

By-Laws

South Salem High Music Boosters

A Non-Profit Corporation

Article One

Offices for the Corporation

This is the restatement of By-Laws for the South Salem High Music Boosters. These By-Laws will be effective for the South Salem High Music Boosters as of December 8, 2008.

Section 1.01 Principal Office

The Corporation's principal office in the State of Oregon is 1910 Church SE, Salem, Oregon 97302. The Board of Trustees may change the principal office in the State of Oregon from time to time.

Section 1.02 Other Offices

The Board of Trustees may at any time establish branch or subordinate offices at those places where the Corporation is qualified to conduct its activities.

Section 1.03 Purpose

The Corporation exists to promote and support the continuing excellence of all music programs at South Salem High School and to advocate for the music education at South Salem High School and the greater Salem-Keizer community. The South Salem High Music Boosters recognizes that the Salem-Keizer School District has the primary responsibility for funding the basic needs of South Salem High School's music programs. The South Salem High Music Boosters shall operate in a supportive mode to augment, enhance and supplement the capabilities and effectiveness of music education and music programs at South Salem High School and its feeder schools (if deemed appropriate).

Section 1.04 Trustees, Board of Directors and other key positions

The key and elected positions for the Corporation will be the Trustees, Officers and Members at large. As may be specified in these By-laws, there may be other positions from time-to-time, such as assistants and Vice Presidents.

Article Two Members

The Corporation will not have members. Approval by the Board of Trustees is sufficient for any action that would otherwise require approval by a majority or all members. All rights that would otherwise vest in the members will instead vest in the Trustees.

Article Three Board of Trustees

Section 3.01 General Power

In order to eliminate any confusion with the Music Directors, the group that will manage the corporation will be referred to as the Board of Trustees. The Board of Trustees will manage the Corporation's property and business affairs. The Board of Trustees must act consistently with federal and state law, the Articles of Incorporation and the By-Laws.

Section 3.02 Number

The Corporation is authorized to have a number of Trustees is at least three, but not more than nine Trustees until changed by an amendment to these By-Laws by the Board of Trustees.

By these By-Laws, the Board of Trustees hereby fixes the number of directors at seven, which will comprise the entire Board of Trustees. It is the desire that the Board of Trustees fairly represent each of the musical groups (band, choir or orchestra) of the Music Department at South Salem High School, and that each group is represented by at least one Trustee. Notwithstanding the preceding sentence, it is not a requirement that there be a representative Trustee for band, choir or orchestra and that the best person suited for the position of Trustee be selected. With the exception of the Treasurer, it is the desire that the Trustees be parents of current students in band, choir or orchestra, or of students in a music program within the attendance area of South Salem High School. The Board of Trustee may not have more than one parent or relative of a student on the Board of Trustees.

Section 3.03 Selection and Term of Office

The Board of Trustees will elect its successor Trustees at the regularly scheduled meeting of the Board of Trustees in May of each year. If no meeting is held in May, the election will be held as soon as is conveniently possible after the scheduled meeting date. Immediately upon being elected to the Board of Trustees the Trustees will serve as a Trustee, and will continue to serve until his or her successor has been elected or until his or her death, resignation or removal.

It is recognized that the Treasurer Trustee position is critically important to the smooth operation of the corporation. For this reason, in the event that there is no suitable successor Treasurer, then

the current Treasurer may continue to serve as Treasurer and Trustee if that person is willing to continue to serve even though his or her child may have graduated from the South Salem High School music program.

Section 3.04 Filling of Vacancies

Subject to the provisions of Section 3.03, if any vacancy is caused by death, resignation or removal of a Trustee, the remaining Trustees, by majority vote, will elect a successor to hold office for the unexpired term of the Trustee whose place is vacant. The successor will serve as a Trustee until the next regular election of Trustees.

In the event the number of Trustees is increased as provided in the By-Laws, the current Trustees, by majority vote, will elect the appropriate number of additional Trustees to hold office until the next regular election of Trustees.

No reduction in the authorized number of Trustees will have the effect of removing any Trustee prior to the expiration of his or her term.

