

**BYLAWS**  
of the  
**BALL-CHATHAM EDUCATIONAL FOUNDATION**  
**CHATHAM, ILLINOIS 62629**

**ARTICLE I**  
**THE ORGANIZATION**

Section 1. Name

The name of this organization shall be the “Ball-Chatham Educational Foundation.” It shall be hereinafter designated and referred to in these Bylaws as the “Foundation.”

Section 2. Address

The principal office of the Foundation shall be located at, “Ball-Chatham Educational Foundation, Ball-Chatham Community Unit School District #5, 201 West Mulberry, Chatham, Illinois 62629.

Section 3. Legal Status

The Foundation shall be and will remain a not-for-profit foundation approved and accepted under the laws of the State of Illinois as provided by the General Not-for-Profit Foundation Act of Illinois, in force January 1, 1944.

Section 4. Tax Status

The Foundation is organized exclusively for charitable or educational purposes within the meaning of Section 501 (C) (3) of the Internal Revenue Code. Notwithstanding any other provisions of these Articles, the corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from the federal income tax under Section 501 (C) (3) of the Internal Revenue Code of 1954, as amended, (or the corresponding provision of any future United States Internal Revenue Law), or (b) by a corporation, contributions to which are deductible under Section 170 (C) (2) of the Internal Revenue Code of 1954, as amended, (or the corresponding provision of any future United States Internal Revenue Law).

Section 5. Purposes and Powers

The purpose of the Foundation shall be to raise and distribute funds in support of the schools of the Ball-Chatham Community Unit School District #5 to be used for, but not limited to: 1) student support and enrichment; 2) to enhance staff development and creativity; 3) innovative programmatic initiatives; 4) to create an endowment for the Ball-Chatham Community Unit School District #5 for the purpose of providing on-going financial support for schools in the District; and 5) to work with and support other groups and/or individuals interested in contributing to the success of the Ball-Chatham Community Unit School District #5 educational mission.

No part of the net earnings of the Foundation shall inure to the benefit of, or be distributable to, its members, Board of Directors, officers, or other private persons except that the Foundation shall be authorized and empowered to pay reasonable compensation for services rendered. No substantial part of the activities of the Foundation shall be used for propaganda or otherwise attempting to influence legislation. The Foundation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

The Foundation shall possess all powers which a corporation organized under the General Not-for-Profit Act of the State of Illinois, as the same from time to time may be amended, shall possess, including all powers which are not in conflict with the aforesaid purposes for which the Foundation is organized, including, but not limited to, the power to purchase, take, receive, lease as lessee or lessor, take by gift, devise or bequest, or otherwise acquire, own, hold, use, invest in and otherwise deal in and with any real or personal property or any interest therein situated in or out of the State of Illinois; to sell, convey, pledge, mortgage, assign, and otherwise transfer or dispose of all or any part of its property and assets; from time to time to use, distribute, contribute, expend, donate, apply, and appropriate all of its property and assets, and all proceeds and avails thereof, and income and profit derived therefrom, exclusively for the charitable, educational scholastic, or scientific purposes; provided, however, the Foundation shall not engage in any business which would disqualify it from being exempt from taxation as an organization described in Section 501 (c) (3) of the Internal Revenue Code of 1954 as amended, or any subsequent law of the United States of America.

Anything herein contained to the contrary notwithstanding, no assets of the Foundation shall be donated, distributed, applied to, paid over, or otherwise used or employed in any manner which would disqualify the Foundation from being exempt from taxation under Section 501 (c) (3) of the internal Revenue Code of 1954 as amended, or any subsequent law of the United States of America.

## Section 6.

### Dissolution

In the event of dissolution of the Foundation, the Board of Directors shall, after paying or making provisions for the payment of all the liabilities of the Foundation, dispose of all the assets of the Foundation exclusively for the purposes of the Foundation in such manner, to the Ball-Chatham Community Unit School District #5, or in the event the Ball-Chatham Community Unit School District #5 does not exist, to such organization or organizations organized exclusively for charitable educational purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (C) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) as the Board of Directors shall determine.

