

**BY-LAWS
OF
MARENGO AREA SCHOOLS EDUCATION FOUNDATION, Inc.**

As Amended on January 13, 1998

As Amended June 8, 2004

ARTICLE I. Board of Directors

Section 1. General Powers. The affairs of the Marengo Area Schools Education Foundation, Inc., hereinafter referred to as the “Foundation”, shall be managed by the Board of Directors which shall have final jurisdiction over all questions of policy and general plans, and shall have full authority over the property, assets and activities of the Foundation, and over the powers granted to the Foundation by law.

Section 2. Number, Tenure, and Qualifications.

(a) The Board of Directors shall consist of eighteen (18) directors. The Directors shall be divided into classes with qualifications and terms as follows.

(i) Each superintendent of Marengo area public school districts, or designee of the superintendent, so long as they respectively hold those offices, shall be directors’ ex-officio; ex-officio directors shall not be entitled to vote.

(ii) Fifteen (15) Directors shall make up the elected Board.

These Directors shall be at least twenty-one (21) years of age and residing within the District #154 boundaries or employed by a school unit within the District #154 boundaries.

Each year, five Directors will be elected and seated at the January meeting to serve for a term of three years and until the election and qualification of their respective successor and except as otherwise provided for filling vacancies.

(b) Any Director may resign at any time by giving written notice of such resignation to the Board of Directors.

Section 3. Vacancies.

(a) Any Director, except ex-officio Directors, may be removed by the affirmative vote of two-thirds (2/3) of the Directors then serving on the Board, after being given full opportunity to be heard, calling a special meeting, if necessary.

(b) Any Director who shall have been absent from three (3) consecutive regular meetings of the Board without reason satisfactory to the Board shall be subject to termination upon a majority vote held after notice to the Director of the placing of said matter of the Director's removal on the agenda.

(c) Any vacancy in the Board of Directors occurring during the year may be filled for the balance of the unexpired term by nomination and vote of the Directors then serving. In any case where the vacancy was created by a Director elected by the Marengo Area Schools Education Foundation, Inc., the successor Director, so appointed by the Board of Directors, shall hold office until the next annual meeting of the Foundation and until the election and qualification of the successor.

Section 4. Meetings of the Board of Directors

(a) Regular meetings of the Board shall be monthly and the day and hour of such meetings shall be determined by the Board at its first meeting following the annual meeting. The regular meeting of the second full week in January shall be known as the annual meeting and shall be for the purpose of electing Directors and officers, receiving reports of officers and committees, and for any other business that may arise. A monthly meeting may be cancelled on majority vote of the directors prior to the month's meeting.

(b) Special meetings of the Board of Directors may be called by the President of upon the written request of three (3) Directors of the Board.

(c) All meetings shall be held at such site within the districts of Marengo area public schools as the President shall direct.

(d) Notice of the annual meeting and of all special meetings shall be given by mailing the same at least three (3) days or by oral or written notice delivered personally to each Director at least twenty-four (24) hours before the meeting, such notice to be delivered to the usual business or residence of the Director, but a Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute waiver of notice of that meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

Section 5. Quorum.

At all meetings of the Board of Directors, fifty-one (51) percent of the elected Directors shall constitute a quorum.

Section 6. Officers.

