

**BYLAWS  
VALLEY OF THE SUN QUARTER MIDGETS, INC.**

**ARTICLE 1  
NAME: VALLEY OF THE SUN QUARTER MIDGETS, INC.**

**SECTION A - AUTHORITY**

Under the authority of the Arizona State Corporation Commission, there has been, and is hereby established the Valley of the Sun Quarter Midgets, Inc. (the Association) (VSQMA), located in the City of Phoenix, State of Arizona. VSQMA is a non-profit organization with a tax ID number as assigned by the State of Arizona, No. 86-0968116. The principal office of the Association for the transaction for corporate business shall be 2222 S. Dobson Rd #102 Bldg-1, Mesa, AZ 85202 in Maricopa County, State of Arizona. All original documents shall remain at this location.

**SECTION B - PARLIAMENTARY PROCEDURES**

Refer to Article XIII Section C- We shall follow the parliamentary procedures providing they do not conflict with the Bylaws of VSQMA enforced now or hereafter amended.

**SECTION C - PREVAILING RULES**

Memberships, rules and regulations under the sanctioning organization and VSQMA shall prevail at all events. The elected Secretary shall submit the required documentation to the sanctioning organization to renew the charter and maintain membership.

**ARTICLE II CREED**

To create and maintain an interesting and safe activity for boys and girls so that they may enjoy a close relationship with their parents in a healthy outdoor sport. A sport which requires skill and practice in the handling of mechanical devices; develops reflexes, alertness and coordination which will be of great value to them throughout their entire lives; and develops in our young generations the ideals of fairness, generosity, and a sense of responsibility without envy to others.

**ARTICLE III QUORUM**

**SECTION A - GENERAL/BOARD OF DIRECTOR MEETINGS**

At all general meetings, a quorum shall consist of 8 club members, of which at least three shall be members of the Board of Directors. To transact business at a meeting of the Board of Directors, a quorum shall consist of three members of the Board of Directors.

**SECTION B - NO QUORUM**

No voting will take place without a quorum. If a quorum is not present, all actions may be discussed but will be voted on at the next meeting.

## **ARTICLE IV ORGANIZATION**

### **SECTION A - GOVERNING BOARD**

VSQMA shall be the Governing Board whose membership will be composed of an Executive Board, Board of Directors, and dues-paid regular members with all voting privileges. Any VSQMA member who designates another club within the sanctioning organization as their home club shall be an associate member (a non-voting member). Should an associate member wish to transfer their home club to VSQMA, they may do so with the approval of the majority of the Board of Directors. Transfer members who change membership will be eligible to vote after a period of 30 days from the time they receive approval from the Board of Directors, providing that all other voting requirements have been met. A member of the Board of Directors shall notify the sanctioning organization of the transfer.

### **SECTION B - MANAGEMENT OF AFFAIRS**

The VSQMA Board of Directors shall be responsible for the management of the affairs of the Association and shall carry out and enforce all purposes and direction given to them by the voting membership.

## **ARTICLE V MEMBERSHIP**

### **SECTION A - REQUIREMENTS**

Any person who is interested in the objective of VSQMA may become a member of this organization. Membership shall be open to those desiring to further the purposes of this Association. There are two types of membership:

- Regular/Family Membership- The members constituting 100% of the voting power at the national and club level.
- Alternate Handler - Alternate handler member(s) shall have no voting rights. They are covered under the provided insurance.

VSQMA reserves the right to refuse membership to any person within 7 days of receiving a completed membership application. A majority vote of the Board of Directors shall determine whether such an application is approved or rejected. If a membership is rejected within the 7-day period, any club membership dues or sanctioning body fees paid by the rejected party shall be refunded.

### **SECTION B - MEMBERSHIP FEES AND APPLICATION**

The annual regular/family membership dues will be \$100.00 plus any additional fees required by the sanctioning body. The annual alternate handler/associate membership dues will be \$25.00 plus any additional fees required by the sanctioning body. All dues are payable to VSQMA with VSQMA writing a club check and forwarding all applicable fees to the sanctioning body. Monies are due when a completed application is received by the club officer. Sanctioning Body Membership is due by January 1st of each year. New members joining on or after May 31st will be paid through the following year (this applies only to membership, not for pit or other fees). This section will exclude arrive and drives.

