 16, 2008

TO: Phillip L. Nelson, City Manager

FROM: Tonni L. Bartholomew, City Clerk

SUBJECT: Request for Recognition as a Nonprofit Organization Status from Cathy Killian, President – Troy Foundation for Educational Excellence

Background:

- Attached is a request from Cathy Killian, President – Troy Foundation for Educational Excellence, seeking recognition as a nonprofit organization status for the purpose of obtaining a charitable gaming license for fundraising purposes. It has been City Management's practice to support the approval of such requests.

Financial Considerations:

- There are no financial considerations associated with this item.

Legal Considerations:

- There are no legal considerations associated with this item.

Policy Considerations:

- There are no policy considerations associated with this item.

Options:

- It is recommended that Troy City Council approve the proposed resolution to approve the request from Cathy Killian, President – Troy Foundation for Educational Excellence asking that they be recognized as a nonprofit organization operating in the community for the purpose of obtaining a charitable gaming license.



TROY FOUNDATION FOR EDUCATIONAL EXCELLENCE

4400 Livernois Rd. • Troy, MI 48098 • 248/823-4000 • Fax 248/823-4013

December 20, 2007

Mayor Louise E. Schilling and
Members of City Council
Troy City Hall
500 W Big Beaver
Troy, MI 48084

Dear Mayor Schilling and Council Members:

Enclosed please find a completed application packet requesting a Resolution recognizing the Troy Foundation for Educational Excellence (TFEE) as a Local Civic Organization that is eligible to obtain charitable gaming licenses in the community for fundraising purposes. Our organization is a non-profit 501(c)3 corporation created by friends and supporters of the Troy School District to enhance and enrich the educational opportunities offered to children. The Foundation holds several fundraising events each year, including a Train Show, scheduled this year for January 20, 2008. As one of the fundraising activities at the Train Show, TFEE is requesting a raffle license that will allow us to distribute door prizes and sell raffle tickets for various train-related prizes. The Train Show Planning Committee has determined that these incentives will increase interest and attendance at the show and will help to maintain budgeted revenue that the organization realizes from one of our cornerstone fundraising events. Each year, TFEE awards more than \$35,000 in grants to support educational initiatives in the Troy School District, and we constantly strive to identify new opportunities to maintain revenue streams to support our continued giving efforts.

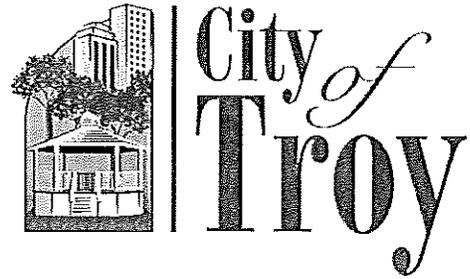
In preparing for the State of Michigan's Raffle Application for a Local Civic Organization, we have discovered that we do not have the requisite resolution passed by a local body of government that recognizes the TFEE as a nonprofit organization in the community. We have discussed the matter with the Charitable Gaming Division of the Bureau of State Lottery and secured an agreement for issuance of a provisional raffle license while we work to secure an appropriate resolution, due to time constraints of the holidays. We therefore respectfully request your approval of the attached resolution form issued by the State, after your review of our organization's supporting materials.

If you have further questions or concerns, please do not hesitate to contact me.

Regards,

Cathy Killian, President
Troy Foundation for Educational Excellence

City of Troy
 City Clerk's Office
 500 West Big Beaver
 Troy, Michigan 48084
 (248) 524-3331
 www.troymi.net/clerks



(Send Application & Remittance to Above Address)

APPLICATION FOR CHARITABLE SOLICITATION PERMIT – FUND RAISING

File the following information with the City Clerk's Office at least 21 days prior to the time permit is desired.
 TIME SPAN FOR PERMIT NOT TO EXCEED NINETY (90) DAYS.

Date Filed 1-4-2008

Name of Organization TROY FOUNDATION FOR EDUCATIONAL EXCELLENCE Phone 248-823-4035

Local Address 4400 LIVERMIS RD TROY MI 48098
City State Zip

Home Office, if Different _____
City State Zip

Name of Parent Organization N/A

Address _____
Street City State Zip

Local Representatives/Officers of Organization

<u>CATHY KILLIAN</u>	<u>CHAIRMAN of BOARD</u>	<u>248-689-7931</u>
<small>Name</small>	<small>Title</small>	<small>Phone</small>
<u>JOHN WEYRAUCH</u>	<u>VICE CHAIRMAN</u>	<u>248-828-4397</u>
<small>Name</small>	<small>Title</small>	<small>Phone</small>
<u>RICH MAZIASZ</u>	<u>TREASURER</u>	<u>586-293 9200</u>
<small>Name</small>	<small>Title</small>	<small>Phone</small>

Person in Direct Charge of Solicitations:

Name CATHY KILLIAN Title CHAIRMAN OF BOARD
 Street Address 3972 KINGS POINT DRIVE Phone 248-689-7931
 City/State/Zip TROY MI 48083

This is page 1 of a 1 page Application – Please make sure all three (3) pages are complete and returned to the Clerk's Office for processing.