Any such assets not so disposed of shall be disposed by the court of common pleas of the country in which the principal office of the Foundation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

## **ARTICLE II MEMBERSHIP**

### Section 1. Classes of Membership

There may be classes of membership in the Foundation. Members shall have no voting rights but shall be recognized for their contributions to the Foundation in an appropriate manner as determined by the Board of Directors.

### Section 2. Year

The fiscal year of the Foundation shall be July 1 through June 30, inclusive.

## **ARTICLE III BOARD OF DIRECTORS**

### Section 1. General Powers

The management, control and operation of the business affairs and properties of this Foundation shall vest and be in the Board of Directors of the Foundation.

### Section 2. Number

The Board of Directors shall consist of 13 directors, except when vacancies on the Board occur by reason of death, resignation, or otherwise, the number shall be reduced by such vacancies until qualified replacements are elected or appointed for the unexpired term. Five

(5) of the directors shall have qualifications specified in 2(a) below and shall be designated as Institutional directors. All Institutional directors shall have an equal right to vote.

Seven (7) directors shall have the qualifications specified in 2(b) below and shall be designated as Community directors. All Community directors shall have an equal right to vote.

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The 13<sup>th</sup> director shall be the current Superintendent of Ball-Chatham Community Unit School District #5 (or his/her designee) and shall have an equal right to vote.

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2(a) The Institutional directors shall be appointed by the Ball-Chatham Community Unit School District #5 Board of Education. Institutional directors may be a member of the Staff of the Ball-Chatham School District or shall be someone who has a significant interest in the Ball-Chatham School District, or any other business or community leader as determined by the Ball-Chatham Community Unit School District #5 Board. An Institutional director, however, shall not be a current member of the Board of the Ball-Chatham Community Unit School District #5. The Institutional directors shall be five (5) in number, and shall be elected and re-elected or replaced in accordance with Section 3.

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2(b) The Community directors shall, to the extent possible, be representatives of the community regardless of prior affiliation with the Ball-Chatham School District, but may not be, concurrently with their term of office, a member of the Ball-Chatham School District Board, nor a member of the staff or management of the Ball-Chatham School District, nor someone who is a spouse of or has significant business or commercial with either of them. The seven Community directors shall be elected by the Foundation Board of Directors and shall be elected or re-elected, or replaced in accordance with Section 3.

Section 3.

*Election of Directors and Term of Office*

The steering committee of the Foundation shall submit to the Ball-Chatham Community Unit School District #5 Board, an initial list of director nominations. Said nominations shall clearly indicate the five (5) Institutional director nominations and the seven (7) Community director nominations. Upon approval by the Ball-Chatham School District Board of Education the initial director's term of office shall commence beginning in July of each year. Three (3) of the Institutional directors shall have an initial term of office of one (1) year and two (2) shall have an initial term of two (2) years. Four of the Community directors shall have an initial term of office of one (1) year and three (3) shall have an initial term of two (2) years. Following the expiration of a director's initial term, he or she's term of office shall be determined as described in 3(a) below.

3(a) The term of office for each director shall be two (2) years or until his or her successor shall have been duly qualified.

A Community director may be elected to succeed himself or herself, provided that a Community director may not be elected to serve more than three (3) consecutive two year terms, and provided that said director shall not have served more than one year of an

unexpired or shortened term, and provided further that he or she continues to satisfy the requirements for qualification specified in 2(b) above. An Institutional director may be appointed to succeed himself or herself, but may not serve more than three (3) consecutive two (2) year terms. He or she must satisfy the requirements for qualification specified in 2(a) above. This limitation shall not apply to the Superintendent of the Ball-Chatham Community Unit School District #5.

In any year in which a director serves as an officer, said year shall not count against the term limitations as described in 3(a) above. This term limitation exemption shall, however, be limited to three (3) years.

Whenever the office of one or more directors becomes vacant, the remaining directors shall elect (in the case of a Community director vacancy) or the Board of the Ball-Chatham School District shall appoint (in the case of an Institutional director), a replacement to serve for the remainder of the unexpired term, provided that any replacement so elected or appointed shall have the same qualifications, as defined in 2(a) or 2(b) above, as the case may be, as the director he or she is elected or appointed to replace.

