BY-LAWS OF SPARTAN CHILD DEVELOPMENT CENTER

ARTICLE I: NAME

The name of this Corporation shall be Spartan Child Development Center.

ARTICLE II: OBJECTIVES

1. This Corporation shall administer a child development program providing quality care and education services for its Members.

2. This Corporation shall be self-supporting, nonprofit, organized on a non-stock basis, and shall be an equal employment opportunity employer. The Corporation is organized and operated exclusively for purposes described in section 501 (c) (3) of the Internal Revenue Code.

3. The purpose of the Corporation is to provide child development and education services for children ages two weeks to six years of age. The corporation provides these services to children of Michigan State University students, faculty and staff and families in the greater Lansing area.

ARTICLE III: MEMBERSHIP

1. Membership in the Corporation shall consist of three classes:

   - **Parent Members** - each parent or legal guardian listed on the application for enrollment, whose children are currently enrolled in the Corporation’s child care program and whose fees are currently paid in full, shall be Parent Members of the Corporation. Application for, acceptance, continuation, and termination of a child’s enrollment shall be determined according to policies established by the Board of Directors. Parent members are voting members of the corporation, limited to one ballot per child enrolled.

   - **Complimentary Members** - Parent Members whose child(ren) is/are withdrawn from the day care center will automatically become Complimentary Members of the Corporation, from the date of the child’s withdrawal from the day care center for a period of fifteen (15) weeks. Complimentary members are non-voting members of the corporation.

   - **Honorary Members** - any person who, in the opinion of the Board of Directors, has distinguished him/herself in an area of family and child services or has made a valuable and unique contribution to the field of child care or to the Corporation may be named an Honorary Member of the Corporation. Unless otherwise specified by the Board at the time it is conferred, Honorary Membership shall be for a period of one (1) year, and may be renewed annually at the discretion of the Board of Directors. Board Members who are not otherwise Members of the corporation may be granted Honorary Membership by the Board for the duration of their terms. Honorary members are non-voting members of the corporation, unless they are elected as voting members of the Board of Directors.

2. An Annual Meeting of the Membership, chaired by the President of the Board of Directors, shall be held no earlier than the third full week of October and no later than the third full week of November for the purpose of reviewing the affairs of the Corporation for the past year, electing new Board Members to the Board of Directors, soliciting Members for membership on the committees, and such other business as may come before the meeting. The date, time, and place of the Annual Meeting shall be given at least five (5) days prior to the date of the meeting and posted in a conspicuous place in the day care center.
ARTICLE III: MEMBERSHIP (continued)

3. Special meetings of the Members may be called at any time by: (1) an Officer of the Board of Directors; (2) by a majority of the voting members of the Board of Directors; or (3) at the written request of at least fifteen percent (15%) of the voting Members of the Corporation. Notice shall be given of the date, time, place, and purpose of any Special Meeting, no less than five (5) days prior to the date of the meeting, and posted in a conspicuous space at the day care center.

4. A quorum at any meeting of the Membership shall consist of not less than fifteen percent (15%) of the voting Members of the Corporation, except as otherwise required in these By-laws.

5. An affirmative vote of a simple majority of the voting Members of the Corporation present at any meeting of the Membership at which a quorum is present shall be required to carry a measure, except as otherwise required in these By-laws.

6. The voting Members of the Corporation shall have the power to remove a Board Member from their position on the Board of Directors or to amend these By-laws at any meeting of the Membership at which a quorum consisting of at least a majority, including proxies, of voting Members of the Corporation is present. An affirmative vote of two-thirds of the voting Members of the Corporation, including proxies, at which a quorum is present shall be required to remove a Board Member from the Board or to amend these By-laws.

7. Each member or family shall be provided a copy of these By-laws, program and enrollment policies, a list of Board of Directors, professional staff, and committee structure upon enrollment in the program or upon request.

8. Amendments to the By-Laws shall require notice of the proposed amendments by posting the proposed amendments in a conspicuous place in the center three weeks prior to the meeting at which the amendments are to appear on the agenda. Parent members will also be provided a copy of the proposed amendments. Amendments to the By-laws shall take effect immediately following authorization.

ARTICLE IV: BOARD OF DIRECTORS

1. The policymaking body of the Corporation shall be a Board of Directors, which shall act to represent the best interests of the children, Members of the Corporation and staff.