Section 3.05 Resignation

Subject to the provisions of Oregon law, any Trustee may resign by giving written notice to the Secretary of the Board of Trustees. The resignation will be effective when notice is received by the Secretary unless the notice specifies that the resignation will be effective on a later date. If the resignation is effective at a later date, a successor may be elected before that date but he or she will not take office until the resignation becomes effective.

Section 3.06 Removal

A Trustee may be removed for cause by two-thirds (2/3) vote of all Trustees then in office. The action will be taken at a regular meeting of the Board of Trustees or at a special meeting called for that purpose. The proposed removal must be announced in the notice and sent to the Trustees at least ten (10) days prior to the meeting.

Section 3.07 Compensation of Trustees

No salaries will be paid to any Trustee for their services.

Article Four Meetings

Section 4.01 Place of Meeting

The Board of Trustees will hold its meetings at the Corporation's principal office or at any place, the Board of Trustees may from time to time select by a majority vote or written consent of all the Trustees.

Section 4.02 Annual Meeting

The Board of Trustees will hold its annual meeting on or before the 90th day following the end of the corporation's fiscal year (currently, August 31 of each year). The annual meeting will consider the annual report of the President, showing the condition of the corporation as of the fiscal year, and for the transaction of such other business that may be brought before the meeting.

Section 4.03 Regular Meetings

While school is in session, it is anticipated that the Board of Trustees will hold meetings at least monthly. The Board of Trustees may hold regular meetings as determined by majority resolution of the Board of Trustees. For any regular meeting, no notice of the meeting date and place need be given.

Section 4.04 Special Meetings

Special meetings of the Board of Trustees may be called by the President or called by the President at the direction of not less than two Trustees, or as otherwise provided by law. Notice must be provided for any special meeting and the Board of Trustees may only transact the specific corporate business announced in the notice for the special meeting.

Section 4.05 Notice of Meetings

Except as may be otherwise specifically provided in the By-Laws, the Secretary must give at least ten (10) days written notice of each special meeting to all Trustees at their specified e-mail address, or their post office address as shown by the Corporation's records. Any person entitled to notice of a meeting may waive notice in writing either before or after the time of the meeting.

The attendance of a Trustee at any meeting will constitute a waiver of notice, except where a Trustee attends a meeting for the express purpose of objecting to the transaction of business at the meeting because the meeting is not lawfully called or convened.

Section 4.06 Quorum

A majority of the Trustees then in office shall constitute a quorum to transact business at all meetings of the Board of Trustees. If, however, at any meeting less than a quorum is present, a majority of those present may adjourn the meeting to a different place and time.

Section 4.07 Meetings of Trustees

If all of the Trustees entitled to vote meet at any place and consent to hold a meeting, the meeting will be valid without call or notice, and any corporate action may be taken at the meeting.

Section 4.08 Meetings by Telephone

Any annual, regular or special meeting may be held by conference telephone or similar communication equipment, as long as all Trustees participating in the meeting can hear one another. All participating Trustees will be considered present in person at the meeting for all purposes.

Section 4.09 Emergency Votes by E-mail

When a rare situation occurs that requires an immediate vote of the Board of Trustees, the President may e-mail each Trustee requesting their vote on the issue before the Board of Trustees. Each Trustee will vote or indicate any questions or concerns that he or she may have by sending their vote, question or concern **REPLY ALL**. The Secretary will receive and tally the votes for the President, and prepare a Written Consent consistent with Section 4.10 below for the signature of each Trustee at the next meeting for the Board of Trustees. The emergency decision will be confirmed at the next meeting and will be recorded in the Minutes.

In order to keep the Music Directors informed, in the event of any emergency votes by e-mail, the Music Directors will be included in all e-mails relating to the vote even though they do not have a vote.

If the President does not receive any reply from a Trustee or Music Director within 24 hours of the initial e-mail, the President will attempt to contact the Trustee or Music Director by telephone. Any emergency votes by e-mail will be consistent with the quorum and voting requirements of Section 4.06.

Section 4.10 Action without Meeting by Written Consents

If all of the Trustees severally or collectively consent in writing (including consent by e-mail and facsimile) to any action taken by the Corporation, whether before or after the action is taken, those consents will have the same force and effect as the unanimous vote of the Board of Trustees at a duly called meeting. The Secretary shall file the consents with the minutes of the Board of Trustees.