- (a) The officers of the Marengo Area Schools Education Foundation, Inc., shall consist of: President, Vice-President, Secretary and Treasurer and such other officers as the Board may confirm.
- (b) The officers shall be elected for a term of one (1) year by majority vote of the Directors present at the annual board meeting.
- (c) Any vacancies occurring among officers shall be filled for the unexpired term by a majority vote of those Board members present at any meeting at which the matter is acted upon.
- (d) The President shall be ex-officio director of all committees, except the nominating committee, and shall be entitled to all privileges, including voting.
- (e) The President shall preside at all meetings of the Board of Directors. He/She shall have and exercise general charge and supervision of the affairs of the corporation and shall do and perform such other duties as may be assigned to him/her by the Board of Directors.
- (f) At the request of the President, or in the event of his/her absence or disability, the Vice-President shall perform the duties and possess and exercise the powers of the President; and to the extent authorized by the law the Vice-President shall have such other powers as the Board of Directors may determine, and shall perform such other duties as may be assigned to him/her by the Board of Directors.
- (g) The Secretary shall have charge of such books, documents and papers as the Board of Directors may determine. He/She shall attend and keep the minutes of all the meetings of the Board of Directors. He/She shall keep a record, containing the names alphabetically arranged, of all persons who are Directors of the Corporation, showing their places of residence, and such book shall be open for inspection as prescribed by law. He/She may sign with the President or Vice-President, in the name and on behalf of the corporation, any contracts or agreements authorized by the Board of Directors; he/she may affix the seal of the corporation. He/She, shall, in general, perform all the duties incident to the office of Secretary, subject to the control of the Board of Directors, and shall do and perform such other duties as may be assigned to him/her by the Board of Directors.
- (h) The Treasurer shall have the custody of all funds, property, and securities of the corporation, subject to such regulations as may be imposed by the Board of Directors. He/She may be required to give bond for the faithful performance of his/her duties, in such sum and with such sureties as the Board of Directors may require. When necessary or proper, he/she may endorse on behalf of the corporation for collection checks, notes, and other obligations, and shall deposit the same to the credit of the corporation at such bank or banks or depository as the Board of Directors

may designate. He/She shall sign all receipts and vouchers and, together with one other officer or director appointed by the Board, shall sign all checks of the corporation. If the treasurer is unavailable, the aforementioned may be accomplished with signature of any two (2) duly elected and current officers. He/She shall be make such payments as may be necessary or proper to be made on behalf of the corporation and as authorized by the Board of Directors. He/She shall enter regularly on the books of the corporation, and shall exhibit such books at all reasonable times to any director. He/She shall, in general, perform all the duties incident to the office of Treasurer, subject to the control of the Board of Directors.

(i) Any officer may be removed from office by the affirmative vote of two-thirds (2/3) of all the directors at any regular or special meeting called for that purpose, for nonfeasance, malfeasance, or misfeasance, or for conduct detrimental to the interest of the corporation, for lack of sympathy with its objects or for refusal to render treasonable assistance in carrying out its purposes. Any officer proposed to remove shall be entitled to at least five (5) days notice in writing by mail of the meeting of the Board of Directors at which such removal is to be voted upon and shall be entitled to appear before and be heard by the Board of Directors at such meeting.

ARTICLE II. Committees.

Section 1. Executive Committee.

The Executive Committee shall consist of all the officers of the Foundation and such other members of the Board of Directors as the Board shall direct and has the power to act on behalf of the Board of Directors between regular Board meetings. A full report of such activity must be made at the next meeting of the Board. The Executive Committee shall meet on call of the President or upon the request of any three (3) Directors of the Board.

Section 2. Nominating Committee

The Nominating Committee shall consist of three (3) members of the Board of Directors, excluding the President, whose purpose is to solicit nominations for candidates to the Board of Directors. The Nominating Committee shall enter into nominations a list of recommended candidates to fill open positions.

Section 3. Additional Committees

The Board of Directors may appoint such other committees as may be deemed necessary.

ARTICLE III. Contracts, Checks, Deposits, and Funds.

Section 1. Contracts.

The Board of Directors may authorized any two (2) officers, agent or agents of the corporation, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

Section 2. Checks.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by any two such officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 3. Deposits and Funds.

All funds of the corporation shall be deposited to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may elect from time to time in an Investment Policy.

Section 4. Acceptance of Funds.

Gifts, contributions, donations and bequests for the purposes specified in the Articles of Incorporation shall be given or made directly to the Marengo Area Schools Education Foundation, Inc.

Gifts, contributions, donations and bequests to designated purposes, before acceptance by this foundation, must meet approval by the superintendent(s) of the school district(s) affected. The Board of Directors reserves the rights not to accept any gifts, contributions, donations or bequests.

ARTICLE IV. Disbursement of Funds.

