

Saucon Valley Music Connection

BY-LAWS

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By-Laws of the SAUCON VALLEY MUSIC CONNECTION

ARTICLE 1 – NAME

The name of this organization shall be the "Saucon Valley Music Connection" (SVMC).

ARTICLE II – OBJECTIVES

Section I – SVMC is organized exclusively for educational purposes under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future tax code.

Section II – To promote the growth and development of music education for the benefit of the students of the Saucon Valley School District.

Section III - To create and maintain an enthusiastic interest in the various groups of the Instrumental/Chorus – Music Departments of Saucon Valley High School.

Section IV - To cooperate with those in charge of the Instrumental/Chorus – Music Departments, the Administration of Saucon Valley High School and the Saucon Valley School District Board to the end that this department be brought to and kept at the highest degree of efficiency. To build and maintain an organization which will help promote general activities of the Instrumental and Choral Music Departments.

ARTICLE III – MEMBERSHIP

Section I - The membership of this organization is limited to alumni and parents, or guardians of actively or formally enrolled students in the Instrumental /Chorus Music Department of Saucon Valley High School, including those in marching band such as Honor Guard, Majorettes and Flags, who are interested in the progress and development of said programs. Members may qualify as members in good standing by actively participating in the organization's activities for a period of one year which includes attending at least five (5) regular monthly meetings and at least one fundraising activity. Voting and chairing privileges shall be limited to parents or guardians of students actively enrolled in the Instrumental/Chorus Music Departments of Saucon Valley High School including those in marching band such as Honor Guard, Majorettes and Flags, who are interested in the progress and development of said programs.

ARTICLE IV – GOVERNING INSTRUMENTS

Section I – The organization requires that its income for each taxable year to be distributed at such time and in such manner as not to subject the organization to tax under US Code section 4942, and to prohibit the organization from engaging in any act of self-dealing (as defined in US Code section 4941(d)), from retaining any excess business holdings (as defined in US Code section 4943(c)), from

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making any investments in such manner as to subject the organization to tax under US Code section 4944, and from making any taxable expenditures (as defined in US Code section 4945(d)).

ARTICLE V – OFFICERS AND ELECTION

Section I - The officers of this organization shall be a) President, b) Vice President, c) Secretary, and d) Treasurer.

a. President – Shall preside at all meetings of the organization, shall appoint all committee chairpersons, shall be the ex-officio member of all committees and shall be familiar with Robert’s Rules of Order.

b. Vice President – Shall assume the duties of the President in the President's absence and shall assume the duties as the chairperson of the Ways and Means Committee, Volunteers, Chaperones and such other duties as deemed by the organization.

c. Recording Secretary – Shall keep the records and minutes of all the meetings, SV use of facility forms needed for every event/meeting held at the SV School District, and shall record in writing the decision made by each individual who decided or voted on compensation arrangements. The information relied on for which the decision was made as well as its source will be documented. And shall attend to correspondence, and take care of the monthly sign in sheet for each meeting and such other duties deemed by the organization.

d. Treasurer - Shall receive all funds due the organization and deposit the same in the bank of the Treasurer's convenience. The Treasurer shall pay out same on order of the organization. Checks are to be signed by the President or the Treasurer. Compensation arrangements will be approved in advance of paying compensation. All compensation arrangements will be documented in writing with the date and terms approved by the organization. The Treasurer shall render a monthly and yearly report and such other duties deemed by the organization.

Section II - All Officers of this organization shall be elected as follows:

- a. A nominating committee shall be appointed by the President at the regular March meeting each year. The Appointments shall consist of two Parent Organization member from each class, 6 through 12, as well as a general chairperson. The nominating committee shall make its report at the regular April meeting or in lieu of an April meeting, in the April communication / newsletter. At the May meeting, nominations may be made from the floor immediately after the rereading of the report of the nominating committee and until the time the nominations are closed for each specific office. Only names of persons, consenting in writing to the submission of their names for nomination, shall be put in nomination from the floor.
- b. Or in place of the formation of a nomination committee, members at large may so choose to nominate active members (whom are in good standing with the organization and having attended no less than 4 meetings) who have consented to the nomination of said position.