2. The Board of Directors shall consist of:

   Eight (8) voting Directors shall be Parent Members at the time of their election; provided, however, that no person who is an employee of the Corporation shall be elected as a voting Director.

   One (1) voting Director, who is not a Parent Member or employee of the Corporation upon election, shall represent the community at large.

   One (1) voting director, a family or child development consultant, shall be appointed by a majority of the voting Board Members. The Consultant Director shall be appointed by the Board of Directors at its first meeting following the Annual Meeting of the Membership, or as soon thereafter as possible.

   A minimum of one (1) voting Director, but not more than two (2) voting directors shall be designated by Michigan State University.

   Two (2) non-voting Directors, as follows:

   (1) The Administrative Director

   (2) A Staff Representative, who shall be a full-time staff member employed by the Corporation for at least one full year, and who shall be elected by
the other staff members according to procedures contained in the staff handbook;

3. Terms of office are as follows:
   - The terms of office for the Staff Representative and the Consultant Director shall be one (1) year from the date of appointment, or until his/her successor is elected.
   - As specified in Article V, all elected Board Members shall serve two year terms from the date of election or until his/her successor is elected.
   - The term of office for the Board Members designated by Michigan State University shall be two (2) years from the date of appointment or until his/her successor is appointed.

4. Vacancies
   a. Except for a vacancy occurring in the Staff Representative position, vacancies occurring on the Board of Directors shall be filled by appointment and approval of a majority of the remaining voting Board Members. Any vacancy in the Staff Representative position shall be filled by election by other staff members, according to procedures contained in the staff handbook. Each person appointed or elected to fill a vacancy shall serve for the remainder of the current term of his/her predecessor.
   b. The Board of Directors shall have the power to remove any elected Board Member who misses three (3) or more regular Board of Directors meetings during his/her term of office without prior notice and authorization by the Board of Directors. The Board of Directors may not remove an elected Board Member for any other reason, as this power is reserved to Members of the Corporation at Membership meetings.

5. Board Meeting Requirements and Structure
   a. A meeting of the Board of Directors shall be held within 1 month of the Annual Meeting of the Membership for the purpose of electing Officers, determining the date, time, and place of the regular Board meetings, selecting the Consultant Director, and such other business as may come before the Board.
   b. The Board of Directors shall meet at least six times a year. A calendar will be distributed to the board in advance denoting meeting dates for the term.
   c. Special meetings of the Board of Directors may be held upon the call of any Officer, provided that notice shall be given of the date, time, and place of the special meeting to each Board Member at least two (2) days in advance thereof, and posted in a conspicuous place at the center.

6. Any Member of the Corporation may attend any meeting of the Board of Directors and each Member shall be equally privileged as to voice.

7. The agenda at each regular meeting of the Board of Directors shall include the following items:
   - Call to Order by the President
   - Introduction of Guests, Public Comments, and Announcements
   - Approval of the Minutes
   - Report of the Executive Committee
   - Report of the Treasurer
   - Report of the Administrative Director
   - Report of the Staff Representative
   - Reports of the Standing and Special Committees
- Old Business
- New Business
- Adjournment

8. Members of the Board of Directors and committees shall serve without compensation in cash or in kind for services, except that the Corporation shall provide child care for members of the Board and committees during scheduled Board and committee meetings with the approval of the Administrative Director.

9. To the extent permitted by law, a Board Member shall not be held personally liable to the Corporation or its Members for monetary damages for any breach of the Board Member’s fiduciary duties.

10. The Corporation shall indemnify all Board Members to the full extent provided by Michigan law.

ARTICLE V: NOMINATIONS AND ELECTIONS

The election of the Board of Directors by the Membership each year shall be governed as follows:

1. A Nominating Committee consisting of at least three (3) Members appointed by the President and approved by the Board of Directors at the August meeting of the Board shall solicit candidates by written notification to the Members and through announcements to the community. Every effort shall be made by the Nominating Committee to solicit candidates who reflect diverse backgrounds and experiences.