How are Funds Solicited? RAFFLE TICKETS

Locations	Dates	Times
TROY ATHENS HS	1/20/08	10 am - 3 pm

To what purpose will you put these funds? CREATE ADDITIONAL ACADEMIC OPPORTUNITIES FOR TROY SCHOOL DISTRICT STUDENTS

What is the requested amount for contribution? ~~2000~~ \$5 / RAFFLE TICKET

Type of Organization: Religious Health Social Educational
 Professional Fraternal Other _____

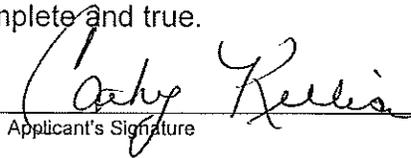
Are you incorporated by the State? Yes No
Have you registered with the Department of Commerce? Yes No
Have you registered with Assumed Names, County Division? Yes No
Have you registered with the Attorney General's Office, Charitable Trust Division? Yes No
Are you on file with the Internal Revenue Service as being Tax Exempt? Yes No

If any of the above questions are checked as yes, please provide us with copies of the forms and permits involved.

YOU MUST ATTACH COPIES OF THE FOLLOWING:

Financial statement of your organization for the past year. Include all fund raising events.

I hereby certify that the foregoing information is complete and true.


Applicant's Signature

DATE FORWARDED TO POLICE DEPARTMENT FOR INFORMATION _____

Department	
Police	

Date License Issued by City Clerk's Office _____

This is page 2 of a 2 page Application – Please make sure all three (3) pages are complete and returned to the Clerk's Office for processing.



Charitable Gaming Division
 Box 30023, Lansing, MI 48909
 OVERNIGHT DELIVERY:
 101 E. Hillisdale, Lansing MI 48933
 (517) 335-5780
 www.michigan.gov/cg

LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING LICENSES
 (Required by MCL.432.103(9))

At a _____ meeting of the _____
REGULAR OR SPECIAL TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD

called to order by _____ on _____
DATE

at _____ a.m./p.m. the following resolution was offered:
TIME

Moved by _____ and supported by _____

that the request from _____ of _____,
NAME OF ORGANIZATION CITY

county of _____,
COUNTY NAME asking that they be recognized as a

nonprofit organization operating in the community for the purpose of obtaining charitable

gaming licenses, be considered for _____.
APPROVAL/DISAPPROVAL

APPROVAL

DISAPPROVAL

Yeas: _____

Yeas: _____

Nays: _____

Nays: _____

Absent: _____

Absent: _____

I hereby certify that the foregoing is a true and complete copy of a resolution offered and

adopted by the _____ at a _____
TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD REGULAR OR SPECIAL

meeting held on _____
DATE

SIGNED: _____
TOWNSHIP, CITY, OR VILLAGE CLERK

PRINTED NAME AND TITLE

ADDRESS

COMPLETION: Required.
 PENALTY: Possible denial of application.
 BSL-CG-1153(R10/06)

Internal Revenue Service

Date: January 12, 2006

TROY FOUNDATION FOR EDUCATIONAL
EXCELLENCE
4400 LIVERNOIS
TROY MI 48098-4777

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:
Sheila Schrom 31-02836
Customer Service Representative
Toll Free Telephone Number:
877-829-5500
Federal Identification Number:
38-2868205

Dear Sir or Madam:

This is in response to your request of January 12, 2006, regarding your organization's tax-exempt status.

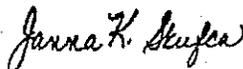
In June 1989 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under section 509(a)(2) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Janna K. Skufca, Director, TE/GE
Customer Account Services



Department of the Treasury
Internal Revenue Service
CINCINNATI, OH 45999

DATE OF THIS RETURN: 1/1/88
EMPLOYER IDENTIFICATION NUMBER: 38-2868209
TAX PERIOD EN. 3: N/A
17085838 0

For assistance you may
call us at:
237-0800 LOCAL DETROIT
1-800-424-1040 OTHER MI

TROY FOUNDATION FOR EDUCATIONAL
EXCELLENCE
4400 LIVERNOIS
TROY MI 48098

Or you may write to us at the address
shown at the left. If you write, be
sure to attach the bottom part of this
form.

TAX FORMS YOU MUST FILE:

Notice of New Employer Identification Number Assigned

Thank you for your Form SS-4, Application for Employer Identification Number (EIN). The number assigned to you is shown above. This number will be used to identify your business account and related tax returns and documents, even if you do not have employees.

