

MICHIGAN SCHOOL BUSINESS OFFICIALS

ARTICLES OF INCORPORATION



Amended July 2007

MICHIGAN SCHOOL BUSINESS OFFICIALS

ARTICLES OF INCORPORATION

These Articles of Incorporation are signed and acknowledged by the incorporators for the purpose of forming a non-profit corporation under the provisions of Act No. 327 of the Public Acts of 1931, as amended as follows:

ARTICLE I

The name of the corporation shall be the "Michigan School Business Officials," a Michigan non-profit corporation.

ARTICLE II

The purposes for which the Corporation is formed are as follows: to promote the education programs of Michigan schools through fostering needed research projects and school business administration; by providing opportunities for sharing information useful in the field of school business administration; through the promotion of efficient energy management and the efficient operation and maintenance of physical plant components by consultation with school boards and business officials; through the promotion of effective training programs for school business administrators; through the development and promotion of the program of professional improvement for those engaged in areas of school business management; through promulgation of the highest ethical standards in the administration of the schools; through the establishment of professional standards for school business administrators; and by cooperating with other educational organizations, agencies, and institutions, and the Corporation is empowered to do all things necessary and not forbidden by the laws of the State of Michigan to accomplish the foregoing purposes.

ARTICLE III

Location of the first registered office is 143 Bostwick Avenue N.E., Grand Rapids, Michigan 49502. The post office address of the first registered office is 143 Bostwick Avenue N.E., Grand Rapids, Michigan 49502.

ARTICLE IV

The name of the first resident agent is C. Robert Muth.

ARTICLE V

Said Corporation is organized upon a non-stock basis. The amount of assets which said Corporation possesses is approximately Five Thousand Dollars (\$5,000.00) in cash and in savings accounts. The Corporation does not own any real property. Said Corporation is to be financed under the following general plan:

Annual membership dues to be paid by the members of the Corporation.

(e) STUDENT: Student membership is available to students enrolled in college or university preparatory programs for school administration.

(f) HONORARY: Persons deemed worthy of the honor may, from time to time, be elected by the voting members to honorary membership.

(g) EMERITUS: Emeritus membership is available to former active members no longer school employed who desire to maintain an association with the Organization.

All memberships except life and honorary memberships shall be for the period of one fiscal year.

ARTICLE X

The corporation shall be on a fiscal year basis from July 1 to June 30, both inclusive.

We, the incorporators, sign our names this 31st day of March, 1964.

C. Robert Muth

Roger D. Anderson

David W. Swets

STATE OF MICHIGAN
County of Kent

On this 31st day of March, 1964, personally appeared C. Robert Muth, Roger D. Anderson, and David W. Swets, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

June C. Hodges
Notary Public, Kent County, Mich.
My Commission Expires: June 19, 1967

AMENDMENTS

ARTICLE XI

In the event of dissolution, all of the remaining assets and property of the Corporation shall, after necessary expenses thereof, be distributed to the Michigan Institute for Educational Management (MIEM), or its successor, if it qualifies under Section 501(c)(3) of the Internal Revenue Code of 1954, as amended, or, if it should not so qualify, to such organizations as shall qualify under Section 501(c)(3) of the Internal Revenue Code of 1954, as amended, subject only to any order of the court of competent jurisdiction.

Approved by the Board of Directors, December 4, 1987.

ARTICLE XII

Volunteer Director Liability

A. The term “volunteer director” as used in this section means a director who does not receive anything of value from the Michigan School Business Officials (MSBO) for serving as a director other than reasonable per diem compensation and reimbursement for actual, reasonable, and necessary expenses incurred by the director in his or her capacity as a director of MSBO.