2. Any interested person may nominate him/herself by submitting to the Nominating Committee a paragraph stating his/her name, address, interest in being a Board candidate, a statement of qualifications and education or work experience, and a statement of goals he/she has for the Corporation. Two persons may be nominated to serve as a single Board Member, with one vote, if elected. Distinct effort will be made to assure that board members exhibit and support the program’s commitment to diversity and multiculturalism. Written nominations are to be submitted to the Nominating Committee not later than two weeks prior to the election.

3. The Nominating Committee shall present to the Membership of record as of the last Friday in September. The written nominations shall constitute the official ballot of the Board of Directors of the Corporation, and shall include space for write-in votes. The corporation may conduct electronic ballot elections. Hard copies of ballots will be provided if requested.

4. If a hard copy is requested, a ballot with two envelopes shall be distributed to the Member at least one (1) week prior to the Annual Meeting of the Membership. Ballots must be sealed in an unmarked envelope and that envelope sealed in a second envelope bearing the signature of the voting Member and returned to a sealed ballot box at the center by the close of the center one (1) day prior to the Annual Meeting.

5. The voting privilege shall be limited as follows:
   a. At the meetings of the Members and for election of the Board of Directors, only Parent Members may vote. Parent Members are limited to one ballot per child enrolled at the time ballots are distributed. Complimentary and Honorary Members will not be allowed to vote at meetings of the Members and for election of the Board of Directors.
   b. Proxies are allowed only at Membership meetings.

6. The Nominating Committee shall serve as the tellers and shall receive the sealed ballot box or secured electronic report, verify Membership, tabulate the vote, and report the results of the election at the close of voting during the Annual Meeting of the Membership. The ballots shall be retained by the Committee for a period of one month, or until a challenged vote is resolved by vote of the Board of Directors.
7. In the event of a tie in voting for a Board Member, the winner shall be decided by lot drawn by a member of the Nominating Committee.

ARTICLE VI: BOARD OF DIRECTORS' MEETINGS AND VOTING

1. Except as otherwise required in these By-laws or by law, a quorum of the Board of Directors shall consist of a majority of the voting Board Members, elected and serving. The Board shall not conduct any business unless a quorum is present, except to vote to immediately adjourn any such meeting.

2. At meetings of the Board of Directors, only voting Board Members may vote. Two persons elected to serve as a single Board Member shall have only one vote, and those persons shall agree on how to cast their vote, or, in the event of a disagreement between them, the vote shall not be counted. Except as otherwise provided in these By-laws or required by law, the vote of a simple majority of the voting Board Members present at any meeting at which a quorum is present, shall be necessary to carry a measure. In the event of a tie vote, the measure shall have failed.

3. An affirmative vote of not less than two-thirds (2/3) of the voting Board Members, elected and serving, at any meeting at which a quorum is present is required to remove the Administrative Director or agent of the Corporation.

4. A voting Board Member who has a direct or indirect interest in any matter, excluding annual budget matters, before the Board of Directors shall disclose such interest prior to the Board taking any action on the matter, which disclosure shall become part of the record of the Board's official proceedings, and shall refrain from voting in the Board's proceedings related to the matter.

5. When, in the opinion of at least two-thirds (2/3) of the voting Board Members present at any meeting of the Board of Directors, it is necessary or convenient for the Board to convene in Closed Session, the Board may do so, for any of the following reasons:
   a. To receive advice from or consult with legal counsel;
   b. To discuss or consider matters pertaining to the employment of any employee of the Corporation, including the Administrative Director; or
   c. Any other reason for which a public body may meet in a Closed Session under the provisions of the Michigan Open Meetings Act, MCL 15.261 et seq.

When the Board of Directors convenes in Closed Session, only voting Board Members may be present, together with any consultant(s) or other person(s) deemed necessary to the discussion by the voting Board Members. Minutes of any Closed Session shall be kept, shall be maintained separate and apart from regular meeting minutes, and shall not be disclosed to any party other than the voting Board Members, unless disclosure is compelled by Court order or other legal process. The decision to convene a Closed Session shall be made by roll call vote of the voting Board Members. Following a Closed Session, any decision or action of the Board as a result thereof shall only be taken after the Board has returned to a regular session.

6. In all cases not specifically governed by these By-laws, Robert's Rules of Order shall govern the procedure of all meetings of the Board of Directors.
ARTICLE VII: OFFICERS AND DUTIES

1. All Officers shall be elected by the Board of Directors from among the voting Board Members at the first meeting of the Board of Directors following the Annual Meeting of the Membership and shall hold office for a term of one year from the date of election or until their successors are elected.