**SECTION C - TRACK KEY/ACCESS**

Only regular/family members are eligible to have a track key/access. An alternate handler is required to have a regular member at the track to practice. Any alternate handler member practicing without a

regular/family member present will be subject to suspension and/or revocation of membership. Any regular/family member permitting an alternate handler or associate member access to the track while they are not present is also subject to suspension or revocation of membership. Members from other clubs must also have a regular/family member from VSQMA present to practice. Any regular/family member permitting a non-member or driver who is not a VSQMA member access to the track will be subject to suspension or revocation of membership.

**SECTION D - "member in good standing"**

A regular/family member and alternate handler in "good standing" are defined as follows:

- Member's application is completed and processed by both VSQMA and the sanctioning body.
- All fees are paid in full, including membership and special assessments. There can be no outstanding debts to the club.
- All current members must participate in one (1) VSQMA fundraising activity and one (1) work party or make special arrangements approved by a majority vote of the executive board for other duties or applicable donations of in-kind services or products.
- Member is not under any suspension.
- Participates in assigned duties or finds an alternate worker when unable to perform assigned duties. Failure to comply with any of the above will result in up to a \$50 one-time fine.

**SECTION E - MEMBER NOT IN GOOD STANDING**

When a member is not in "good standing", the member may not:

- Be involved with the club in any official capacity until the issue is resolved.
- Serve or run for a club office.
- Be involved in any special committees. • Vote on any club issues.

**SECTION F - CLUB PARTICIPATION**

All members shall take part in the programs as assigned and perform any other duties as needed.

**ARTICLE VI BOARD OF DIRECTORS**

The officers of VSQMA shall consist of the President, Vice President, Secretary and Technical Director. These officers will be known as the Executive Board. The Board of Directors shall consist of (9) persons: President, Vice President, Secretary, Treasurer, Technical Director, Safety Officer, Publicity Director, Tower Coordinator and Novice Trainer.

**SECTION A - ELECTION AND TENURE**

Officers will serve for a term of one (1) year. Executive Board officers can serve no more than two (2) consecutive terms in the same office. The officers shall be nominated from the floor of the general meetings in May with a verbal or written acceptance at that meeting. At the general meeting in June, the

nominees will be voted on by ballot. When there is only one (1) nominee for an office, he/she shall be elected by default. All officers shall take office at the conclusion of the June general meeting. All former officers and directors will have seven (7) days to transfer all club properties to the incoming officers and directors. Under NO circumstances will absentee voting be allowed. In the case of a tie, the President's vote will be the tie breaker. The Executive Board shall cast their/her vote as a secret ballot that will only be counted in the event of a tie. \*\*\*In the event of an Executive Board vacancy for the upcoming VSQMA race season, the club may consider and vote to extend the position for an additional one year by the previous year Executive Board member.\*\*\*

### **SECTION B - ELIGIBILITY**

A regular/family member is eligible for election to office provided that he/she is in "good standing" with a full membership for the upcoming race season.

- All elected officers must have a full VSQMA racing membership paid in full by May 31st for the upcoming race season.
- Alternate handlers cannot run for an elected office.
- Vote shall be by ballot by those eligible members in "good standing".
- Members must be in attendance at the meeting in order to vote and must have a full VSQMA racing membership paid in full by May 31st for the next season.
- Executive Board officers shall not be related.
- Executive Board members must have an active participating driver.

### **SECTION C - VACANCIES OF OFFICE**

If any elected officer leaves office prior to fulfilling their term, the President shall, at the earliest possible date, thereafter, order a special election of the membership, for the purpose of filling such office. The Member thus elected shall immediately enter upon their duties and shall hold office until the next regular election. In the case of the vacancy of the President, the Vice President will assume the interim responsibilities until a special election of the membership, for the purpose of filling such office, can take place. The Member thus elected shall immediately enter upon their duties and shall hold office until the next regular election.

