

BY-LAWS  
of  
CARROLL EDUCATION FOUNDATION, INC.

**ARTICLE I**  
**Identification**

**Section 1.01. Name.** The name of the Foundation is Carroll Education Foundation, Inc., hereinafter referred to as the "Foundation."

**Section 1.02. Address.** The current address of the Carroll Education Foundation, Inc., is 2 South Third Street, Flora, Indiana 46929.

**ARTICLE II**  
**Fiscal Year**

**Section 2.01. Fiscal Year.** The Foundation shall have a fiscal year commencing August 1<sup>st</sup> and ending July 31<sup>st</sup> of each year.

**ARTICLE III**  
**Purpose**

**Section 3.01. Educational Purpose.** The Purpose of the Foundation will be to support and enhance the advancement of education through student scholarships, awards for innovative teacher-driven projects, recognition of outstanding faculty and staff and providing for non-budgeted school needs. The area of service will be the geographic area served by Carroll Consolidated School Corporation, and the Foundation will give priority to students, faculty, staff, graduating students and needs of the Carroll Consolidated School Corporation in executing this Purpose.

**Section 3.02. Community Purpose.** The Purpose of the Foundation will also be to enhance community support for education by promoting awareness of school programs and providing a means for individuals, organizations and the business community to share resources with the school.

**ARTICLE IV**  
**Foundation Membership**

**Section 4.01. Directors.** All members of the Board of Directors shall be included as members of the Foundation, regardless of their direct financial contribution, if any.

~~**Section 4.02. Other Voting Members.** In addition to the directors of the corporation, membership may be granted to any individual making a direct, annual contribution of at least fifty dollars (\$50.00) to the Foundation. The board may create various levels of giving and bestow upon contributors special membership designations.~~

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**ARTICLE V**  
**Meetings of the Membership**

**Section 5.01. Place of Meetings.** All meetings of the membership of the Foundation shall be held at such place, within the state of Indiana, as may be specified in the respective notices or waivers of notice thereof.

**Section 5.02. Annual Meeting.** The annual meeting of the membership shall precede the regular meeting of the Board of Directors during September of each year or in any event on the date of the first regular meeting of the Board of Directors during a fiscal year. Notices of the annual meeting shall conform to Indiana Law.

**Section 5.03. Call of Meeting.** Special meetings of the membership may be called by the President or by the Board of Directors by giving at least ten (10) days notice, as required under Indiana law.

**Section 5.05. Voting Rights.** Only voting members shall be entitled to vote at meeting of the membership of the Foundation. Each member is entitled to one vote, in person or by proxy.

**ARTICLE VI**  
**Board of Directors**

**Section 6.01. Directors.** Except as provide below in Section 6.02, Directors are elected for a three-year term and Directors may serve two (2) terms. A Director must take one year hiatus from the Board before being eligible to serve again. However, the first term of a director appointed to fill a term vacated by a former director shall be deemed to commence when elected at the annual meeting following that appointment. Past members of the Board are eligible for re-election to the Board of Directors after an interval of one year from the expiration of their term as Director. The maximum number of directors on a current Board shall be twenty (20), and the minimum number shall be nine (9). 7

**Commented [DC2]:** Change to number of directors required.

**Section 6.02. Superintendent of Carroll Consolidated School Corporation.** The Superintendent of Carroll Consolidated School Corporation, or the representative appointed by the Superintendent, will serve continuously on the Board in a non-voting capacity. The Superintendent's role will be as advisor to the Foundation of the educational needs of the Corporation and the opportunities for the Foundation to serve its purposes as set forth in Article II.

**Section 6.03. Composition of Board of Directors.** The Board of Directors shall represent the diverse interests of the Carroll Consolidated School Corporation District. At least two members of the Board shall represent the community business interests; at least two members shall represent parents of students who attend the Carroll Consolidated School Corporation, and at least two members shall represent educators. The Superintendent or the designated representative of the Superintendent and a member of the School Board of Trustees for Carroll Consolidated School Corporation shall also serve.

**Section 6.04. Regular Meetings.** Regular meetings of the Board of Directors shall be held at such time and place as the Board shall determine by resolution. Notice of such regular

meetings shall be given by the President or Secretary, or as otherwise directed by the members of the Board.

**Section 6.05. Annual Meeting.** The Board of Directors shall meet at least annually immediately following the annual meeting of the membership in September or within seven (7) days following their election at such annual meeting of the membership. At such meeting of the Directors the officers for the ensuing year shall be elected. The Directors may be called for a special meeting by the President or any five (5) members of the Board upon giving seven (7) days' notice unless such notice be waived.