The term of office of all directors so elected or appointed shall commence immediately following election or appointment.

#### Section 4. Removal of Directors

Any elected or appointed director may be removed for cause, including failure to attend board meetings, by a majority vote of the members of the Foundation board, notice of such contemplated action having been given at a previous meeting. The resignation of a director for any cause may be accepted by majority vote of the Board of Directors.

#### Section 5. Annual Meeting

The annual meeting of the Board of Directors shall be held within ninety (90) days following March 1<sup>st</sup> of each year, at such time, place and hour as shall be fixed and determined by the President of the Foundation Board, so long as it is scheduled after the Ball-Chatham School District Board has identified its appointments for retiring Institutional directors or Institutional directors who shall be replaced for the coming year. The purpose of the annual meeting shall be for the election of officers and directors, and for the amendment of the by-laws, and for the transaction of such other business as may come before the meeting.

#### Section 6. Regular Meetings

There shall be regular meetings of the Board of Directors, as established by the board at the annual meeting. Directors shall be notified in writing or by email in advance of the dates and locations for each of these meetings.

Section 7. Special Meetings

Special meetings of the Board of Directors may be called by the President, the Vice President or three or more members of the board. Written or email notice of these meetings shall be sent to all board members at least 10 days in advance by mail, email, or shall be notified in person prior to the meeting, of the meeting and shall state the purpose of the special meeting. No special meeting of the Board of Directors shall take place without the Superintendent having notification of said meeting.

Section 8. Quorum

All actions of the Board of Directors shall be determined by majority vote. Seven members of the board shall constitute a quorum. In the event that there is not a quorum, absent directors may cast an email vote within 24 hours of the read motion, and must do so by selecting, "Reply to All," so that all board directors may witness the vote.

Section 9. Compensation

Directors shall not receive any salaries for their services. However, nothing herein contained shall be construed from prohibiting payment of compensation to an individual who serves as a director for services rendered to the Foundation in another capacity.

Section 10. By-Laws Changes

Any amendments to the by-laws proposed at the annual meeting of the Foundation shall require a two-thirds majority vote of all directors to pass.

## **ARTICLE IV OFFICERS**

Section 1. Number

The officers of the Foundation shall be a president, a vice president, a secretary, and a treasurer, each elected by the Board of Directors at the annual meeting of the board.

Section 2. *Eligibility and Terms of Office*

All directors, with the exception of the current Superintendent of Ball-Chatham Community Unit School District #5, shall be eligible to serve in an officer capacity. The officers of the Foundation shall serve until their successors are duly elected and qualified

Section 3. *Powers and Duties*

President: The president shall be the principal executive officer of the foundation and shall in general supervise and control all of the business and affairs of the foundation. He or she shall preside at all meetings of the board of directors and shall have voting authority.

Vice President: In the absence of the president or in the event of his inability or refusal to act, the vice-president shall perform the duties of the president, and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the president. Any vice-president shall perform such other duties as from time may be assigned to him by the president or by the board of directors.

Treasurer: The treasurer shall have charge and custody of and be responsible for all funds and securities of the foundation; shall cause to receive and give receipts for monies due and payable to the foundation from any source whatsoever, and deposit all such monies in the name of the foundation in such banks, trust companies, or other depositories as shall be selected by the board of directors; and, in general, perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned by the president or by the board of directors.

Secretary: The secretary shall keep the minutes of the meetings of the members and of the board of directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; be custodian of the foundation records; keep a register of the post office address of each member which shall be furnished to the secretary by such member; and, in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the president or by the board of directors.

Section 4. *Vacancies*

In the event of the death, disability, resignation, or removal of any officer of the Foundation, the Board of Directors shall, by majority vote, elect a successor to serve out the unexpired term.

Section 5. *Removal of Officers*

Any elected officer may be removed for cause by a majority vote of the members of the board, notice of such contemplated action having been given at a previous meeting.