### **SECTION D - NATIONAL OFFICE**

Any VSQMA officer may also hold an office in the sanctioning organization.

### **SECTION E- MEMBERSHIP**

No officer may hold an office in any other quarter midget club except their home club, but can be a member at large.

## **ARTICLE VII REMOVAL OF OFFICERS FROM OFFICE**

### **SECTION A - FILING OF GRIEVANCE**

A vote to remove a Board Member from office may be held upon written request of three (3) regular VSQMA members in "good standing". The written request for removal must include the facts surrounding any event that the member was associated with, the request for removal and witness

statements. The three regular VSQMA members that submit the grievance must then be added to the interim board member election ballot if the position is open. The three members must be willing to take on the position that is opened due to the grievance.

### **SECTION B - REMOVAL PROCESS**

The VSQMA Board of Directors shall convene a meeting of the membership and remove from office any official that receives a majority vote affirming the recall by the regular membership. Voting is to be done by paper ballot. The results of the club actions shall be read into the minutes of the next regularly scheduled club meeting. Any officer removed from office as a result of a recall vote shall, within five (5) calendar days of receipt of notification of removal from office, deliver all VSQMA properties to the VSQMA President, or a designated Board Member.

The President calls the meeting to order and the Secretary takes the minutes. If the grievance involves the President, the President will open the hearing and then pass the gavel to the Vice President and the Secretary takes the minutes. If the grievance involves both the President and the Vice President, the President will open the hearing and then pass the gavel to the Secretary and the Treasurer takes the minutes. If the grievance involves the Secretary, the President can assign the Vice President or the Treasurer to take the minutes. If the grievance is filed against the Treasurer, the same procedure is used as outlined above. If any action results in the resignation or removal of a board member from the Association, the Board of Directors shall follow the procedures outlined in Section C, Vacancies of Office to elect a replacement.

## **ARTICLES VIII SUSPENSION**

### **SECTION A - GROUNDS FOR SUSPENSION**

Any member, officer or board member of VSQMA may be suspended or removed from membership for actions or activities detrimental to the objective and purposes of this organization or for general cause. General cause can be, but is not limited to, the physical or verbal abuse of a child, member, race official or member of the general public or any other causes approved by the Board of Directors. Members can also be suspended or removed from membership if found guilty of any violations of the sanctioning organization, the sanctioning organization's Participant Conduct or VSQMA Bylaws and/or Racing Rules. For the purpose of Participant Conduct, a member is defined as any regular/family member or alternate handler/associate member of VSQMA. The sanctioning organization's Participant Conduct can be found on their website.

### **SECTION B - FILING OF GRIEVANCE**

Any member of the Association may press charges against another member with a written statement to the President within 24 hours of the incident. The Executive Board will review the grievance and present to the Board of Directors. The President or Secretary of the organization will notify all Board of Directors of any special meeting. A recommendation of fines, suspension or removal will be determined based on the degree of the infraction. After the Board of Directors has reviewed and made their recommendation, the offending member will be given written notice of a time and place for a hearing with an opportunity to defend or explain. If a grievance is enough to dismiss or remove a member, a quorum vote of the

Board of Directors present will be enough to remove that member. If removal is not passed, a vote of the majority of the Board of Directors will be enough to suspend or fine the offender. The Board of Directors shall be responsible for all disciplinary action when necessary.

If a member's actions result in permanent suspension from VSQMA, the sanctioning organization will be notified of the proceedings.

#### **ARTICLE IX SOCIAL NETWORKS**

Any regular/family member or alternate handler posting negative comments about VSQMA or another member on the VSQMA website, Facebook or other social network page will be subject to immediate disciplinary action, up to and including suspension or removal from the club.

#### **ARTICLE X DUTIES OF BOARD OF DIRECTORS AND OFFICERS**

The Board of Directors shall have and exercise all power the Bylaws have granted to them except that it shall have no power to alter, adopt, rescind or nullify any part of the Bylaws, Rules or Regulations of VSQMA. Any recommended changes to the Bylaws of club rules shall be put before the membership with the previously stated quorum. All VSQMA club business needs to be done through the VSQMA email account.