**Section 6.06. Quorum of Directors.** At any meeting of the Board of Directors, the presence of one-third (1/3) of the members of the Board then qualified and acting shall constitute a quorum for the transaction of any business. A director may not vote by proxy.

**Section 6.07 E-Vote.** Voting by electronic mail (e-mail) is permitted under these Bylaws. Such calls of vote are to be reserved for issues of importance. This may arise, for example, in the event a quorum is not present at a formal meeting, or in the event that Board action is considered desirable at a time between regularly scheduled meetings. In such cases, all Board Directors have the right to submit a vote within a specified time period (no less than 48 hours, no more than 7 calendar days). Vote by e-mail will be conducted in the following manner:

The President or any two officers may request a vote via e-mail. Directors shall have 3 options regarding their vote:

1. Vote to pass the motion
2. Vote to reject the motion
3. Express the opinion that the motion is not amenable to an electronic vote.

If any member objects to the electronic vote, the motion would remain subject to the "in person" quorum voting rules. If no objections are received, a simple majority of all Board Directors is required to pass the vote.

All directors must have access to electronic mail, and it is the responsibility of each director to inform the Executive Director of the correct e-mail address for purposes of correspondence and e-mail voting.

**Section 6.08. Action by the Directors Outside of Meetings.** From time to time, there may be the need for a decision by the Board of Directors between scheduled meetings. The President or any three (3) Directors may informally submit a pending issue for review by the Board of Directors via email, telephone, or direct communication with the Board of Directors, individually or collectively. Any decision so approved by a majority of the Members of the Board of Directors may be implemented immediately, but must be ratified at the next scheduled Meeting.

**Section 6.9 Vacancies.** Any vacancy on the Board of Directors may be filled by an election of the remaining board members. The Board of Directors will determine whether absences are deemed to be excused by a majority vote. Three (3) unexcused absences from

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meetings of the Board of Directors during a year will be presumed to constitute a resignation submitted by the absent Director unless action is taken otherwise by the Board of Directors.

## **ARTICLE VII** **The Officers of the Foundation**

**Section 7.01. Officers.** The officers of the Foundation shall consist of a President, Vice President, Secretary and Treasurer and any other officers or assistant officers as the Board shall from time to time create and elect. The Board of Directors shall select the persons to serve in these offices. The elected officers shall serve for terms of one year or until his or her successor is selected and qualified. Officers may be re-elected to consecutive terms.

**Section 7.02. Vacancies.** Whenever any vacancy occurs in any office, the same shall be filled by the Board of Directors, and the person elected shall hold office until his successor is chosen and qualified.

**Section 7.03. President.** The President shall preside at all meetings of the membership and Board of Directors and shall discharge all duties which are incumbent upon a presiding officer and perform such other duties as the Board of Directors may prescribe. The President shall be the chief executive officer of the Foundation and shall be responsible for the general management of its affairs. The President shall be an ex-officio member of all standing committees.

**Section 7.04. Vice President.** The Vice President shall perform all duties incumbent upon the President during the absence or disability of the President and perform such other duties as the Board of Directors may prescribe.

**Section 7.05. Secretary.** The Secretary shall have the custody and care of all minutes and official documents of the Foundation. The Secretary shall attend all meetings of the membership and of the Board of Directors, and shall keep or cause to be kept, in a book, a true and complete record of the proceedings of such meetings. The Secretary shall perform such other duties as the Board of Directors may prescribe.

**Section 7.07. Treasurer.** The Treasurer shall have custody of all corporate funds and securities and shall keep in books belonging to the Foundation full and accurate accounts of all receipts and disbursements. The Treasurer shall deposit all money and securities in such depository as may be designated for the purpose by the Board of Directors.

## **ARTICLE VIII** **Administration**

**Section 8.01. Executive Director.** The Board of Directors is authorized to hire an Executive Director and to fix compensation for that position as it deems appropriate. The Executive Director shall work under the supervision of the Directors of the Foundation and shall assist in the development, implementation and administration of the Foundation's goals and programs.

**ARTICLE IX**  
**Committees**

**Section 9.01. Nominating Committee.** The President shall appoint a Nominating Committee from the membership of the Board of Directors and such committee shall select a slate of candidates for the election of the Board of Directors at least thirty (30) days before the annual meeting of each year and shall publicize such slate at the time of the notice to the membership of such annual meeting. This committee shall be responsible for evaluating the credentials of eligible members to vote. The committee shall also present a slate of officers to be voted on by the Board of Directors at the June Board of Director's Meeting.