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- c. Current officers may not nominate themselves or others for any positions of the executive board.
- d. Should no names be presented for nomination for an elected position; current office holders shall be placed on the ballot as unopposed provided current officer agrees to continue said duties.
- e. Elections are to take place at the May meeting.
- f. A majority vote by acclamation of the members present shall constitute an election.
- g. In the event of an elected officer being unable to complete his or her term of office, the Executive Board shall be authorized to act as the nominating committee and to propose at the next general meeting a suitable, qualified candidate for immediate election. Nominations may be made before the floor after the proposal of the nominating committee is ready. Only names of persons consenting in writing to the submission of their name for nomination shall be put in nomination from the floor. After election, the electee shall be installed into the vacated office for the unexpired term.
- h. In the event no candidate(s) satisfy above guidelines and it is impossible to fill President and/or Vice President position(s) from remaining pool of officers - the following procedure can be utilized as a preparatory mechanism to aid in the transitioning.
 - i. Nomination of current officers
 - ii. Nomination for appointment of officer(s)-elect
 - iii. Said appointee(s) shall be involved with shadowing that position for the first half of term/year with current elected officer
 - iv. Transitioning to begin the second half of term/year sharing duties/responsibilities and transferring of them as applicable.

Section III – It is required that all officers have participated in and shown support of the organization and have a child who is currently in a group of the Instrumental /Chorus Music Department of Saucon Valley High School, including those in marching band such as Honor Guard, Majorettes and Flags.

Section IV - It is required that the President and the Vice President has been a previous member of the Executive Board, are willing to serve, have an interest in the organization, and have leadership abilities. The President and the Vice President shall be members who have proven participation and/or attended five (5) meetings during the prior year and whose child is currently in any group of the Instrumental/Chorus - Music Department.

Section V – The organization’s officers, directors, trustees, employees, or independent contractors should not be related to or have business relationships with any of the other organization’s board members. Additionally the officers, directors, trustees, employees, or independent contractors should not receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization through common control.

- 1) Common control occurs when the organization and one or more other organizations have:

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- a) A majority of your governing boards or officers appointed or elected by the same organization(s), or
- b) A majority of your governing boards or officers consist of the same individuals. Common control also occurs when the organization and one or more commonly controlled organizations have a majority ownership interest in a corporation, partnership, or trust. Ownership means voting power in a corporation, profits interest in a partnership, or beneficial interest in a trust.

ARTICLE VI – TERM OF OFFICE

Section I - All elected officers shall be elected for a term of one year and shall be eligible for re-election to the same office the year immediately following his or her first election.

Section II - The term of office shall be from 1 July to 30 June.

Section III - An elected officer may be removed from office for due cause by two-thirds (2/3) vote of the Executive Board, provided that the person in question is notified two (2) weeks prior to such meeting. The person in question may appeal the decision to the general membership who has the right to reverse the decision by a simple majority vote of those present.

ARTICLE VII – THE EXECUTIVE BOARD

Section I - The executive board shall be composed of the officers of the organization the Directors of the Instrumental/Chorus Music Department of Saucon Valley High School, and the chairpersons of the other committees as approved by the Executive Board.

Section II - The Executive Board shall have general supervision of the affairs of the organization.

Section II - the Executive Board shall meet prior to each monthly meeting to determine the business of the organization.

ARTICLE VIII – MEETINGS

Section I - The regular meetings of the organization shall be held on the third (3) Tuesday of each calendar month beginning in August and ending in June of each school year, unless otherwise authorized by the Executive Board and must have a quorum in attendance.

- a. If there is no quorum all business will be deferred until the next meeting.

Section II - Special meetings may be called by the President or at the written request of ten (10) members.

Section III – A minimum of fifty percent of board members plus fifty percent of vote eligible membership shall constitute a quorum.

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ARTICLE IX – COMMITTEES

Section I - There shall be standing and Fund Raising Committees as needed and approved by the Executive Board to meet the objectives of the organization, one of which will be the Ways and Means Committee.

Section II - The Ways and Means Committee shall consist of general chairperson (the Vice President) and at least three (3) members of the organization. The general chairperson shall submit plans for raising funds to the Executive Board for approval, which in turn, present it to the organization for vote. The Fund Raising Chairpersons will report to the Vice President.

Section III - The Directors of the Instrumental/Chorus - Music Department of Saucon Valley High School shall be ex-officio members of all committees but will have no voting rights in the organization except where specifically identified.