1. Keep a copy of this number in your permanent records.
2. Use this number and your name exactly as shown above, on all Federal tax forms.
3. Use this number on all tax payments and tax related correspondence or documents.

Any variation used when filing tax returns, making FTD payments or subsequent payments may result in improper or delayed posting of payments to your account and/or the assignment of more than one EIN.

The filing requirement(s) and tax period shown above have been established for your account based on information contained on your Form SS-4. If you are a trust, your tax year generally must be a calendar year, unless you are exempt from taxation under section 501(a) of the Internal Revenue Code or a charitable trust described in section 4947(a)(1) of the Code. A partnership must conform its tax year to either its majority partners, its principle partners, or a calendar year, in that order, unless it can establish a business purpose for using a different year. Personal service corporation must have a required year for its tax year unless it can establish a business purpose for using a different year. See Publication 538, Accounting Periods and Methods, for a fuller discussion on the required year, including exceptions to the requirements. This publication is available at most IRS offices for more information.

Please note that the assignment of this number does not grant tax-exempt status to nonprofit organizations. Any organization (other than a private foundation) having annual gross receipts normally of \$25,000 or less is exempt by statute if it meets the requirements of Section 501(c)(3) of the Internal Revenue Code. These organizations are not required to file Form 1023 (Application for Recognition of Exemption) or file Form 990 (Return of Organization Exempt from Income Tax). However, if the organization wants to establish its exemption with the Internal Revenue Service and receive a ruling or determination letter recognizing its exempt status, it should file Form 1023 with the key district director. For details on how to apply for this exemption, see IRS publication 557, Tax-Exempt Status for your Organization, available at most IRS offices.

Thank you for your cooperation.

Keep this part for your records.

Form 8501 (Rev. 5-88)

PROPOSED TSEE BUDGET
2007/2008

Receipts	05/06 Budget	06/07 Budget	06/07 Actual	07/08 Budget	07/08 Actual
401 - Corporate Contributions	250	0	230.00	0	0
403 - General Public Contributions	750	1000	500.00	1,000	0
405 - TSD Employee Contribution	0	0	1,100.00	500	0
407 - United Way Contribution	2,500	1,000	3,119.68	700	0
410 - Walk Fundraiser	20,000	13,000	15,511.66	15,000	15,136
412 - Extravaganza Fundraiser	Eliminated	Eliminated	Eliminated	Eliminated	Eliminated
414 - Hoops Fundraiser	13,000	Eliminated	Eliminated	Eliminated	Eliminated
416 - Model Train Fundraiser	8,000	15,300	14,368.26	13,000	0
418 - Golf Outing Fundraiser	50,000	50,000	31,574.68	43,000	0
470 - Miscellaneous Income	0	0	789.05	0	0
471 - Transfer In Income	0	10,050	10,050.00	0	2,241
490 - Investment Income	4,500	4,500	6,403.77	5,000	0
Total Receipts	\$99,000	\$94,850	\$83,647	\$78,200	\$17,377
Disbursements					
500 - PERF Disbursements	4,500	4,500	4,500.00	4,500	0
501 - Faculty Grants	18,000	34,500	32,603.99	28,000	0
503 - Student/Student Org Grants	16,500	See above	See Above	See Above	See Above
502- TSD-IB Program			N/A	2,500	0
504- Elementary Choir		1,000	0.00	1,000	0
505 - All Night Parties	1,000	1,000	1,000.00	1,000	0
506 - Senior Picnics	500	500	500.00	500	0
507 - Diversity Programs	500	500	500.00	500	0
508- 8th to 9th transitions AHS		500	0.00	500	0
509 - Fine Arts Scholarships	1,000	1,000	1,000.00	1,000	0
511- Hospitality		1,500	721.68	1,300	0
510 - Walk Fundraiser	3,100	3,500	3,198.84	3,000	1,750
512 - Extravaganza Fundraiser	Eliminated	Eliminated	Eliminated	Eliminated	Eliminated
514 - Hoops Fundraiser	6,500	Eliminated	Eliminated	Eliminated	Eliminated
516 - Model Train Fundraiser	2,500	7,250	8,827.21	6,000	0
518 - Golf Outing Fundraiser	29,000	29,000	19,219.66	21,000	0
520 - Insurance	2,500	2,500	2,005.00	2,500	0
530 - Postage/Office Supplies	1,000	100	85.95	100	0
540 - Marketing & Communications	2,900	500	29.25	300	0
550 - Gifts & Awards	500	500	350.00	500	0
560 - Endowment Seminars	1,000	0	0.00	0	0
562 - Data Base Management	500	0	0.00	0	0
564 - Membership & Exhibits	1,000	250	245.00	250	0
570 - Miscellaneous/Contingency	2,500	2,500	0.00	1,000	0
590 - Bank Charges	500	250	209.19	250	0
591 - Finance Operations	3,500	3,500	2,982.00	2,500	0
Total Disbursements	\$99,000	\$94,850	\$77,977.77	\$78,200	\$1,750

\$0

Note: Receipts and disbursements do not include TAAC

Date Received

(FOR BUREAU USE ONLY) DM

This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.