Section 4.11 Required Vote

Except as may be provided otherwise in the By-Laws or the Articles of Incorporation, the action of a majority of the Trustees at a meeting at which a quorum is present shall be the action of the Board of Trustees.

Section 4.12 Notice to Music Directors of Board Decisions

The Board of Trustees will strive to work in conjunction with the Music Directors to make decisions for the Corporation. In advance of a scheduled meeting, an agenda for the meeting will be delivered to each member of the Board of Trustees. In the event a Music Director is not in attendance of a meeting where a decision is made that affects the Music Director or his or her

group, then the Board of Trustees will make the Music Director aware of the decision before the decision is implemented. In the event that an item is presented at the meeting that is not on the agenda for the meeting, then a decision will not be made on the new agenda item until the next special or general meeting.

Article Five

Officers and Members at Large

Consistent with Article Three (particularly, Sections 3.01 and 3.02), it is anticipated that the Board of Directors will have a President, Vice President, Secretary, Treasurer and three Members at Large.

Section 5.01 Election, Tenure and Compensation

The officers of the Corporation are the President, the Secretary, and Treasurer. The President, Secretary and Treasurer will be members of the Board of Trustees. There may be one or more Vice Presidents and one or more assistants to the foregoing officers as the Board of Trustees may consider necessary, and these officers and assistants need not be members of the Board of Directors.

Officers will be elected at the same meeting as the Board of Trustees are elected (May of each year, or as such time as they may be elected under Section 3). Each officer will serve until his or her successor has been elected or until his or her death, resignation or removal.

Any two or more of the offices, except those of President and Secretary, may be held by the same person. No officer, however, may execute, acknowledge or verify any instrument in more than one capacity if the instrument is required by law or by the By-Laws to be executed, acknowledged or verified by any two or more officers. No officer will be entitled to any compensation.

In the event that any office (other than an office required by law) is not be filled by the Board of Trustees, or, once filled, subsequently becomes vacant, then the office and all references to the office in these By-Laws will be treated as inoperative until the office is filled as provided in these By-Laws.

All corporate officers and agents are subject to removal at any time by the majority vote of the Board of Trustees, except employees whose term is defined by written contract between the employee and the Board of Trustees, in which case the removal shall be governed by the employment contract.

Section 5.02 Powers and Duties of the President

The President is the Corporation's principal executive officer and has general charge and control over all of the Corporation's business affairs and properties. He or she shall preside at all meetings of the Board of Trustees.

The President may sign and execute all authorized checks, contracts or other obligations in the name of the Corporation. Unless otherwise specifically limited by the Articles of Incorporation and the By-Laws, the President has all powers and authority otherwise permitted the president of a Corporation under Oregon law. The President is an ex-officio member of all the standing committees and will perform any other duties assigned to him or her from time to time by the Board of Trustees.

In the event the office of Treasurer is vacant and no successor is designated, the President shall also have the duties and powers of the Treasurer as provided in Section 5.05.

Section 5.03 Powers and Duties of the Vice President

The Vice President may sign and execute all authorized checks, contracts, or other obligations in the name of the Corporation. Unless otherwise specifically limited by the Articles of Incorporation and the By-Laws, each Vice President has all powers and authority otherwise permitted the Vice President of a Corporation under Oregon law. Each Vice President will perform any other duties assigned to him or her from time to time by the Board of Trustees or by the President.

In case of the absence or disability of the President, the Vice Presidents, in the order designated by the Board of Trustees at the time of their election, will perform the President's duties and be subject to all restrictions and powers of the President.

Section 5.04 Powers and Duties of the Secretary

The Secretary shall:

Give notice of all meetings of Board of Trustees and all other notices required by law, the Articles of Incorporation or by the By-Laws.

Keep minutes of the meetings of the Board of Trustees in books provided for that purpose

Perform all other duties that may be assigned to him or her from time to time by the Trustees or the President.

Unless otherwise specifically limited by the Articles of Incorporation and the By-Laws, the Secretary has all powers and authority otherwise permitted the secretary of a Corporation under Oregon law.

Section 5.05 Powers and Duties of the Treasurer

The Treasurer shall:

Have custody of all the funds and securities of the Corporation.

Keep full and accurate account of receipts and disbursements in books belonging to the Corporation.