##### **SECTION A - DUTIES OF THE PRESIDENT**

The President is the Chief Executive of the Association and as such shall enforce all provisions and purposes of the Association. The President shall perform the following: preside at all meetings of the membership and the Board of Directors; sign warrants supported by statements, which are drawn on the treasury; appoint members of all committees, except the nominating committee, including request for special committees; verify the bank balance monthly; be a non-voting member of every committee except the nominating committee; perform all duties as may be necessary; preside over officers and Board of Director voting at the December meeting; and assign ballots being drawn up, passed out, collected and tallied. The President or Secretary shall distribute all officers' club documents.

##### **SECTION B - DUTIES OF THE VICE PRESIDENT**

The Vice President shall, in the absence of the President, perform the duties of that office and shall discharge any other duties required of that office.

##### **SECTION C - DUTIES OF THE SECRETARY**

The Secretary shall perform the following duties: keep the membership records and issue membership cards in a timely manner; e-mail or mail notices to all members of meetings, minutes of previous meetings, Bylaws, club rules and Articles of Incorporation thereof; keep minutes, with accuracy, in proper books kept for this purpose; report to the membership the minutes of any Executive Board meeting; report all correspondence; send a list of the Executive Board to the South Mountain Park Rangers as long as VSQMA is quartered at South Mountain Park, along with the annual fees required; and distribute all sanctioning organization and VSQMA rules and regulations to all members, including the latest updates. The Secretary will work with the Treasurer or an appointed person to register and

collect all pit fees and record all entries (an entry cannot be accepted without the proper safety inspections slips from the Safety Director and current VSQMA membership and insurance cards); and shall perform all other duties required as directed by the membership. The Secretary is also a non-voting member of all committees, except the nominating committee.

#### **SECTION D - DUTIES OF THE TREASURER**

The Treasurer shall perform the following duties: receive and disburse all funds from and for VSQMA; keep a complete set of books listing all checks, cash, donations, sales of tickets, and all other forms of income; give an accounting at each monthly meeting; and present an estimated expense to the membership regarding track expenses, trophy expenditures, and insurance at the first meeting and an accurate account at the final meeting of the year. The Treasurer will work with the Secretary at registration and receive all pit fees or entries. All fees and monies are to be deposited within three(3) banking days of receipt to the VSQMA checking account with an accredited banking institution. One (1) signature from the Executive Board of Directors is required to issue a check for purchases of less than \$500. Two (2) signatures shall be required for all purchases of \$500 and over. Receipts shall be required in order to be reimbursed for any expenses. Advances can be made for up to \$500. No additional monies can be advanced until receipts are submitted. The receipts shall be submitted within thirty (30) days of advance. An audit of the VSQMA treasury shall be performed by an accredited accounting firm, which is not affiliated with the Association. If two (2) payments of insufficient funds are received from an individual, only cash will be accepted and they cannot race the next race until full restitution has been made.

#### **SECTION E - DUTIES OF THE TECHNICAL DIRECTOR**

The Technical Director is directly responsible to the Board of Directors for the administration and interpretation of all rules having to do with the specifications of all cars as to design, general construction, size, weight, fuel and engines. He/she shall also be directly responsible to the Board of Directors for the administration and interpretation of all rules and regulations as to classification of all cars and drivers and all racing procedures having to do with the conduct of all qualifying competition, training, and education programs and events as they may concern the Technical Director.

#### **SECTION F - DUTIES OF THE SAFETY DIRECTOR**

The Safety Director is directly responsible to the Board of Directors for the administration and interpretation of all the rules having to do with all driver equipment, the handling of all fuel, gasoline and other volatile substances, all the safety belts, and the harnesses, as well as all rules and regulations involving the safety of drivers or of the public in the conduct of all qualifying competition, training, or educational programs and events as they may concern the Safety Director. The Safety Director shall ensure the track is ready for the race.

#### **SECTION G - DUTIES OF THE PUBLICITY DIRECTOR**

The Publicity Director shall handle the publicity affairs of the Association as directed by the Board of Directors. He/she shall be responsible for the newsletter and other forms of publicity for VSQMA and shall also be responsible for the public relations and promotional programs.