Trans Info: 1 3351839-1 01/24/01

CHK#: 847

ID: Amt: 3.00

712377

FILED

MAR 21 2001

Name

Carol L. Vondale

Address

1735 Sunburst

City

Troy

State

MI

Zip Code

48098

EFFECTIVE DATE Administrator
BUREAU OF COMMERCIAL SERVICES

Document will be returned to the name and address you enter above.
If left blank document will be mailed to the registered office.

RESTATED ARTICLES OF INCORPORATION
For use by Domestic Nonprofit Corporations
(Please read information and instructions on the last page)

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following

Restated Articles:

1. The present name of the corporation is:
Troy Foundation for Educational Excellence
2. The identification number assigned by the Bureau is: 712-377
3. All former names of the corporation are:
None
4. The date of filing the original Articles of Incorporation was: February 29, 1988

The following Restated Articles of Incorporation supersede the Articles of Incorporation as amended and shall be the Articles of Incorporation for the corporation.

ARTICLE I

The name of the corporation is:
Troy Foundation for Educational Excellence

ARTICLE II

The purpose or purposes for which the corporation is organized are:
See attached.

ARTICLE III

The corporation is organized on a nonstock basis.

(stock or nonstock)

1. If organized on a stock basis, the aggregate number of shares which the corporation has authority to issue is _____ . If the shares are, or are to be divided into classes, the designation of each class, the number of shares in each class, and the relative rights, preferences, and limitations of the shares of each class are as follows:

2. If organized on a nonstock basis, the description and value of its real property assets are: (if none, insert "none")

None

and the description and value of its personal property assets are: (if none, insert "none")

Cash, money market and mutual funds which total \$108,886.45 before charitable distributions

(The valuation of the above assets was as of December 31, 192000)

The corporation is to be financed under the following general plan:

The corporation is organized on a directorship basis.

(membership or directorship)

ARTICLE IV

1. The address of the registered office is:

4400 Livernois Troy Michigan 48098
(Street Address) (City) (ZIP Code)

2. The mailing address of the registered office if different than above:

_____ Michigan
(Street Address or P.O. Box) (City) (ZIP Code)

3. The name of the resident agent is: Dr. Janet H. Jopke, Superintendent

See attached.

COMPLETE SECTION (a) IF THE RESTATED ARTICLES DO NOT FURTHER AMEND THE ARTICLES OF INCORPORATION; OTHERWISE, COMPLETE SECTION (b).

a. These Restated Articles of Incorporation were duly adopted on the ___ day of _____, 19___, in accordance with the provisions of Section 642 of the Act by the Board of Directors without a vote of the members or shareholders. These Restated Articles of Incorporation only restate and integrate and do not further amend the provisions of the Articles of Incorporation as heretofore amended and there is no material discrepancy between those provisions and the provisions of these Restated Articles.

Signed this _____ day of _____, 19___

By _____

(Signature of Authorized Officer or Agent)

(Type or Print Name)

b. These Restated Articles of Incorporation were duly adopted on the 18th day of January ~~18~~ 2001 in accordance with the provisions of Section 642 of the Act. These Restated Articles of Incorporation restate, integrate, and do further amend the provisions of the Articles of Incorporation, and: (check one of the following)

were duly adopted by the shareholders, the members, or the directors (if organized on a nonstock directorship basis). The necessary number of votes were cast in favor of these Restated Articles of Incorporation.

were duly adopted by the written consent of all the shareholders or members entitled to vote in accordance with Section 407(3) of the Act.

were duly adopted by the written consent of all the directors pursuant to Section 525 of the Act as the corporation is organized on a directorship basis.

were duly adopted by the written consent of the shareholders or members having not less than the minimum number of votes required by statute in accordance with Section 407(1) and (2) of the Act. Written notice to shareholders or members who have not consented in writing has been given. (Note: Written consent by less than all of the shareholders or members is permitted only if such provision appears in the Articles of Incorporation)

Signed this 23rd day of January, ~~18~~ 2001

By Brad Pines

(Signature of President, Vice-President, Chairperson, or Vice-Chairperson)

Brad Pines, Chairperson

(Type or Print Name)

(Type or Print Title)

Attachment to Restated Articles of Incorporation
Troy Foundation for Educational Excellence

Article II (Corporate Purpose)

The corporation is organized exclusively for educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law). The corporation shall receive and disburse funds, property and gifts of any kind exclusively for the benefit of the Troy School District, a division of the Trustees of the Troy School District Board of Education, or any organization that may be established to succeed the Board of Trustees of the Troy School District in the operation of any of the facilities of the Troy School District in Oakland County, Michigan.

