

**BYLAWS OF THE
MILWAUKEE PHILATELIC SOCIETY INC.**

**ARTICLE 1:
NAME AND INCORPORATION**

Section 1: This organization shall be known as the Milwaukee Philatelic Society, Inc., hereinafter designated by the symbol MPS.

Section 2: The MPS shall abide by Articles of Incorporation originally filed with the State of Wisconsin in May of 1986, and which formed a Wisconsin corporation under chapter 181 of the Wisconsin statutes, without stock and not for profit. Subsequent amendments to the Articles of Incorporation shall not be in variance with bylaws of the MPS.

**ARTICLE 2:
AIMS AND PURPOSES**

Section 1: The aims and purposes of this organization shall be:

- a. To provide for the regular meetings of its members and guests.
- b. To acquire and disseminate philatelic knowledge and information.
- c. To encourage the seeking out and preservation of postal records and materials for future reference and research.
- d. To promote and encourage the study of history, geography, and human cultures through philatelic knowledge and research.
- e. To encourage, sponsor, and introduce the educational aspects of philately among young people.
- f. To foster a feeling of friendship and fraternity among philatelists and philatelic organizations.
- g. To offer members assistance in acquiring and disposing of stamps and other philatelic material.
- h. To maintain and promote ethical standards of the hobby.
- i. To engage in any pursuit conceived to further the best interest of philately.

**ARTICLE 3:
PRINCIPAL OFFICE AND CORPORATION BOARD OF DIRECTORS**

Section 1: The principal office of the MPS shall be located in the State of Wisconsin at the address of the current secretary, or such other location as the MPS Board shall lawfully designate for the affairs of the corporation as may be required from time to time.

Section 2: The MPS Board of Directors shall consist of the President, the Vice-President, the Secretary, the Treasurer, and five Directors.

**ARTICLE 4:
NONPROFIT AND DISSOLUTION**

Section 1: The MPS shall not be operated for the primary purpose of carrying on a trade or business for profit, and no portion of the assets or earnings shall be used for such activities.

Section 2: The MPS is organized exclusively for charitable, educational, religious, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations described under Section 501 (C) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Section 3: Directors of the MPS shall serve without compensation; however, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties. The salaries *of* the officers, if any, shall be fixed from time to time by resolution *of* the MPS Board. In all cases, any salaries received by officers of this corporation shall be reasonable and given in return for services actually rendered to or for the corporation. Any payments to directors, as well as all officer salaries, shall be approved in advance in accordance with this corporation's conflict of interest policy.

Section 4: No part of the net earnings of the organization shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and

distributions in furtherance of the purposes set forth in the Articles of Incorporation.

Section 5: Upon dissolution of the MPS, the officers thereof, after paying or making provision for the payment of all of the liabilities of the MPS, shall dispose of all of the assets of the MPS exclusively for the purposes of a philatelic or other organization, organized and operated exclusively for charitable, educational, or scientific purposes, which shall at the time qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code (I.R.C.), or corresponding section of any future federal tax code.

Section 6: The assets and property of the members, officers or individuals of the MPS shall not be liable for the debts of the MPS.

ARTICLE 5: MEMBERSHIP AND DUES

Section 1: Membership

- a. Membership shall be open to any person of good character of any race, color, creed, or sex who is interested in philately.
- b. Minors under the age of 18, may become members if they are sponsored by a consenting adult, who will guarantee financial responsibility.

Section 2: Application for membership shall be made on the current official form prescribed by the MPS Board.

- a. The names of all applicants shall be printed in the MPS newsletter.
- b. If an objection to membership is raised by any club member, the application in question shall be held over pending further investigation and examination by the MPS Board.

Section 3: Dues

- a. Dues for the subsequent calendar year shall be payable annually by the first of January.
- b. Dues shall be established upon recommendation by the Board and then by a majority vote of members attending a regular meeting of the MPS.
- c. If dues are not paid by March 1, they shall become delinquent.