Deposit all moneys and other valuables in the Corporation's name and credit in those depositories as the Board of Trustees may designate from time to time.

Disburse the funds of the Corporation as ordered by the Board of Trustees or Music Directors after taking proper vouchers for such disbursements.

Furnish to the President and the Board of Trustees and Music Directors, whenever either of them requests, an account of transactions as Treasurer and of the Corporation's financial condition.

Furnish to the Board of Trustees and to any donor of the Corporation who may request a copy within 60 days from the date that the Corporation's 990-PF is filed a written report of the Corporation's activities, receipts and disbursements during the tax year for which the 990-PF was filed.

Unless otherwise specifically limited by the Articles of Incorporation and these By-Laws, the Treasurer has all powers and authority otherwise permitted the treasurer of a Corporation under Oregon law.

Section 5.06 Powers and Duties of the Assistant Secretary

The Board of Trustees may appoint one or more Assistant Secretaries. Except as otherwise provided by resolution of the Board of Trustees, each Assistant Secretary has the power to perform all duties of the Secretary in the absence or disability of the Secretary and will perform all other duties assigned to him or her by the Board of Trustees or the President.

In case of the absence or disability of the Secretary, the Assistant Secretaries, in the order designated by the Board of Trustees at the time of their appointment, will perform the Secretary's duties and be subject to all restrictions and powers of the Secretary.

Section 5.07 Powers and Duties of the Assistant Treasurer

The Board of Trustees may appoint one or more Assistant Treasurers. Except as otherwise provided by resolution of the Board of Trustees, each Assistant Treasurers has the power to perform all duties of the Treasurer in the absence or disability of the Treasurer and will perform all other duties assigned to him or her by the Board of Trustees or the President.

In case of the absence or disability of the Secretary, the Assistant Treasurers, in the order designated by the Board of Trustees at the time of their appointment, will perform the Treasurer's duties and be subject to all restrictions and powers of the Treasurer.

Section 5.08 Members at Large

Consistent with Article Three (particularly, Sections 3.01 and 3.02), Members at Large will be members of the Board of Trustees who are elected to serve on behalf of the Corporation.

Section 5.09 Agents

When necessary, the Board of Trustees may designate agents of the Corporation. In his or her capacity as an Agent, the Agent may receive, deposit and otherwise handle contributions to the Corporation, and if so authorized, to enter into contracts in the name of the Corporation. The Board of Trustees will designate the amount of authority that the Agent will have in order to complete the activity, negotiations or contract for the Corporation.

Article Six Committees

Section 6.01 Committees of Board of Trustees

The Board of Trustees may, by majority vote, designate one or more committees. Each committee must consist of at least two Trustees and, to the extent provided in the majority resolution, may exercise any powers of the Board of Trustees that may be assigned to the Committee.

The designation of committees and delegation of authority to the committees will not operate to relieve the Board of Trustees, or any individual Trustee of any responsibility imposed on the Board of Trustees or any individual members by law.

Section 6.02 Term of Office

Each committee member will serve until his or her successor is appointed unless the committee is terminated sooner by the Board of Trustees, or the member is removed or resigns from the committee. Unless otherwise provided in the resolution of the Board of Trustees designating a committee, each committee member will serve at the pleasure of the Board of Trustees.

Section 6.03 Chair

Unless otherwise provided in the resolution of the Board of Trustees designating a committee, each committee shall appoint a chairperson by majority vote of the committee.

Section 6.04 Vacancies

Vacancies in the membership of any committee may be filled by appointments in the same manner as the original appointments were made.

Section 6.05 Quorum

Unless otherwise provided in the resolution of the Board of Trustees designating a committee, a majority of committee members shall constitute a quorum to transact business at all meetings of a committee.

Section 6.06 Rules

Each committee may adopt rules for its own governance not inconsistent with the Articles of Incorporation and the By-Laws.

Article Seven Liability and Indemnification

No Trustee or officer of the Corporation will be personally liable for the payment the Corporation's debts and liabilities except as any Trustee or officer may be liable by reason of his or her own conduct or acts. Relief from liability for the Corporation's debts will not, however, apply in any instance where that relief is inconsistent with any provisions of the Internal Revenue Code applicable to organizations described in Section 501(c)(3).