Section IV - The SVMC Scholarship Selection Committee will consist of the Saucon Valley Music Department Band Director, Assistant Band Director, Drill Instructor, Guard Instructor, Pit Instructor, and Choral Director. The SVMC Scholarship Fund recipient(s) will be chosen by majority vote on the pool of eligible candidates by the SVMC Scholarship Selection Committee.

Section X - Effort will be made by the Executive Board to ensure maximum participation of the membership with the goal that no one person shall be chairperson for more than one (1) standing committee and one (1) Fund Raising Committee.

ARTICLE XI – FINANCIAL POLICIES

Section I – Exempt organizations must keep books, reports and file returns based on an annual accounting period called a tax year. The tax year / financial year of this organization shall be from 1 July to 30 June.

Section II – Goods, services, or assets should not be purchased from / sold to any of the organization's officers, directors, trustees, employees, independent contractors or organizations in which they own more than a 25% interest. All compensation arrangements will follow the SVMC Conflict of Interest Policy. If there are any concerns regarding the compensation arrangements the SVMC Whistleblower Policy will be followed.

Section III – Section V - The books of the Treasurer shall be audited annually by at least two (2) people appointed by the Executive Board.

ARTICLE XII – ORGANIZATIONAL GUIDELINES

Section I – Organization shall record in writing the decision made by each individual who decided or voted on compensation arrangements. The information relied on for which the decision was made as well as its source will be documented. Compensation arrangements will be approved based on

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information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys by independent firms, or actual written offers from similarly situated organizations. Adjustments due to geographic area and other specific conditions are appropriate. The source(s) of comparable compensation data, both taxable and non-taxable, should be documented and copies retained in the organizations permanent records. Section II – Organization will not operate in any manner that could be perceived as self-dealing.

1. In general for purposes of this section, the term “self-dealing” means any direct or indirect—
 - a. Sale or exchange, or leasing, of property between a private foundation and a disqualified person.
 - b. Lending of money or other extension of credit between a private foundation and a disqualified person.
 - c. Furnishing of goods, services, or facilities between a private foundation and a disqualified person.
 - d. Payment of compensation (or payment or reimbursement of expenses) by a private foundation to a disqualified person.
 - e. Transfer to, or use by or for the benefit of, a disqualified person of the income or assets of a private foundation; and
 - f. Agreement by a private foundation to make any payment of money or other property to a government official (as defined in US Code section 4946(c)), other than an agreement to employ such individual for any period after the termination of his government service if such individual is terminating his government service within a 90-day period.
2. Special rules for purposes of paragraph:
 - a. The transfer of real or personal property by a disqualified person to a private foundation shall be treated as a sale or exchange if the property is subject to a mortgage or similar lien which the foundation assumes or if it is subject to a mortgage or similar lien which a disqualified person placed on the property within the 10-year period ending on the date of the transfer.
 - b. The lending of money by a disqualified person to a private foundation shall not be an act of self-dealing if the loan is without interest or other charge (determined without regard to section 7872) and if the proceeds of the loan are used exclusively for purposes specified in US Code section 501(c)(3).
 - c. The furnishing of goods, services, or facilities by a disqualified person to a private foundation shall not be an act of self-dealing if the furnishing is without charge and if the goods, services, or facilities so furnished are used exclusively for purposes specified in section 501(c)(3).
 - d. The furnishing of goods, services, or facilities by a private foundation to a disqualified person shall not be an act of self-dealing if such furnishing is made on a basis no more favorable than that on which such goods, services, or facilities are made available to the general public.
 - e. Except in the case of a government official (as defined in US Code section 4946(c)), the payment of compensation (and the payment or reimbursement of expenses) by a private foundation to a disqualified person for personal services which are reasonable and necessary to carrying out the exempt purpose of the private foundation shall not be

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an act of self-dealing if the compensation (or payment or reimbursement) is not excessive.