Section 4: Termination of Membership

a. Termination for Cause:

1.) If any member shall be charged in writing addressed to the president of the MPS with conduct injurious to the order, peace, interest, or welfare of the MPS, or at variance with its bylaws or rules, the MPS Board shall inform such offending party in writing, furnishing him or her with a copy of such charge and giving him or her at least 30 days' notice to appear before the MPS Board to answer thereto.

2) If, upon inquiry and hearing, the MPS Board shall be satisfied with the truth of the charge, they may temporarily suspend membership and simultaneously recommend termination or add any other appropriate discipline.

3) Termination may be accomplished by the affirmative vote of at least two-thirds of the membership at the next regular meeting, provided that written notice of the charges is given to all members at least 30 days prior to the regular meeting where the case will be considered.

4) In the event of suspension or termination for cause, the MPS Board shall have the right to grant a rehearing with reinstatement to be voted upon at the next regular MPS meeting.

b. Termination for non-payment of dues

1) Upon delinquency of dues payment, the MPS Treasurer shall notify the member of his or her failure to abide by the bylaws of the MPS, with suspension of all rights and privileges of membership to take place 60 days after the date of communication. Further non-payment of dues will result in automatic termination of membership.

2.) A member who has been terminated for non-payment of dues can be reinstated as a member in good standing upon payment of the delinquent dues, which shall be calculated on the basis of the year of delinquency.

c. Termination by resignation

1.) The resignation of a member may be submitted to the MPS Secretary, who shall refer it to the MPS Board for action.

2.) Acceptance of the resignation shall not relieve the member to pay any dues,

assessments or other charges theretofore accrued and unpaid.

ARTICLE 6: EXHIBITIONS AND SHOWS

Section 1: The MPS may sponsor and provide an APS accredited annual exhibition subject to the approval of the MPS Board of Directors.

- a. The show and exhibition shall be provided at a date and place selected by the Exhibition Board.
- b. Plans for the exhibition must meet the requirements of the American Philatelic Society.
- c. The exhibition must promote, educate, and study the history of philately.
- d. The exhibition and its seminars will be open to the public.

Section 2: The MPS may sponsor or attend any other show or exhibition in the effort to promote and educate others on philately. The MPS Board must approve any such action.

ARTICLE 7: ELECTION OF OFFICERS

Section 1: The elected officers of MPS shall consist of a President, a Vice-President, a Secretary, and a Treasurer, all elected annually.

Section 2: The Executive Board shall include the elected officers and five directors. One of the directors shall be the most recent past President available. The other four directors shall be elected for a term of two years, two of whom are elected in each of two successive years.

Section 3: All persons wishing to hold elective office must be qualified members for at least one calendar year. No member can hold more than one office.

Section 4: On the regular meeting in September of each year, the President shall appoint a Nominating Committee, whose duty it shall be to nominate one or more candidates for each office to be filled at the ensuing election. The Nominating Committee shall announce its nominations at the regular meeting in October.

Section 5: Additional nominations for any offices may be made by any

member at or prior to the November regular meeting. Nominations will be closed at the November regular meeting.

Section 6: The election of officers will be by sealed ballot. At the regular meeting in November, immediately after the nominations are closed, the President shall appoint an Election Committee of three members to set up and oversee the election. The Secretary shall prepare ballots, which shall be mailed to all members with the December meeting notice mailing. All ballots shall be counted by the Election Committee and the results announced at the December regular meeting. In the event of a tie vote, the members present at that meeting shall cast secret ballots in the contest where the tie exists. A majority vote by those present shall determine the winner.

Section 7: All elected officers shall take office at the subsequent January meeting.

ARTICLE 8: DUTIES OF THE OFFICERS

Section 1: President

- a. Preside over all membership and MPS Board meetings, sign all acts or orders necessary to carry out the will of the MPS and the MPS Board, or membership which ordinarily come under the providence of the office.
- b. Act as the representative of the MPS to outside persons or to other organized bodies whenever necessary.
- c. Shall be responsible for all appointed committees.
- d. Shall be an Ex-officio, non-voting member of all committees.

Section 2: Vice-President

- a. Assume the duties of the President during the absence of the President due to absence, incapacity, suspension or removal from office.
- b. Perform any other duties assigned by the President, MPS Board or membership, or which ordinarily come under the providence of the office.