Subject to the previous paragraph, the Corporation shall indemnify every Trustee or officer, his or her heirs, executors and administrators, against expenses actually and reasonably incurred by him or her, as well as any amount paid upon judgment, in connection with any action, suit or proceeding, civil or criminal, to which he or she may be made a party by reason of having been a Trustee or officer of the Corporation.

This indemnification is being given since the Trustees will be requested to act by the Corporation for the Corporation's benefit.

This indemnification is exclusive of all other rights to which a Trustee may be entitled.

Article Eight Corporate Seal

The Corporation will not have a seal. If a seal is required for any corporate transactions, the word "Corporate Seal" followed by the signature of one or more officers on behalf of the Corporation shall constitute a proper affixing of the seal.

Article Nine Financial Matters

Section 9.01 Delegation by Board of Trustees

The Board of Trustees may authorize any officer, employee or agent to enter into any contracts or instruments in the name of the Corporation. The authority granted by the Board of Trustees will be confined to specific instances.

Section 9.02 Deposits

All Corporation funds will be deposited to the credit of the Corporation at those banks, trust companies or other depositories selected by the Board of Trustees. The Board of Trustees may, however, authorize any officer, employee or agent to select the banks, trust companies or other depositories into which the funds of the Corporation will be deposited.

Section 9.03 Checks and Drafts

All checks, drafts and other orders for payments of money, notes or other evidences of indebtedness by the Corporation must be signed by those officers, agents or employees selected by the Board of Trustees, and in the manner determined by majority resolution of the Board of Trustees

Section 9.04 Loans

The Corporation is prohibited from making any loans or borrowing any funds unless specifically authorized by a resolution of the Board of Trustees. The authority granted by the Board of Trustees may be general or confined to specific instances. The Corporation will not make any loans to its Trustees or officers.

Section 9.05 Investments

The Corporation's funds may be invested in any investments selected by the Board of Trustees or any investment manager appointed by the Board of Trustees for that purpose. In making any investments, the Board of Trustees or investment manager (as the case may be) should give due regard to balancing the need to preserve principal, produce income and capital gains, and achieve long-term growth of the Corporation's assets.

Section 9.06 Expenses

The Board of Trustees will pay all expenses of the Corporation including, but not limited to, custodian, investment management fees, legal fees, and accounting fees and charges first from income and then from the principal assets of the Corporation.

Section 9.07 Financial Policies

The Board of Trustees may from time-to-time designate financial policies for the Corporation. The Board of Trustees and Music Directors will use their best efforts to comply with any such financial policies.

Article Ten Miscellaneous Provisions

Section 10.01 Fiscal Year

The fiscal year of the Corporation shall end on the last day of August.

Section 10.02 Singular and Plural; Gender

Unless the context requires otherwise, words denoting the singular may be construed as plural and words of the plural may be construed as denoting the singular. Words of one gender may be construed as denoting another gender as is appropriate within the context. The word “or” when used in a list of more than two items may function as both a conjunction and a disjunction as the context requires or permits.

Section 10.03 Headings of Articles, Sections, and Subsections

The headings of Articles, Sections, and subsections used within the By-Laws are included solely for the convenience and reference of the reader. They have no significance in the interpretation or construction of this agreement.

Section 10.04 Notices

Unless otherwise stated, whenever these By-Laws call for notice, the notice must be in writing and personally delivered with proof of delivery, or mailed postage prepaid by certified mail, return receipt requested, to the last known address of the party requiring notice. Notice is effective on the date personally delivered or on the date of the return receipt. If a party giving notice does not receive the return receipt but has proof that he or she mailed the notice, notice shall be effective on the date it would normally have been received via certified mail. If notice is required to be given to a minor or incapacitated individual, notice shall be given to the parent or legal representative of the minor or incapacitated individual.

Section 10.05 Waiver of Notices

Whenever any notice is required to be given under federal or state law or under the Articles of Incorporation and the By-Laws, a waiver of the notice in writing signed by the person or person entitled to the notice, whether before or after the time stated in the notice, will be treated as the equivalent to the giving of the required notice.