- f. Any transaction between a private foundation and a corporation which is a disqualified person (as defined in section 4946(a)), pursuant to any liquidation, merger, redemption, recapitalization, or other corporate adjustment, organization, or reorganization, shall not be an act of self-dealing if all of the securities of the same class as that held by the foundation are subject to the same terms and such terms provide for receipt by the foundation of no less than fair market value.
 - g. In the case of a government official (as defined in US Code section 4946(c)), paragraph (1) shall in addition not apply to:
 - i. Prizes and awards which are subject to the provisions of US Code section 74(b) (without regard to paragraph (3) thereof), if the recipients of such prizes and awards are selected from the general public.
 - ii. Scholarships and fellowship grants which would be subject to the provisions of US Code section 117(a) and are to be used for study at an educational organization described in US Code section 170(b)(1)(A)(ii).
 - iii. Any annuity or other payment (forming part of a stock-bonus, pension, or profit-sharing plan) by a trust which is a qualified trust under section 401.
 - iv. Any annuity or other payment under a plan which meets the requirements of US Code section 404(a) (2).
 - v. Any contribution or gift (other than a contribution or gift of money) to, or services or facilities made available to, any such individual, if the aggregate value of such contributions, gifts, services, and facilities to, or made available to, such individual during any calendar year does not exceed \$25.
 - vi. Any payment made under chapter 41 of title 5, United States Code, or
 - vii. Any payment or reimbursement of traveling expenses for travel solely from one point in the United States to another point in the United States, but only if such payment or reimbursement does not exceed the actual cost of the transportation involved plus an amount for all other traveling expenses not in excess of 125 percent of the maximum amount payable under US Code section 5702 of title 5, United States Code, for like travel by employees of the United States; and
 - h. The leasing by a disqualified person to a private foundation of office space for use by the foundation in a building with other tenants who are not disqualified persons shall not be treated as an act of self-dealing if:
 - i. Such leasing of office space is pursuant to a binding lease which was in effect on October 9, 1969, or pursuant to renewals of such a lease.
 - ii. The execution of such lease was not a prohibited transaction (within the meaning of US Code section 503(b) or any corresponding provision of prior law) at the time of such execution; and
 - iii. The terms of the lease (or any renewal) reflect an arm's-length transaction.
3. Other definitions for purposes of this section:

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- a. Taxable period – The term “taxable period” means, with respect to any act of self-dealing, the period beginning with the date on which the act of self-dealing occurs and ending on the earliest of:
 - i. The date of mailing a notice of deficiency with respect to the tax imposed by subsection (a)(1) under US Code section 6212.
 - ii. The date on which the tax imposed by subsection (a)(1) is assessed, or
 - iii. The date on which correction of the act of self-dealing is completed.
- b. Amount involved - The term “amount involved” means, with respect to any act of self-dealing, the greater of the amount of money and the fair market value of the other property given or the amount of money and the fair market value of the other property received; except that, in the case of services described in US Code subsection (d)(2)(E), the amount involved shall be only the excess compensation. For purposes of the preceding sentence, the fair market value:
 - i. In the case of the taxes imposed by subsection (a), shall be determined as of the date on which the act of self-dealing occurs; and
 - ii. In the case of the taxes imposed by subsection (b), shall be the highest fair market value during the taxable period.
- c. Correction - The terms “correction” and “correct” mean, with respect to any act of self-dealing, undoing the transaction to the extent possible, but in any case placing the private foundation in a financial position not worse than that in which it would be if the disqualified person were dealing under the highest fiduciary standards.

Section III – The organization is reliant on Pennsylvania state law to meet the IRS requirements for private foundation classification in Section 508(e).

ARTICLE XIII – DISTRIBUTION OF FUNDS

In the event that this organization shall be non-existent, all funds in the treasury at the time shall be deposited with the Saucon Valley High School Music Fund.

ARTICLE XIV – DISTRIBUTION OF STUDENT ACCOUNTS

Monies are held in one account, and a record of monies will be held in the student's name. The parent of the student has the right to release monies for expenditures needed such as trips and other authorized funding expenses organized through the SVMC. Any monies in the student account at the end of their senior year will transferred to a sibling in the Saucon Valley Music Department Class 6 through 12. If no sibling exists, monies can be transferred to another student if a letter of intent is in writing. If monies are not designated after the senior graduates, all monies will be transferred into the SVMC Scholarship Fund. The above applies if a student quits or leaves the band/chorus for any reason. There will be no refunds.

ARTICLE XV – SVMC SCHOLARSHIP FUND

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Section I – SVMC Scholarships will be awarded to students selected from across all of the Saucon Valley Music Department programs. The scholarships will be a one-time award and vary in amount based on available monies in the SVMC Scholarship Fund at the time of the award and financial need of the scholarship recipient.