Section 1. All gifts, contributions, donations or bequests shall be invested in such a manner as to be consistent with the investment then in effect, with the principal to remain intact.

Section 2. Income shall be spent annually. Income shall be disbursed in the following manner:

(a) All expenses incurred by the Foundation shall be paid first from the proceeds of fund-raising activities from the year in which the expense occurred and secondly from income earned on principal and third from principal.

(b) Earnings from principal that is designated to a specific school and/or purpose shall, after expenses relating to that principal, be disbursed as designated. If or when a specific purpose no longer exists for which

principal has be designated, the Board of Directors shall direct that the income from the principal to be designated to the school district(s) that benefited from the original designated purpose.

(c) Forty (40) percent of net income shall be given to Community High School of Marengo, District #154.

(d) Sixty (60) percent of net income shall be given to Marengo-Union Consolidated District, #165 and to Riley School District #18 to be divided proportionately according to student enrollment for the current school year.

Section 3. The net income is to be dispensed annually to the schools. A representative from the board will inform each superintendent of the amount to be granted and will ask that the superintendent or his/her designee provide the Board of Directors with a projection on how the funds will be spent. The Board of Directors, in order to preserve the integrity of the Foundation, will see that the projected uses of the earnings are in compliance with the Articles of Incorporation and these By-Laws and then the Board of Directors will give final approval to the disbursements.

Section 4. It is the belief of the Foundation that the public at large is charged with the responsibility and accountability of funding public education. The Foundation wishes to help provide the schools with the extra finances needed to procure a quality education above and beyond what which can be obtained merely through taxation. The Foundation recognizes the following criteria for disbursing its funds to Marengo area schools:

(a) Funds may be used for educational capital expenditures. Examples may include, but are not limited to computers, printers, VCRs, televisions, lab equipment, video recorders, sound equipment, vocational equipment, sports equipment, props, screens, maps, band instruments, library books and equipment, etc.

(b) Funds may be used for items that the general public will use and that otherwise could not be afforded by the district. Examples may include, but are not limited to bleachers, concession stand, air conditioning specific areas, track resurfacing, gym floor, auditorium seats, carpeting specific areas, backstops, playground equipment, etc.

(c) Funds may be used to promote student awareness, educational goal setting, and career planning. Examples may include, but are not limited to guest speakers, special equipment, field trips, incentive prizes, scholarships to specific programs, etc.

(d) Funds many not be used for purposes that the general public is charged to already provide. Examples may include, but are not limited to salaries, consumable materials, normal maintenance, textbooks, buses, employee

fringe benefits, building additions, etc.

(e) Funds may not be used for purposes that do not fit with the general context of the school district. Examples may include, but are not limited to food pantry, post-grad scholarships, non-school sponsored events, school board elections, etc.

Section 5. Contributions, donations, gifts, bequests, or devises given to the Foundation for the express purpose of being passes on in total to a school(s), and not to be a part of the endowment fund, shall be administered in such manner as to suit the wishes of the donor, but not until receiving approval by the superintendent(s) of the affected school(s).

ARTICLE V. Fiscal Year.

The fiscal year of the corporation shall begin on July 1 and end on June 30 in each year.

ARTICLE VI. Charge of Authority

The Board of Directors is subject to the Articles of Incorporation and to these By-Laws and the laws of The General Not For Profit Corporation Act of the State of Illinois.

ARTICLE VII. Amendments to By-Laws

These By-Laws may be altered, amended or repealed and new by-laws may be adopted by two-thirds (2/3) of the elected Directors then serving on the Board of Directors, provided that at least ten (10) days written notice is given of the intention to alter, amend or repeal, or to adopt new by-laws at such meeting.

ARTICLE VIII. Agenda.

The President or his/her designee shall prepare an agenda for each meeting. The President and any director shall be entitled to place matters on the agenda for consideration. No expense or fund-raising activity requiring an expenditure in excess of \$_____ shall be authorized unless on the Agenda for two (2) consecutive months.

ARTICLE IX. All meetings shall be governed under the rules of Roberts Rule of Order.