**SECTION H - DUTIES OF THE RACE DIRECTOR**

The Race Director's responsibilities are: conduct the handler's meeting; appoint flagmen as necessary; begin the race on time; ensure proper conduct of all members; accept all written protests submitted within the time allotted, not to exceed one (1) hour after the incident in question; assemble the proper protest committee for prompt action. Only members of the sanctioning body may submit formal protests - no verbal protest will be accepted from anyone. If disciplinary action is deemed necessary, the sanctioning organization's Participant Code and the Association's Bylaws will be followed. The Race Director shall ensure all VSQMA equipment, doors and gates are secured, and the track is properly secured prior to leaving the track at the end of the race day. The Race Director is the final authority on race day issues.

**SECTION I - DUTIES OF THE TOWER COORDINATOR**

The Tower Coordinator is directly responsible for all administrative duties on race day as follows: assist the Secretary to register and collect all pit fees and record all entries; complete and post-race lineups; maintain supplies of all needed race related documents; keep track of the pill draw; keep accurate account of qualifying track records; make sure all race results are recorded and reported to person(s) assigned to keep track of season points; assign scoring people for all heat and main races; and to assist in training new members on how to score a race.

**SECTION J - DUTIES OF THE NOVICE TRAINER**

The Novice Trainer is responsible for: instructing new drivers and handlers in procedures and safety of quarter midget racing; and working with the handlers to determine when a driver is ready to graduate and report to the Board of Directors.

**SECTION K - DUTIES OF THE PIT STEWARD**

The Pit Steward shall perform the following duties on race day: assign flag people for practice sessions; inform handlers when cars are allowed to enter the track and when cars are exiting the track; get cars lined up in the pit area; and make sure the gates remain closed except when cars are entering and exiting the track.

**ARTICLE XI FULFILLMENT OF ELECTED TERMS**

Any elected Board Member not fulfilling their elected term, for other than personal hardship, shall not be eligible to run for the upcoming year Board elections.

**ARTICLE XII APPOINTED POSITIONS**

The following positions are non-elected positions but can be appointed by the Board of Directors if there are no volunteers: Flagger, Concessions and Web Master.

**ARTICLE XIII MEETINGS SECTION**

**A - GENERAL MEETINGS**

The purpose of the general meetings shall be to transact the business of the Association. A general meeting will be held the third week of every month or as designated by the President and



communicated via the web site and/or the VSQMA email to all members at least five (5) days prior to the meeting. General meetings are open to all members in "good standing" with the club along with invited guests of a member with prior approval of the majority of the Executive Board.

### **SECTION B - SPECIAL MEETINGS**

The President of the Association may call a special meeting when, after consulting the other officers, is convinced that the need is sufficiently urgent. Special meetings will be held directly before the next race meet or at another appropriate time with prior notification to all members.

### **SECTION C - ORDER OF BUSINESS**

In all general meetings of the club, the order of business shall include the following:

- Call to order
- Reading of minutes from the last meeting and their approval
- Reports of officers
- Reports of special committees
- Unfinished business or pending items from last meeting
- New business
- Adjournment

### **SECTION D - VOTING**

Only active regular/family members in "good standing" will be eligible to vote. All official votes of the club membership will only count members who vote as 'YES' or 'NO' towards the decision of the vote. Members in attendance who choose to abstain will not be counted towards any majority calculations. Proxy voting will not be allowed. Members must be present to vote.

#### **SUBSECTION 1 - GENERAL VOTING**

Members in "good standing" will be eligible to vote and will have one (1) vote per family for club issues. It takes a majority vote of the members present to pass a motion. Once a motion is passed, it takes a majority vote of the members present to rescind or change the vote.