Section 10.06 Reference to Laws

All general or specific references to the Internal Revenue Code are to refer to the Internal Revenue Code of 1986 as now in force or later amended, or the corresponding provision of any future United States revenue law. Similarly, any general or specific references to the laws of the State of Oregon are to the laws of the State of Oregon as now in force or hereafter amended.

Article Eleven Amendments

The Board of Trustees may amend, alter or repeal the By-Laws or any specific provision of the By-Laws, and may from time to time make additional By-Laws.

The following 3 amendments were accepted on 2/1/13

- Conflict of Interest Policy
- Records Retention Policy
- Whistleblower Policy

South Salem Music Boosters Conflict of Interest Policy

Article I -- Purpose

1. The purpose of this Board conflict of interest policy is to protect SSMBs interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of a Board member of SSMB or might result in a possible excess benefit transaction.
2. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.
3. This policy is also intended to identify “independent” directors.

Article II -- Definitions

1. **Interested person** -- Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
2. **Financial interest** -- A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which SSMB has a transaction or arrangement,
 - b. A compensation arrangement with SSMB or with any entity or individual with which SSMB has a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which SSMB is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board or Executive Committee decides that a conflict of interest exists, in accordance with this policy.

3. **Independent Director** -- A director shall be considered “independent” for the purposes of this policy if he or she is “independent” as defined in the instructions for the IRS 990 form or, until such definition is available, the director --
 - a. is not, and has not been for a period of at least three years, an employee of SSMB or any entity in which SSMB has a financial interest;
 - b. does not directly or indirectly have a significant business relationship with SSMB, which might affect independence in decision-making;
 - c. is not employed as an executive of another corporation where any of SSMB’s executive officers or employees serve on that corporation’s compensation committee; and

d. does not have an immediate family member who is an executive officer or employee of SSMB or who holds a position that has a significant financial relationship with SSMB.

Article III -- Procedures

1. **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 Board or Executive Committee.

2. **Recusal of Self** – Any director may recuse himself or herself at any time from involvement in any decision or discussion in which the director believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.

3. **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 Board or Executive Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Executive Committee members shall decide if a conflict of interest exists.

4. Procedures for Addressing the Conflict of Interest

a. An interested person may make a presentation at the Board or Executive 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 Board or Executive 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 Board or Executive Committee shall determine whether SSMB 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 Board or Executive Committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in SSMB '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.

5. Violations of the Conflicts of Interest Policy

a. If the Board or Executive 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 Board or Executive Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV – Records of Proceedings The minutes of the Board and all committees with board delegated powers shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or Executive Committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V – Compensation 4

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

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

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

Article VI – Annual Statements

1. Each director, principal officer and member of a committee with Board delegated powers shall annually sign a statement which affirms such person:

a. Has received a copy of the conflict of interest policy,

b. Has read and understands the policy,

c. Has agreed to comply with the policy, and

d. Understands SSMB is a nonprofit and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

2. Each voting member of the Board shall annually sign a statement which declares whether such person is an independent director.

3. If at any time during the year, the information in the annual statement changes materially, the director shall disclose such changes and revise the annual disclosure form.

4. The Executive Committee shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

Article VII – Periodic Reviews To ensure SSMB operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information (if reasonably available), and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations, if any, conform to SSMB 's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement or impermissible private benefit or in an excess benefit transaction.

Article VIII – Use of Outside Experts When conducting the periodic reviews as provided for in Article VII, SSMB may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

This conflict of interest policy is taken directly from the IRS, **Appendix A: Sample Conflict of Interest Policy**

<http://www.irs.gov/instructions/i1023/ar03.html>

South Salem Music Boosters

Retention Policy

Business Documents To Keep For One Year

- Correspondence with Customers and Vendors
- Duplicate Deposit Slips
- Purchase Orders (other than Purchasing Department copy)
- Receiving Sheets
- Requisitions
- Stenographer's Notebooks
- Stockroom Withdrawal Forms

Business Documents To Keep For Three Years

- Employee Personnel Records (after termination)
- Employment Applications
- Expired Insurance Policies
- General Correspondence
- Internal Audit Reports
- Internal Reports
- Petty Cash Vouchers
- Physical Inventory Tags
- Savings Bond Registration Records of Employees
- Time Cards For Hourly Employees