2. Vacancy in the office of President shall be filled by the Vice President. Vacancy in any other Officer position shall be filled by election of a Board Member, by the Board of Directors at their next meeting.

3. A President shall be the chief Officer of this Corporation and shall preside at meetings of the Members, the Board of Directors, and Executive Committee, shall create such Special Committees as necessary to carry out the objectives of the Corporation as necessary, shall be an ex-officio member of all committees, and shall perform all other duties usual to such office in accordance with the By-laws, policies, and instructions of the Board.

4. A Vice President shall, in the absence or disability of the President, or upon the President's direction, perform all of the duties of the President. A Vice President shall preside over all discussion, maintenance, and revision of the By-laws.

5. A Secretary shall keep a record of all the official proceedings of the Corporation and its Board of Directors and Executive Committee and shall keep the reports of standing and special committees. The Secretary shall read and conduct as directed correspondence of the Board, shall maintain a list of Board Members and Officers, and shall provide notification of meetings.

6. A Treasurer shall have charge of the books of account and shall provide a monthly statement to the Board and an annual statement to the Membership of all moneys collected, held, and disbursed by the Corporation.

7. The following administrative office and staff may be employed by the Board of Directors at such rate of compensation as it deems fair and proper:
   a. An Administrative Director shall serve as the administrative Officer of this Corporation and shall be responsible for the day-to-day operations for the center, including the supervision of the entire staff and the performance of such other duties as may be delegated by the Board of Directors, the Executive Committee or the President in accordance with the By-laws, policies, objectives, and instructions of the Board. The Administrative Director shall report monthly to the Board and annually to the Membership on such matters as may be designated by the Board, and shall be responsible to the Treasurer for the daily maintenance of books of accounts.
   b. The Administrative Director shall employ an adequate staff to carry on the business and objectives of the Corporation as instructed by the Board of Directors, at such rates of compensation as the Board of Directors may deem fair and proper, within the limitations of the annual budget.
   c. Not less than two (2) officers shall execute, acknowledge, or verify any instrument required by law or official document required for the transaction of business of the Corporation. Execution of any official document shall be previously authorized at a meeting of the Board of Directors or by written consent by all Board Members.

8. Unless a specific exception is made by the Board of Directors, a copy of each legal instrument or official document shall be provided to each Board Member and incorporated with the minutes of the meeting at which authorization was made. In any case, any legal instrument, official document, financial report, or minutes of any meeting shall be made available for inspection and copying by any Board Member upon request.
ARTICLE VIII: COMMITTEES

1. The Executive Committee shall consist of the President, Vice President, Administrative Director, Treasurer, and the Secretary, who to the extent provided by the By-laws, policies, and instructions of the Board, shall meet as necessary to exercise the authority of the Board in management of the business and affairs of the Corporation between meetings of the Board.

2. The Standing Committees of the Board shall be:
   a. Budget - the Treasurer is Chair
   b. Fund Development;
   c. Personnel and Policies;
   d. Curriculum;
   e. By-laws – the Vice President is Chair

2. The President may create such other committees as necessary to carry out the objectives of the Corporation.

3. Standing Committees shall consist of at least three (3) members. The chairperson of each committee may be any Member of the Corporation or staff of the Corporation, except that the Treasurer shall be the chair of the Finance Committee and the Vice President shall be the chair of the By-laws Committee. Committee chairpersons shall solicit Members for their committees from the Membership. The Board of Directors may designate one or more Board Members to serve in the absence of a committee member, or to represent a varying opinion on the committee.

4. Any Officer or committee chairperson shall, upon relinquishing the duties and responsibilities of their association with Corporation, turn over to registered agency of the Corporation any book, records, and minutes in written form or in any other form capable of being converted into written form, that were acquired by virtue of their association with the Corporation.

ARTICLE IX: FINANCE

1. The fiscal year of the corporation shall be July 1 through June 30.

2. The Board of Directors shall adopt a budget for each fiscal year and the corporation shall function within the limitation of the annual budget. The proposed budget shall be provided to the Board Members at least one (1) week prior to the meeting at which it appears on the agenda.