#### **SUBSECTION 2 - ELECTIONS VOTING**

An active regular/family member in "good standing" will be eligible to vote for nominated officers and directors and must have a full VSQMA racing membership paid in full by May 31st for the next season, participated in four (4) VSQMA events, of which one (1) shall include the monthly meeting prior to the voting meeting. Other examples include racing programs, work parties, concession, tower and any VSQMA sponsored special event. Each regular/family membership is entitled to one (1) vote per family. (Refer to Article V, Section D.) The scheduled meeting in May shall be designated for the nominations of officers and directors. Nominations shall be completed at the close of the May meeting. Elections shall take place at the next scheduled meeting in June. Voting will be done by ballot and voting is complete when ballots are called for and collected. If more than two (2) candidates are running for the same office, the candidate with the most votes shall be elected. If only one (1) candidate is running for a position, a ballot vote is not necessary.

**SUBSECTION 3 - AMENDMENTS TO BYLAWS**

Proposed changes to the Bylaws will be submitted at the May meeting and voted on at the June meeting. A majority vote of the regular/family members in “good standing” present at the meeting is necessary to change the Bylaws.

**SUBSECTION 4 - SANCTION BODY VOTING**

Members in “good standing” will have one vote per family on any sanction body issues.

**ARTICLE XIV RACE SCHEDULE**

Approval of a race schedule shall be made by the members by the close of the April or May general meeting. The approved race schedule will remain unchanged throughout the racing season barring any extenuating circumstances and once approved by the park.

Extenuating circumstances are defined as extreme heat, rain, or park permissions.

If a race must be canceled, it is only postponed. The club will reconvene to agree on a date and reschedule the race for that date.

**ARTICLE XV RACE POINTS, LOCAL POINTS, MOVE UP POINTS & END OF YEAR AWARDS**

No move up points will be awarded to VSQMA members when a driver moves out of the novice class and into a competitive class or when a driver moves up due to age or weight.

**RACE POINTS:**

- No passing points will be awarded at local club races.
- Qualifying and heat points will be a one point split starting at 10. Finishes from 11th place on will receive one point.
- Main event will be awarded as follows:

1st Place = 70 7th Place = 40  
 2nd Place = 63 8th Place = 36  
 3rd Place = 57 9th Place = 32  
 4th Place = 52 10th Place = 28  
 5th Place = 48 11th Place on =25  
 6th Place = 44

- Cars that do not finish the race for any reason(DNF), receive points for the position as they DNF.
- A car that warms up on the track, but does not start the race (DNS) receives points behind DNFs.
- Cars that do not attempt (do not warm up on track)(DNA) receive no points.
- If a race is canceled at any time before the completion of the entire race, there will be points awarded for each completed round (qualifying, heat, main).
- Cars that are disqualified in tech will forfeit all points for that race.

- Race day awards will be given out to car classes of any size. However, the points for that day will not count for year-end championships.

#### Local Points Series:

- Only VSQMA members will be eligible for the local points series.
- Points will be given for the official finish place starting on the day the driver becomes a VSQMA member, and not before.
- Points are awarded for actual finish position regardless of whether a non VSQMA driver was in the finishing order.
- The series championship will not include Novice classes.
- Throw out races are granted to each driver as follows:
  - 1 throw out race for a 10 race or less season.
  - 2 throw out races for 11 or more race season.
  - These throw out races can be used for races with a low point score or for races that the driver was not able to attend.

#### End of Year Awards:

- All Novices who are members of VSQMA will receive an end of year participation trophy.
- Competitive Classes that have a car count of less than 2 will not be eligible for championship awards.
- A driver must race half of the scheduled races as well as be a member in “good standing “of VSQMA to be eligible for end of year awards.
- End of year awards tie breakers are as follows:
  - First tie breaker will be by most main event wins; ○
  - Second tie breaker will be by most heat race wins; ○
  - Third tie breaker will be by most fast times.

### **ARTICLE XVI CONFLICT OF INTEREST**

#### **ARTICLE A - PURPOSE**

The purpose of the conflict-of-interest policy is to protect the tax-exempt status of the Association'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 Association or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to non-profit and charitable organizations.

**ARTICLE B - DEFINITIONS SUBSECTION 1 - INTERESTED PERSON**

Any director, principal officer, or member of a committee with Governing Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

**SUBSECTION 2- FINANCIAL INTEREST**

A person has a financial interest if the person has directly or indirectly, through business, investment, or family:

- An ownership or investment interest in any entity with which the Association has a transaction or arrangement.
- A compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement.
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement.