Article V (Corporate Powers)

Without limiting the general powers granted to the corporation by Michigan law, the corporation shall have the following specific powers:

- a. To aid in the fulfillment of teaching, and service functions of the Troy School District by providing funds;
- b. To make grants and loans of any corporate property for the purpose of furthering the educational purposes of the corporation;
- c. To solicit, accept, administer, and disburse gifts, grants, and bequests of property of every kind or to hold said property in trust in such manner as the corporation deems appropriate for the furthering of the purposes of the corporation;
- d. To receive grants from government or other sources and to disburse such grants for the support of education and educational projects of the Troy School District system;
- e. To make distribution to the Troy School District or any organization organized to support the Troy School District that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or any corresponding provision of any future United States Internal Revenue law);
- f. To provide, with such provision becoming effective as of the effective date of this restatement, that the personal liability a volunteer director (trustee) or volunteer officer to the corporation for monetary damages for a breach of the director's (trustee's) or officer's fiduciary duty shall be eliminated to the extent permitted under MCLA 450.2209 or successor statutory provision; and
- g. To assume, with such assumption becoming effective as of the effective date of this restatement, all liability to any person, other than the corporation, for all acts or omissions of its volunteer directors (trustees), volunteer officers and other volunteers to the extent permitted under MCLA 450.2209 or successor statutory provision.

Article VI (Use of Earnings)

No part of the net earnings of the corporation shall inure to the benefit of or be

distributable to its Trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered. No substantial part of the activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Revenue law) or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or corresponding provision of any future United States Internal Revenue law).

Article VII (Trustees)

The Trustees shall manage the corporation. The corporation may have up to six (6) voting Trustees who are 16 or 17 years of age as described in the Bylaws. In no event shall the number of Trustees who are 16 or 17 years of age exceed one-half (1/2) of the total number of Trustees required for a quorum for the transaction of business. The corporation shall have no members.

Article VIII (Dissolution)

In the event of the dissolution of the corporation, the Board of Trustees shall cause the assets of the corporation to be distributed as follows:

- a. All liabilities of the corporation shall be paid or adequate provision shall be made for payment;
- b. Assets held by the corporation upon a condition which occurs by reason of the dissolution shall be returned or conveyed in accordance with such requirements; and
- c. All of the remaining assets of the corporation shall be conveyed to the Trustees of the Board of Education of the Troy School District or its successor, if said corporation or its successor shall qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provision of any future United States Internal Revenue law). If said corporation or its successor shall not so qualify, the remaining assets shall be conveyed to one or more other organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes and qualified as exempt under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue law).

**RESTATED
BYLAWS
OF
TROY FOUNDATION FOR EDUCATIONAL EXCELLENCE**

**ARTICLE I
OFFICERS, CORPORATE SEAL**

Section 1.01. **Registered Office.** The registered office of the corporation in Michigan shall be that set forth in the Articles of Incorporation, or in a resolution of the Trustees filed with the Secretary of State changing the registered office.

Section 1.02. **Other Offices.** The corporation may have such other offices, within or without the State of Michigan, as the Trustees shall from time to time determine.

Section 1.03. **Corporate Seal.** The corporation may have a corporate seal of a design and form to be determined by the Board of Trustees.

**ARTICLE II
BOARD OF TRUSTEES**

Section 2.01. **Members.** This Foundation shall have no members. All corporate actions shall be approved by the Board of Trustees as provided in these bylaws. All rights, which would otherwise rest in the members, shall rest in the Trustees.

Section 2.02. **General Powers.** The property, affairs and business of the corporation shall be managed by the Trustees.

Section 2.03. **Property.** No trustee shall have any right, title or interest in or to the property of the corporation.

Section 2.04. **Number, Qualification and Term of Office.** Subject to the requirements of applicable laws and these Bylaws, there shall be a minimum number of nineteen (19) voting Trustees. The number of voting Trustees may be increased or decreased to any odd number, by a vote of the Trustees present. The Superintendent of the Troy School District or his or her designee shall hold a permanent official seat with vote. In addition, two members of the Board of Education of the Troy School District will hold permanent seats with vote and such members shall be appointed from time to time by the Board of Education. Further, two (2) voting Trustees shall be appointed by the Troy Athletic Advisory Council each year and shall hold permanent seats. Finally, it is

the goal of this corporation that each high school within the District shall be represented by at least one (1) student representative. However, the maximum number of student representatives from each high school shall be two (2). Each student representative shall be appointed annually by the Board. Each student representative who has attained the age of sixteen (16) shall be a voting trustee. The number of voting Trustees shall be adjusted as required so that the number of Trustees who are sixteen (16) or seventeen (17) do not exceed one-half of the total number of Trustees required for a quorum for the transaction of business.