Business Documents To Keep For Six Years

- Accident Reports, Claims
- Accounts Payable Ledgers and Schedules
- Accounts Receivable Ledgers and Schedules

- Bank Statements and Reconciliations
- Cancelled Checks
- Cancelled Stock and Bond Certificates
- Employment Tax Records
- Expense Analysis and Expense Distribution Schedules
- Expired Contracts, Leases
- Expired Option Records
- Inventories of Products, Materials, Supplies
- Invoices to Customers
- Notes Receivable Ledgers, Schedules
- Payroll Records and Summaries, including payment to pensioners
- Plant Cost Ledgers
- Purchasing Department Copies of Purchase Orders
- Sales Records
- Subsidiary Ledgers
- Time Books
- Travel and Entertainment Records
- Vouchers for Payments to Vendors, Employees, etc.
- Voucher Register, Schedules

Business Records To Keep Forever

While federal guidelines do not require you to keep tax records "forever," in many cases there will be other reasons you'll want to retain these documents indefinitely.

- Audit Reports from CPAs/Accountants
- Cancelled Checks for Important Payments (especially tax payments)
- Cash Books, Charts of Accounts
- Contracts, Leases Currently in Effect

- Corporate Documents (incorporation, charter, by-laws, etc.)
- Documents substantiating fixed asset additions
- Deeds
- Depreciation Schedules
- Financial Statements (Year End)
- General and Private Ledgers, Year End Trial Balances
- Insurance Records, Current Accident Reports, Claims, Policies
- Investment Trade Confirmations
- IRS Revenue Agents. Reports
- Journals
- Legal Records, Correspondence and Other Important Matters
- Minutes Books of Directors and Stockholders
- Mortgages, Bills of Sale
- Property Appraisals by Outside Appraisers
- Property Records
- Retirement and Pension Records
- Tax Returns and Worksheets
- Trademark and Patent Registrations

South Salem Music Boosters Whistleblower Policy

General

South Salem Music Boosters (SSMB) subscribes to principles of ethics and conduct for its governors, officers, and employees that require them to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of SSMB, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Reporting Responsibility

It is the responsibility of all governors, officers and employees to comply with these principles and to report violations or suspected violations in accordance with this Whistleblower Policy.

No Retaliation

No governor, officer, or employee who in good faith reports a violation of ethical conduct shall suffer harassment, retaliation, or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. An officer or board member who retaliates against someone who has reported a violation in good faith is subject to a review of ethical conduct by the Board and may be subject to actions for removal from the board. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within SSMB prior to seeking resolution outside of SSMB.

Reporting Violations

This policy establishes an open door mode of communication and suggests that employees and representatives of SSMB share their questions, concerns, suggestions, or complaints with an appropriate supervisor, officer, or governor who can address them properly. In the case of staff, the school principal is in the best position to address an area of concern. However, if the staff member is not comfortable speaking with the principal or is not satisfied with the principal's response, they are encouraged to speak with a Board member. The Principal is required to report suspected violations of ethical conduct to a board member, who shall take action to investigate reported violations. For suspected fraud, or when a staff member is not satisfied or is uncomfortable with following SSMB open door policy, individuals should contact an appropriate officer directly.

Compliance Responsibility

The Executive Committee, as designated in the *By-Laws of SSMB*, is responsible for investigating and resolving reported complaints and allegations concerning violations of ethical conduct. An exception to this authority shall be in the event an allegation is made against an officer or governor, in which case an independent committee may, upon the recommendation of the Executive Committee, be established. The Executive Committee shall advise the Board on compliance activity concerning such complaints at least annually.

Accounting and Auditing Matters

The Finance Committee shall address all reported concerns or complaints regarding accounting practices, internal controls or auditing. The Executive Committee shall immediately notify the Finance Committee of any such complaint and work with that committee until the matter is resolved.

Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of ethical conduct must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious offense. A malicious or knowingly false accuser cannot utilize this policy as a shield against other actions and remedies under law.

Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Handling of Reported Violations

An Officer representing the Executive Committee will notify the complainant and acknowledge receipt of the reported violation or suspected violation. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation. Corrective action may include internal remediation or referring the matter to appropriate civil or criminal authorities.

This policy is adapted from the Sample Whistleblower Policy of the National Council of Nonprofit Associations, www.ncna.org.