Section 3: Secretary

- a. Shall keep an accurate and complete record of all the proceedings of the MPS and MPS Board meetings and attend to all correspondence of the MPS. Take notes at meetings so that exact wording of motions may be furnished to officers and membership.
- b. Maintain a roll of members.
- c. Bring to all meetings copies of these bylaws.

Section 4: Treasurer

- a. The official custodian of the funds of the MPS and also the disbursing officer.
- b. Be responsible for placing the MPS funds in a financial institution and for keeping accurate records of the source of all monies.
- c. Be responsible for payment of all bills.
- d. Issue and sign all checks required for such payments.
- e. Be responsible for keeping a record of money paid out and receipts or vouchers covering all expenditures.
- f. Submit an annual report of the finances of the MPS and periodic Updates upon request of the President.
- g. Provide those members attending the club meeting with monthly written reports on the financial activity of the MPS.

Section 5: MPS Board

- a. Shall meet at least quarterly.
- b. Special meetings may be called by the President at his or her discretion, or upon request of an MPS Board member.
- c. Appoint a standing Auditing committee at the first meeting of the year, which shall examine the Treasurers books within 60 days or immediately after a vacancy occurs. The Auditing committee shall report to the membership the results at the next regular meeting following the audit.
- d. May establish any special committee that it deems necessary.
- e. Shall prepare an annual budget and invest MPS funds.
- f. Shall receive all complaints of breach of good conduct on the part Of any member, investigate such complaints thoroughly and recommend any disciplinary action to the membership for final action.
- g. May call for and present to the membership annual reports from the officers, or any special reports which the MPS Board may deem advisable.

- h. The Board may recommend to the membership any honors in recognition of valuable services to the hobby or to the MPS by any club member.
- i. Shall assume any other duties which may be assigned to it by the membership and shall carry out the wishes of the membership expressed by the majority vote of the members present at a membership meeting so long as they do not conflict with the Bylaws or the Articles of Incorporation.
- j. Should two or more MPS Board members dissent in any matter coming before the MPS Board, the dissenting members may bring the matter before the next regular membership meeting for discussion and vote.

ARTICLE 9: APPOINTED CHAIRPERSONS

Section 1: The President may appoint the following committee chairpersons and their terms of office shall coincide with the term of the President who appointed them, unless otherwise noted.

- a. Education Coordinator. Shall be the custodian of the Library of the Society. Shall maintain and loan educational materials to members in accordance with the regulations established by the MPS Board.
- b. Historian: Shall be custodian of the Archives of the MPS and shall produce past records of the MPS when requested.
- c. Youth Activities Chairperson: The MPS recognizes that youth of today may be the philatelist of tomorrow. The Youth Activities Chairperson shall teach and educate youth with programs and seminars under the direction of the MPS Board.
- d. Editor. Shall be responsible for the publication of the Milwaukee Philatelist, the official newsletter of the MPS.
- e. By-laws: For the purpose of considering and recommending revisions or amendments to the By-laws.

ARTICLE 10: MPS FISCAL YEAR

Section 1: The MPS fiscal year shall be from January 1 to December 31.

**ARTICLE 11:
AMENDMENTS TO THE MPS BY-LAWS**

Section 1: These by-laws may be amended as follows:

- a. A proposed amendment to the by-laws must be submitted in writing to each member of the MPS at least 60 days prior to the meeting in which the bylaw amendment is to be considered. The publication of the amendment to be considered in the MPS newsletter, or in the minutes of a club meeting, shall be considered as meeting the above consideration, provided that the newsletter or minutes are received by the members at least 30 days and not more than 90 days prior to .the regular meeting in which the vote is to take place.
- b. Voting will be by sealed ballot which will be mailed to all members along with the proposed by-law amendment. To be considered valid, all returned ballot envelopes must have the members club number on them, and may be returned to the MPS by U.S. mail, or may be brought to the meeting in which the by-law amendment is to be considered. The MPS newsletter or minutes must list the mailing address for the mail-in vote. Mail-in votes must be received at least one day prior to the meeting in which the vote is to be held.
- c. An election committee of three appointed by the President shall count the ballots at the meeting in which the by-law amendment is to be considered. The by-law amendment must be approved by a two-thirds majority of those ballots received.