3. In no event may any expenditure be made involving pecuniary gain or profit to any member.

4. When as the current income of the Corporation permits, the Board of Directors must maintain an emergency reserve fund that is a minimum of 5% of the operating budget. The Administrative Director shall have the discretion to make expenditures of an amount not to exceed $1,000 from this fund. No expenditure greater than $1,000 shall be made from this fund except after hearing a report of the Executive Committee and/or the Finance Committee on such a proposal and upon a two-thirds (2/3) vote of the voting Board Members present at a meeting at which a quorum is present; provided, however, that in the absence of a report from the Executive Committee and/or the Finance Committee on such a proposal, an expenditure may be made upon the affirmative vote of three-fourths (3/4) of the voting Board Members present at a meeting at which a quorum is present. Expenditures from the emergency reserve fund should be replenished as quickly as possible and must be replenished within three years.

5. Monies collected by the Corporation shall be placed in a depository selected by the Board of Directors and shall be disbursed in such a manner as the Board may direct.
6. All checks, drafts, notes, or orders drawn against the depository account shall be signed by any two of the following: President, Vice President, Secretary, Treasurer, Administrative Director.

7. A check may be drawn against the depository account for an amount not to exceed one hundred and fifty dollars ($150.00) and payable to Petty Cash. Thereafter, Petty Cash may be replenished in like manner for an amount not to exceed the total of cash expenditures supported and accounted for by cash payment receipts.

8. The Administrative Director and the Treasurer are responsible for the issuance, accounting, monitoring, retrieval and general oversight of the use of the credit card. The Administrative Director is the only authorized user of the credit card. The use the credit card shall be strictly for Corporation business. All receipts must be provided and maintained with accounting records for all purchases. If the credit card is lost or stolen, the Administrative Director and the Treasurer should be notified immediately. Employees who hold a credit card and separate or are terminated must return the credit card to the Treasurer immediately upon separation from the daycare center. Misuse of the credit card is grounds for disciplinary action by the Board of Directors.

9. The Administrative Director, the Business Manager, the Treasurer, and members of the staff handling funds of the Corporation shall obtain at the expense of the Corporation a fidelity bond in such amount as the Board of Directors shall determine.

10. The books of account of the Corporation shall be maintained according to Generally Accepted Accounting Principles and there shall be an annual audit, review, or compilation of the finances of the Corporation by a Certified Public Accountant selected by the Board of Directors. The audit, review, or compilation, together with the report from the Treasurer, shall be submitted to the Board of Directors.

ARTICLE X: INDEMNIFICATION

This Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action suit, or proceeding, whether civil or criminal, administrative or investigative, (including any action by or in the right of the Corporation), by reason of the fact that he/she is or was a Board Member, Officer, employee, or agent of the corporation, against expenses, (including attorneys’ fees), judgments, fine, and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit, or proceeding if he/she acted in good faith and in a manner he/she reasonably believed to be in the best interest of this Corporation or its Members, and with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit, or 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 or in a manner he/she reasonably believed to be in the best interest of this Corporation or its Members, and with respect to any criminal action or proceeding, shall not create any presumption that the person had reasonable cause to believe that his/her conduct was unlawful.

ARTICLE XI: DISSOLUTION

1. In the event of the dissolution of the Corporation, the disposal of liquid and fixed assets shall be as follows:
   - First, to the payment of all debts and obligations of the Corporation
   - Second, to reimbursement of prepaid fees of Members
   - Third, the balance, if any, of liquid assets shall be donated to a United Way sponsored childcare facility
• Fourth, the balance of fixed assets shall be donated to Michigan State University affiliated childcare facilities

2. In the event of dissolution, all assets real and personal, shall be distributed to such organization as are qualified as tax exempt under Sec. 501(c)(3) of the Internal Revenue code of the corresponding provisions of a future United States Internal Revenue laws.

Adoption/Change Log
Adopted 05/05/82
Amended 01/11/83
Amended 04/13/83
Amended 09/01/83
Amended 04/03/90
Amended 09/04/90
Amended 07/21/92
Amended 11/12/92
Amended 12/13/93
Amended 02/28/94
Amended 10/19/00
Amended 11/20/01 (Amended Article IV, Section 10)
Amended 7/14/04
Amended 9/26/10