All voting Trustees, not holding permanent official seats or student representative seats, shall be elected by a majority vote of the duly qualified Trustees present. Such Trustees shall hold office until the earlier of:

- (a) the annual meeting three (3) years following his or her election and until his or her successor shall have been elected,
- (b) his or her death,
- (c) his or her resignation, or
- (d) until he or she has been removed in the manner hereinafter provided.

The term of office for approximately one-third of the Trustees shall expire each year. Trustees may be re-elected to successive or non-successive terms, without limitation. The Nominating Committee described in Section 4.01 shall annually produce a list of Trustees to be considered for the positions vacating as the result of the expiration of the three-year term limit. The list may include any Trustee seeking reelection for a new term as well as new candidates.

Section 2.05. **Resignation.** Any Trustee of the corporation may resign at any time by giving written notice to the Chairman of the Board or to the Secretary of the corporation. The resignation of any Trustee shall take effect at the time specified therein; and, unless other specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 2.06. **Vacancies.** Any vacancy in the Board of Trustees caused by death, resignation, disqualification, removal, or any other cause, shall be filled by a vote of the Board of Trustees and the Trustee so elected shall hold office for the remaining term of that Trusteeship or until his or her successor shall be duly elected and qualified by the remaining Trustees.

Section 2.07. **Place of Meeting.** The Board of Trustees may hold its meetings at such place or places, within or without the State of Michigan, as it may choose.

Section 2.08. **Annual Meetings.** Within the sixty days prior to the beginning of a new fiscal year, the annual meeting of the corporation shall be held for the purposes of electing Trustees to vacating or vacant positions, electing officers of the corporation and any other business or transactions as

shall properly come before the meeting. Notice of the annual meeting shall be given in writing not less than ten (10) days prior to said meeting dates.

Section 2.09. **Regular Meetings.** Regular meetings of the Board of Trustees shall be held at such time and place within the State of Michigan as the Board may determine by resolution adopted by the vote of the Board of Trustees. Notice of regular meetings shall be given five (5) days prior to the meeting.

Section 2.10. **Special Meetings: Notice.** Special meetings of the Board of Trustees shall be held whenever called by the Chairman of the Board or by two or more of the Trustees. Notice of each special meeting shall be mailed to each Trustee, addressed to the Trustee at his or her residence or usual place of business, at least five (5) days before the day on which the meeting is to be held, or to be delivered personally or by telephone, no later than two (2) days before the day on which the meeting is to be held. Each such notice shall state the time and place of the meeting but need not state the purpose thereof except as otherwise herein expressly provided. Any meeting of the Board shall be a legal meeting without any notice thereof having been given, if all of the Trustees of the corporation then in office shall be present thereat or waive such notice in writing before, at, or after such meeting.

Section 2.11. **Quorum and Manner of Acting.** Except as otherwise provided by statute or by these Bylaws, forty (40%) percent of the Trustees shall be required to constitute a quorum for the transaction of business at any meeting, and the act of a majority of the Trustees present at any meeting at which a quorum is present shall be the act of the Board of Trustees. In the absence of a quorum, a majority of the Trustees present may adjourn any meeting until a quorum be had. Notice of any adjourned meeting need not be given.

Section 2.12. **Removal of Trustees.** Any Trustee may be removed for cause at any time. Any Trustee who fails to attend three (3) consecutive meetings without giving prior notice to the Chairman of the Board shall be subject to removal for cause as provided herein. Removal for failure to attend or any other reason shall be by a vote of a majority of the Trustees of the corporation at a special meeting of the Trustees called for that purpose. Proper notice must be given in writing ten (10) days prior to such a meeting and the vacancy in the Board of Trustees caused by any such removal shall be filled in the manner specified in Section 2.06 hereof.

Section 2.13. **Proxies.** Proxies shall not be allowed or used.

ARTICLE III OFFICERS

Section 3.01. **Number.** The officers of the corporation shall be a Chairman of the Board, a Secretary, a Treasurer, and, if the Board shall so elect, one (1) or more Vice Chairmen and such other officers as may be appointed by the Board of Trustees. Any two (2) or more offices, except those of the Chairman of the Board and Vice Chairman, may be held by the same person.

Section 3.02. **Election, Term of Office and Qualifications** All officers shall be elected annually by the Trustees of the corporation, except in the case of officers appointed in accordance with the provisions of Section 3.10, each shall hold office for a period of one (1) year and until his or her successor shall have been duly elected and qualified, or until his or her death, or until he or she shall resign, or until he or she shall have been removed in the manner hereinafter provided. Officers shall be Trustees.