Section 6.

Books and Records

All financial and official records of the foundation except the checkbook shall be held in safekeeping in the Ball-Chatham Community Unit School District #5 offices or in such place as determined by the Board of Directors.

The foundation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors and shall keep at the registered or principal office a record giving the names and addresses of all donors. All books and records of the foundation may be inspected by any director, or his or her agent or attorney for any proper purpose at any reasonable time.

**ARTICLE V  
COMMITTEES**

Section 1.

General

There shall be three (3) standing committees of the Board of Directors; the Executive Committee, the Finance and Investment Committee and the Nominating Committee. The Executive Committee shall include the President (who shall serve as chair of the committee), Vice President, Treasurer, Secretary, and the current Superintendent of Ball-Chatham Community Unit School District #5. The Finance and Investment Committee shall include the President, Treasurer (who shall serve as chair of the committee), and any other directors as appointed by the Treasurer. The Nominating Committee shall include the President (who shall serve as chair of the committee), Vice President, the current Superintendent of Ball-Chatham Community Unit School District #5, and any such other directors as appointed by the President.

The President, with the approval of the Board of Directors, may appoint such committees, whether standing or special, as he or she may from time to time deem desirable. Except for the Executive, Finance and Investment, and Nominating Committees, or as directed by the Board of Directors, committee members need not be members of the Foundation Board. The terms of members shall be designated by the chairman of each committee as appointed by the President of the Foundation. The President of the Foundation shall be an ex-officio member, with vote, of all committees. All committees shall keep a record of proceedings and minutes of said meetings shall be submitted to the Board for approval.



## **ARTICLE VI ANNUAL AUDITS**

### Section 1. *Audit of Accounts and Insurance*

The Foundation shall annually cause a certified audit of its accounts to be made and shall cause to be filed the necessary reports, tax returns, or other documents as may be required by law on its own behalf.

The Foundation shall carry all appropriate insurance policies including but not limited to officer and director liability insurance.

## **ARTICLE VII INVESTMENTS**

### Section 1. *Savings and Checking Accounts*

Deposits of Foundation funds may be made in either savings or checking accounts, as the treasurer may consider advisable. Checks shall be signed by the treasurer (or his or her designee) or the president (or his/her designee) of the Foundation.

### Section 2. *Purchase of Securities*

The Treasurer, when directed by the board, shall purchase securities or sell securities owned by the Foundation and deposit the proceeds as provided in the bylaws. Stock powers for the transfer of securities shall be sufficient if signed by the Treasurer with the authority of the Board of Directors. Available amounts in the checking and savings accounts shall be invested from time to time by the treasurer, as directed by the board. Investments shall be made with due regard to proper diversification and safety of principal.

### Section 3. *Gifts*

The Board of Directors may accept or decline, on behalf of the Foundation, any contribution, gift, bequest, or devise for any general purpose or any special purpose of the Foundation.

### Section 4. *Investment Policy*

The Finance and Investment committee shall implement an investment policy for the Foundation. Said policy shall be reviewed not less than annually by all members of the Board of Directors.

## **ARTICLE VIII**

## AMENDMENTS TO BYLAWS

### Section 1. Amendments

These Bylaws may be amended from time to time by a 2/3rds majority vote of the Board of Directors at the Annual Meeting, provided the subject of the amendment shall have been included in the notice of the meeting.

APPROVED THIS 22<sup>ND</sup> DAY OF January 2001.

### MEMBERS OF THE BALL-CHATHAM EDUCATIONAL FOUNDATION STEERING COMMITTEE:

Cary Colwell  
Stacy Klein  
Jim Lovelace  
Karen Shoup  
Teressa Shelton

Gary Clayton  
Bill Pyle  
Norm Smith  
Sandy Lex  
Rick Taylor

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PRESIDENT, BOARD OF EDUCATION  
BALL-CHATHAM COMMUNITY UNIT  
SCHOOL DISTRICT #5

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SECRETARY, BOARD OF EDUCATION  
BALL-CHATHAM COMMUNITY UNIT  
SCHOOL DISTRICT # 5