B. No volunteer director of MSBO shall be personally liable to MSBO or to its members for monetary damages for a breach of the director’s fiduciary duty for any action or failure to act. This provision shall not eliminate or limit the liability of a volunteer director for any of the following:

1. Breach of the director’s duty of loyalty to MSBO or its members.
2. Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.
3. A violation of Section 55(1) of the Michigan Non-Profit Corporation Act, MCLA 450.255(1).
4. A transaction from which the volunteer director derived an improper personal benefit.
5. An act or omission occurring before January 1, 1988.
6. An act or omission that is grossly negligent.

C. MSBO assumes all liability to any person other than MSBO or its members for all acts or omissions, other than those acts or omissions enumerated in Subsections 1-5 of Part B. above, of a volunteer director occurring on or after January 1, 1988.

Approved by the Board of Directors January 22, 1988.

ARTICLE XIII

MSBO shall have the power to indemnify each of its directors, officers, employees or agents or other persons designated by a Board of Directors to receive such indemnification, against all liabilities and expenses (including, without limitation, amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees) reasonably incurred by him or her in connection with the defense or disposition or any action, suit or other proceeding by MSBO or any other person, whether civil or criminal, in which he or she may be involved or with which he or she may be threatened, while in office or thereafter, by reason of his or her being or having been such a director, officer, employee, agent or other person designated by the Board of Directors, where the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interest of MSBO or its members, and with respect to any criminal action or proceeding, the person had no reasonable cause to believe that such conduct was unlawful. The termination of any action, suit, proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not of itself create a

presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of MSBO or its members and, with respect to any criminal action or proceeding, had reasonable cause to believe that such conduct was unlawful.

Approved by the Board of Directors on January 22, 1988.

ARTICLE XIV

In addition to the purpose statement contained in Article II of MSBO's Articles of Incorporation, the purposes for which this Corporation is formed and for which it shall be exclusively administered and operated are to receive, administer, and spend funds for charitable and educational purposes, and specifically:

1. To engage exclusively as an organization to advance educational, scientific, and charitable endeavors within the meaning of Section 501(c)(3) of the Internal Revenue code of 1986 (or corresponding provisions of any subsequent federal tax laws).
2. To advance education at the elementary, secondary, college, and post-graduate levels.
3. To better enable the members and the general public to conduct the management of schools at all levels in the planning, organization, coordinating, and improvement thereof for the benefit of the public attendance and the community.
4. To provide for the public findings of such research and to make same available thereto and to conduct field research experiments in the aforesaid areas for the benefit of those attending schools and the public in general.
5. To engage in a program of professional education for persons carrying on activities in the field of school administration.
6. To protect the public by promoting the highest standards of ethical conduct by persons carrying on activities in the field of school administration.

In order to accomplish the foregoing charitable and educational purposes, and for no other purpose or purposes, this Corporation shall also have the power to:

- (a) sue and be sued;
- (b) make contracts;
- (c) receive property by devise or bequest, subject to the laws regulating the transfer of property by will, and otherwise acquire and hold all property, real or personal including shares of stock, bonds and securities of other corporations;
- (d) act as trustee under any trust whose objects are related to the principal objects of the Corporation, and to receive, hold, administer and expend funds and property subject to such trust;
- (e) convey, exchange, lease, mortgage, encumber, transfer upon trust or otherwise dispose of all property, real or personal;

- (f) borrow money, contract debts and issue bonds, notes, debentures, and secure the payment of any performance of its obligations; and
- (g) do all other acts necessary or expedient for the administration of the affairs and attainment of the purposes of this Corporation; provided, however, that this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of this Corporation.

Approved by the Board of Directors on January 16, 1998.

ARTICLE XV

No part of the net income of the Corporation shall inure to the benefit of or be distributable to its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for the services actually rendered and to make payments and distributions in furtherance of the purposes and objects of this Corporation. 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 any political campaign on behalf of any candidate for public office.

Notwithstanding any other provision of these Articles, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from tax under Section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws, or by an organization contributions to which are to be deductible under Section 170(c)(2) of such Code or corresponding provisions of any subsequent federal tax laws.

Approved by the Board of Directors on January 16, 1998.