Section 3.03. **Resignations.** Any officer may resign at any time by giving written notice of his or her resignation to the Board of Trustees, to the Chairman of the Board or to the Secretary of the corporation. Any such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.04. **Removal.** Any officer may be removed, with cause, by a vote of the Board of Trustees at a meeting called for that purpose and such purpose shall be stated in the notice or waiver of notice of such meeting unless all the Trustees of the corporation shall be present thereat. A majority vote of all duly qualified trustees is required for removal of any officer.

Section 3.05. **Vacancies.** A vacancy in any office because of death, resignation, removal or any other cause shall be filled for the unexpired portion of the term in the manner prescribed in these Bylaws for election or appointment to such office.

Section 3.06. **Chairman of the Board.** The Chairman of the Board shall assume all duties normally associated with that office. The Chairman of the Board shall conduct the meetings of the corporation. The Chairman of the Board shall be the chief executive officer of the corporation and shall have general active management of the business of the corporation. He or she, shall, when present, preside at all meetings of the Trustees. He or she shall see that all orders and resolutions of the Board of Trustees are carried into effect. He or she, with the proper signature of one other duly qualified officer of the corporation, may execute and deliver in the name of the corporation any deeds, mortgages, bonds, contracts or other instruments pertaining to the business of the corporation, including without limitation, any instruments necessary or

appropriate to enable the corporation to donate income or principal of the corporation to or for the account of such organizations, causes, and projects described in the Articles of Incorporation of the corporation as the corporation was organized to support. He or she shall have such other duties as may from time to time be prescribed by the Board of Trustees.

Section 3.07. **Vice Chairman.** Each Vice Chairman, if any shall be elected by the Board of Trustees, shall have such powers and shall perform such duties as may be specified in the Bylaws or prescribed by the Board of Trustees or by the Chairman of the Board. In the event of absence or disability of the Chairman of the Board, Vice Chairmen shall succeed to his or her power and duties in the order designated by the Board of Trustees.

Section 3.08. **Secretary.** The Secretary or designee shall see that the proceedings of the meetings of the Board of Trustees are kept. He or she shall when directed to do so, notify the Trustees of all meetings, and perform such other duties as may from time to time be prescribed by the Board of Trustees or by the Chairman of the Board and, in general shall perform all duties incident to the office of the Secretary.

Section 3.09. **Treasurer.** The Treasurer shall cause to be kept accurate accounts of all moneys of the corporation received or disbursed. He or she shall deposit all moneys, drafts and checks in the name of, and to the credit of, the corporation in such banks and depositories as a majority of the whole Board of Trustees, by resolution, shall from time to time designate. He or she shall have power to endorse for deposit all notes, checks and drafts received by the corporation. He or she shall cause to be rendered to the Chairman of the Board and the Trustees, wherever required, an account of all his or her transactions as Treasurer and of the financial condition of the corporation, and shall perform such other duties as may from time to time be prescribed by the Board of Trustees or by the Chairman of the Board, and, in general, shall perform all duties incident to the office of the Treasurer.

Section 3.10. **Other Officers.** The corporation may have such other officers and agents as may be deemed necessary by the Board of Trustees, who shall be appointed in such manner, have such duties and hold their offices for such terms as may be determined by resolution of the Board of Trustees.

Section 3.11. **Election Procedure.** The nominating committee shall provide each Trustee with a list of officers thirty (30) days prior to the annual meeting. The slate of officers shall be presented for vote at the annual meeting. A vote of a majority of duly qualified Trustees shall be required to elect officers.

ARTICLE IV COMMITTEES

Section 4.01. **Nominating Committee.** A nominating committee of at least three (3) Trustees shall be appointed each year. The Nominating Committee shall produce a list of Trustee candidates which, at a minimum, is sufficient to fill all vacant or vacating Trustee positions. In addition, the Nominating Committee shall produce a list of Trustees willing to serve as officers. The list of Trustee and officer candidates shall be presented to all duly qualified voting Trustees at least thirty (30) days prior to the annual meeting. Trustees and officers shall be elected at the annual meeting as prescribed by these bylaws.

Section 4.02. **Troy Athletic Advisory Council.** The Troy Athletic Advisory Council shall constitute a standing committee of the corporation. Such committee shall have members, as permitted under its organizational bylaws, and two members who are Trustees of the corporation. The Troy Athletic Advisory Council will develop organizational bylaws and operating procedures that are consistent with the bylaws of the corporation.

The Troy Athletic Advisory Council Committee shall bring to the Board for approval an annual budget for disbursements and other projects that benefit the athletic programs of the Troy School District. The net assets raised by Council activities shall be held in a separate bookkeeping account by the corporation, to be used for Council-recommended athletic program purposes. These Council assets shall remain part of corporate assets, which are subject to the claims of the corporation's creditors.

Section 4.03. **Other Committees.** The Board of Trustees may act by and through such other committees as may be specified in resolutions adopted by a vote of the Trustees. Each such committee shall have such duties and responsibilities as are granted to it by the Board of Trustees. Each such committee shall at all times be subject to the direction of the Chairman of the Board of Trustees.