Section II – The SVMC Scholarship recipient(s) will be chosen by a majority vote on the pool of eligible candidates by the SVMC Scholarship Selection Committee.

Section III – The SVMC Scholarship applicant must meet ALL eligibility requirements:

1. Applicant submits SVMC Scholarship application to the SVMC Scholarship Selection Committee by the deadline date.
2. Demonstrate financial need based on criteria used for the SVSD free/reduced lunch programs.
3. Applicant must be a Saucon Valley School District student and an active participant in Saucon Valley Music Department programs (i.e. Concert Band, Marching Band, Jazz Band, Chorus, Challenge Choir, Pit Orchestra or another SVMC supported program).
4. Student must reside in the Saucon Valley School District and be academically eligible for trip, event, SVMC activity for which the scholarship will be used (intended usage).
5. The student demonstrates a good work ethic and embodies the values expected in the Saucon Valley Music Department program student.
6. Have not yet graduated from Saucon Valley High School. Note: Adults, chaperones, volunteers, SVMC Officers, and paid SVSD staff are not eligible for the scholarship.
7. Applicants cannot be a family member of anyone on the SVMC Scholarship Selection Committee. However children of the organization's board members are eligible provided that they meet all of the other selection/eligibility criteria.
8. Be U.S. citizens or U.S. permanent residents (holders of a Permanent Resident Card).
9. Scholarship recipient meets all of the eligibility criteria on the day/date(s) of the intended activity. If the scholarship recipient no longer meets all of the criteria during the intended activity, he / she will immediately refund the entire scholarship value to SVMC for award to a future recipient.

Applicants who meet the criteria will be able to apply for scholarship value to the SVMC trip, event or SVMC activity for which the scholarship was awarded. Scholarship can only be used for these purposes. If the scholarship value exceeds the financial need or actual cost of the intended usage, the balance will be returned to the SVMC Scholarship Fund for award to a future scholarship recipient (current recipient does not have a 'claim' over the unused part of the scholarship). The SVMC Treasurer will ensure that the scholarship value is applied to the intended activity or returned to the SVMC Scholarship Fund if not used / not entirely used. No refunds will be given.

ARTICLE XVI – SVMC PROHIBITED ACTIVITIES

Section I – The organization must not expressly engage in activities that are not in furtherance of the organizations exempt status.

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Section II – The organization will have no involvement in any way with political campaigns for public office or attempting to influence legislation.

Section III – All of the organization’s activities are subject to all state and federal laws / regulations.

ARTICLES XVII – AMENDMENTS

The SVMC By-Laws may be amended by a majority vote of the members present at a regular meeting. The amendment must be presented in writing at the preceding regular meeting of the organization.

ARTICLE XVIII - AUTHORITY

The rules contained in Robert's Rules of Order shall govern this organization in all cases in which they do not conflict with the rules of this organization.

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APPENDIX A – GLOSSARY OF TERMS

Disqualified Person - Any individual or organization that is:

- a) A substantial contributor to you (see substantial contributor).
- b) An officer, director, trustee, or any other individual who has similar powers or responsibilities.
- c) An individual who owns more than 20% of the total combined voting power of a corporation that is a substantial contributor to you.
- d) An individual who owns more than 20% of the profits interest of a partnership that is a substantial contributor to you.
- e) An individual who owns more than 20% of the beneficial interest of a trust or estate that is a substantial contributor to you.
- f) A member of the family of any individual described in a, b, c, d, or e above;
- g) A corporation in which any individuals described in a, b, c, d, e, or f above hold more than 35% of the total combined voting power;
- h) A trust or estate in which any individuals described in a, b, c, d, e, or f above hold more than 35% of the beneficial interests; and
- i) A partnership in which any individuals described a, b, c, d, e, or f above hold more than 35% of the profits interest.

Family members – A “member of the family” includes the spouse, ancestors, children, grandchildren, great grandchildren, and their spouses

“Similarly situated organizations” means tax-exempt or taxable organizations of a comparable size, purpose and resources.

Substantial contributor – Any individual or organization that gave more than \$5,000 to you from the date you were formed or other date that your exemption would be effective, to the end of the year in which the contributions were received. This total amount contributed must also be more than 2% of all the contributions you received. A creator of a trust is treated as a substantial contributor regardless of the amount contributed.