**ARTICLE 12
PARLIAMENTARY AUTHORITY**

Section 1: The rules contained in the current edition of Robert's Rules of Order shall govern the MPS in all cases to which they are applicable and in which they are not inconsistent with these By-laws and any special rules of order the MPS may adopt.

**ARTICLE 13
CONFLICT OF INTEREST AND COMPENSATION APPROVAL
POLICIES**

Section 1: The purpose of this conflict of interest policy is to protect this tax-

exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 534958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2: Definitions:

- a. Interested Person. Any director, principal officer, member of a committee with the MPS Board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 1. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement;
 2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement;
or
 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation 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. Under Section 3, paragraph B, a person who has a financial interest may have a conflict of interest only if the MPS Board or appropriate committee decides that a conflict of interest exists.

Section 3: Conflict of Interest Avoidance Procedures:

- a. **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 directors and members of committees with the MPS Board delegated powers considering the proposed transaction or arrangement.
- b. **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 MPS Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- c. **Procedures for Addressing the Conflict of Interest.** An interested person may make a presentation at the MPS Board or 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.

The chairperson of the MPS Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the MPS Board or committee shall determine whether the corporation 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.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the MPS Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the corporation'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.

- d. **Violations of the Conflicts of Interest Policy.** If the MPS Board or 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.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the MPS Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4: The minutes of meetings of the MPS 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 MPS Board's or 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.

Section 5: Compensation Approval Policies:

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

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

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

When approving compensation for directors, officers and employees, contractors, and any other compensation contract or arrangement, in addition to

complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the MPS Board or a duly constituted compensation committee of the board shall also comply with the following additional requirements and procedures:

- a. The terms of compensation shall be approved by the MPS Board or compensation committee prior to the first payment of compensation;
- b. All members of the MPS Board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each MPS Board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):
 4. is not the person who is the subject of the compensation arrangement, or a family member of such person;
 5. is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement;
 6. does not receive compensation or other payments subject to approval by the person who is the subject of the compensation arrangement;
 7. has no material financial interest affected by the compensation arrangement; and
 8. does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the MPS Board or committee member.
- c. The MPS Board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:
 9. compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size, purpose, and with similar resources;
 10. the availability of similar services in the geographic area of this

organization;

11. current compensation surveys compiled by independent firms;
12. actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement;

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the MPS Board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

- d. The terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the MPS Board or compensation committee that approved the compensation. Such documentation shall include:
 13. the terms of the compensation arrangement and the date it was approved;
 14. the members of the MPS Board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each MPS Board or committee member;
 15. the comparability data obtained and relied upon and how the data was obtained;
 16. If the MPS Board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the MPS Board or committee shall record in the minutes of the meeting the basis for its determination;
 17. If the MPS Board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the MPS Board or committee meeting;
 18. any actions taken with respect to determining if a member of the MPS Board or committee had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the

member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement);

19. The minutes of the MPS Board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next MPS Board or committee meeting or 60 days after the final actions of the board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the MPS Board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next board or committee meeting following final action on the arrangement by the MPS Board or committee.

Section 6: Each director, principal officer, and member of a committee with the MPS Board delegated powers shall annually sign a statement which affirms such person:

- a. has received a copy of the conflicts of interest policy;
- b. has read and understands the policy; has agreed to comply with the policy; and
- c. understands the corporation is charitable 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.

Section 7: To ensure the corporation 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, and the result of arm's-length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly

recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 8: When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the MPS Board of its responsibility for ensuring periodic reviews are conducted.

Amended By-laws

Adopted November 4, 2014, Amended August 4, 2015

Milwaukee Philatelic Society Officers

President: Carol Schutta

Vice President: John Farkas

Secretary: MaryAnn Bowman

Treasurer: Robert J. Mather

Directors: Dona Fagan (Past President)
Gary Christianson
Gary Meyer
Allen Rinnemaki II
Gaylord Yost