The Board of Trustees may also establish committees composed of volunteers and/or trustees to assist the Board with activities that are consistent with the corporate purpose. Each such Committee shall only have the duties assigned to it by the Board and shall not be involved in the general management of the business and affairs of the Corporation.

The Board of Trustees may appoint any person, who previously held the position of Trustee, to act as an "Advisory Trustee" with respect to the Corporation. Each Advisory Trustee shall assist the Board with respect to special projects and issues, as needed. No Advisory Trustee shall have voting rights or be deemed to

be an active Trustee for any corporate purpose. However, each Advisory Trustee shall be encouraged to participate in the activities of the Corporation.

ARTICLE V FISCAL AGENTS

This corporation may designate such fiscal agents, investment advisors and custodians as the Board of Trustees may select by resolution. The Board of Trustees may at any time, with or without cause, discontinue the use of the services of any such fiscal agent, investment advisor, or custodian.

ARTICLE VI BOOKS OF RECORD, AUDIT, FISCAL YEAR, BOND

Section 6.01. **Books and Records.** The Board of Trustees of this corporation shall cause to be kept:

- (1) records of all proceedings of the Board of Trustees, and Committees thereof; and
- (2) all financial statements of this corporation; and
- (3) Articles of Incorporation and Bylaws of this Corporation and all amendments thereto and restatements thereof; and
- (4) such other records and books of account as shall be necessary and appropriate to the conduct of the corporate business.

Section 6.02. **Audit and Publication.** The Board of Trustees shall cause the records and books of account of this corporation to be audited at least once in each fiscal year in such a manner as may be deemed necessary or appropriate, and also shall make such inquiry as the Board of Trustees deems necessary or advisable into the condition of all trusts and funds held by any Trustee, agent, or custodian for the benefit of this corporation, and shall retain such person or firm for such purposes as it may deem appropriate. Not later than six months after the close of each fiscal year of this corporation, the Board of Trustees of this corporation may furnish to the Board of Education of the Troy School District copies of the corporation's financial statements for its immediately preceding fiscal year and may, if determined necessary or appropriate by the Board of Trustees, cause such financial statements to be published in one or more local newspapers having general circulation and distribution, as may be selected by the Board of Trustees.

Section 6.03. **Fiscal Year.** The fiscal year of the corporation shall end on June 30 of each year.

Section 6.04. **Bond.** The corporation shall obtain bond on such people and in such amounts as may from time to time be deemed necessary by the Board of Trustees.

ARTICLE VII WAIVER OF NOTICE

Whenever any notice is required to be given by these Bylaws or any of the corporate laws of the State of Michigan, such notice may be waived in writing, signed by the person or persons entitled to said notice, whether before, at, or after the time stated therein, or before, at, or after the meeting.

ARTICLE VIII INDEMNIFICATION AND INSURANCE

Subject to all of the limitations set forth in this Article VIII, the corporation shall indemnify any person by reason of the fact that such person is or was a director (trustee), officer, employee, nondirector volunteer, or agent for monetary damages (including settlement amounts) and expenses. Such indemnification shall only be for such reasons and at such times as are permitted under the Michigan Nonprofit Corporation Act. The indemnification provided under this Article shall be of the kind which is specifically addressed in MCLA Sections 450.2561- 450.2565, as amended from time to time. Such indemnification shall be limited to those liquid cash assets (including insurance coverage) available at the time that such person makes an indemnification claim for monetary damages and expenses to the corporation. The corporation, in its discretion, may purchase and maintain insurance which may be used to satisfy indemnification claims.

To the extent that the Articles of Incorporation provide protection against personal liability for the affected Trustee, officer or other volunteer, claims for indemnification will only be satisfied by the corporation if the requirements of the preceding paragraph are met and if the person requesting indemnification has incurred an actual out-of-pocket loss which has not been reimbursed from any other source.

ARTICLE IX AMENDMENTS

The Board of Trustees may amend this corporation's Articles of Incorporation, as heretofore or hereafter from time to time amended or restated, and these Bylaws as from time to time amended or restated, to include or omit

any provision, which could be lawfully included or omitted. Any number of amendments, or an entire revision or restatement of the Articles of Incorporation or Bylaws, either may be submitted and voted upon at a single meeting of the Board of Trustees and be adopted at such meeting a quorum being present, upon receiving the affirmative vote of not less than two-thirds of the whole number of Trustees; provided, however, that amendment of Article II of the Articles of Incorporation may be made only with the unanimous approval and resolution of all qualified Trustees.

The Secretary of the Corporation hereby declares that these Restated Bylaws were adopted pursuant to unanimous written consent resolution effective the 18th day of April, 2002.

Carla Smith
Secretary

Dated: July 13, 2002