**SUBSECTION 3 - COMPENSATION**

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

**SUBSECTION 4 - FINANCIAL INTEREST**

A financial interest is not necessarily a conflict of interest. Under Article C, Subsection 2, a person who has a financial interest may have a conflict of interest only if the appropriate Governing Board or the committee decides that a conflict of interest exists.

**ARTICLE C - PROCEDURES SUBSECTION 1 - DUTY TO DISCLOSE**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board of Directors and members of committees with Governing Board delegated powers considering the proposed transaction or arrangement.

**SUBSECTION 2 - 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 Governing 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.

**SUBSECTION 3 - PROCEDURES FOR ADDRESSING THE CONFLICT OF INTEREST**

A. An interested person may make a presentation at the 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.

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

C. After exercising due diligence, the Governing Board or committee shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

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

#### **SUBSECTION 4 - VIOLATIONS OF THE CONFLICTS OF INTEREST POLICY**

If the Governing 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 Governing 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.

#### **ARTICLE D - RECORDS OF PROCEEDINGS**

The minutes of the Governing Board and all committees with board delegated powers shall contain:

- 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 Governing Boards or committee's decision as to whether a conflict of interest in fact existed.
- The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

#### **ARTICLE E - ANNUAL STATEMENTS**

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

- Has received a copy of the conflicts of interest policy.
- Has read and understands the policy.
- Has agreed to comply with the policy.
- Understands the Association 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.

## **ARTICLE XVII COMPENSATION**

Neither elected nor appointed officials, nor any other member of VSQMA shall be compensated for time and effort expended on behalf of the Association except for out of pocket expenses incurred in conjunction with performance of their duties.

## **ARTICLE XVIII EQUIPMENT**

All equipment pertaining to, donated to, or purchased for the Association, or held for the Association, and supplies used in connection herewith, and all funds of said Association from whatever source obtained, including receipts from operations, shall be used only for the improvement of the property and services of this Association. All equipment shall be inventoried and entered into a Master Log.

## **ARTICLE XIX OWNERSHIP**

All properties pertaining to, used by, donated to, or purchased for the Association, or held for the Association, and also supplies used in conjunction here with, and all funds of the Association from whatever source obtained, including receipts from operations, shall be used only for the improvement of property and services of this Association.

## **ARTICLE XX PROFITS**

No profits or earnings of any kind will be distributed to any member of the Association. All profits and earnings, if any, shall be used for the sole purpose of improving, expanding, and extending the facilities and services of the Association.

## **ARTICLE XXI EXPENDITURES ON BEHALF OF CLUB**

Any single expenditure less than \$500.00 may be approved solely by the Executive Board. Any single expenditure greater than \$500.00 must be approved by a majority vote of the membership present at the general or special meeting which the expenditure was discussed (this excludes any fees required by the sanctioning body for items such as insurance, dues and charters). The Treasurer also has the authority to pay monthly rent and utilities without club approval if those expenses exceed \$500.

## **ARTICLE XXII COMMUNICATION**

Per these Bylaws, notification of official club business will be made on the VSQMA web site at <http://www.vsqma.com>. Minutes from VSQMA board meetings or special committee meetings will be kept. A copy of the minutes from these meetings will be on hand at the next monthly meeting and summarized for the membership and sent via email to all members. All minutes of the meetings will be kept in the club email. Any other information, notices, etc. that is relevant to the membership as a whole, will be sent via VSQMA email to each member and/or posted on the club's website. The membership is encouraged to visit the website often for new and up-to-date information.

## **ARTICLE XXIII CERTIFICATES**

The Association will issue neither shares of stock nor membership certificates. The capital of this Association shall be obtained entirely by donations and contributions, dues, assessments, and such earnings as may be realized from operations of the Association.

Adopted August 21, 2006

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Updated April, 2008

Updated June 20, 2011

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Updated June 3, 2017

Updated June 14, 2020

Updated September 2, 2021

Updated August 16th, 2022

Updated August 30th, 2023

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