**Section 9.02 Finance Committee.** The Board shall appoint a Finance committee, which shall make investment recommendations to the Board in accordance with the investment policy approved by the Board. The Committee shall review the investment policy annually and make recommendations for any modifications to that policy. The Finance Committee shall have at least two (2) Board Members, and may include interested members of the community.

**Section 9.03 Scholarship Committee.** The Board shall appoint a Scholarship Committee to determine scholarship awards based upon available funds, determined need, and specified goals of scholarship funds under the care and control of the Foundation. At least two Board Members shall serve on this Committee, and the President may appoint teachers or other members of the community to serve on this Committee.

**Section 9.04 Grants Committee.** The Board shall appoint a Grants Committee which will oversee development, sponsorship, payment, and reporting of grants made to teachers or other educator for the purpose of enriching the education process. This Committee shall also oversee any designated grant funds.

**Section 9.05 Other Committees.** The President may, with the Board approval, create any other committees he or she deems appropriate to further the interest and facilitate the administration of the Foundation.

**ARTICLE X**  
**Conflict of Interest**

**Section 10.01. General.** The Board of Carroll Education Foundation, Inc., shall administer the affairs of Carroll Education Foundation, Inc., honestly and economically and exercise their best care, skill, and judgment for the benefit of Carroll Education Foundation, Inc. The Officers shall exercise the utmost good faith in all transactions relating to their duties for Carroll Education Foundation, Inc. In their dealings with and on behalf of Carroll Education Foundation, Inc., they are held to a strict rule of honest and fair dealings. They shall not use their position, or knowledge gained therefrom, so that a conflict might arise between Carroll Education Foundation, Inc., interest and that of the individual or an organization affiliated with the individual.

**Section 10.02. Disclosure of Potential Conflict.** Any officer, Director or Staff member of Carroll Education Foundation, Inc., shall have a duty to disclose any potential conflict of interest by virtue of business or charitable affiliation.

**Section 10.03. Conflict of Interest Defined.** A conflict of interest, or potential conflict of interest, or appearance of conflict of interest, occurs when an officer, Director, or Staff

member of Carroll Education Foundation, Inc., is in a position to exert influence, in dealings with or on behalf of Carroll Education Foundation, Inc., which would give preference to any other business or charitable organization with whom the officer, Director, or Staff member is affiliated, by virtue of employment with, membership in, ownership of, appointment to or election to said business or charitable organization.

**Section 10.04. Waiver of Conflict.** Whenever a conflict of interest arises, or the appearance of a conflict of interest, such director or officer with the conflict who is present at the meeting of the Board of Directors or of a committee of the Board, shall disclose in good faith the material facts as to such interest, or financial interest, or appearance of conflict of interest, and any action of the Corporation to approve activity in which a conflict of interest, or appearance of conflict of interest, exists, shall be approved by a majority of the disinterested directors.

**Section 10.05. Recusal from Decision-making.** Any conflict of interest or appearance of conflict of interest will render the Director or officer ineligible from voting on any matters relating to that conflict of interest. Said Director or officer may not participate in any discussion (other than to present factual information or respond to questions). Such Director or officer may be counted on to determine whether a quorum is present, but may not participate in any action taken on the matter relating to the conflict. The minutes of the meeting shall reflect the disclosure of the conflict, the vote, the abstention from voting and participation and whether a quorum was present.

#### **Article XI Indemnification**

**Section 11.01. Indemnification of Officers and Directors.** Every person who is or was a director, officer or employee of the Corporation shall be indemnified by the Corporation against all liability and reasonable expense incurred by such person in his or her official capacity, provided that such person is determined in the manner specified in Indiana Code 23-17-16-12 to have met the standard of conduct specified in Indiana Code 23-17-16-8. Upon demand for such indemnification, the Corporation shall proceed as provided in Indiana Code 23-17-16-12 to determine whether such person is entitled to indemnification.

#### **Article XII Prohibited Activities**

**Section 12.01. Prohibited Activities of the Corporation.** Notwithstanding any other provision of this Code of Bylaws, no Director, officer, or agent of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any successor provision to provisions thereto.

#### **Article XIII Asset Management**

**Section 13.01 Authority to Manage Assets.** The Directors are empowered to enter into agreements with other entities for management of the Foundation's assets.

**Section 13.02 Recommendations for Management of Assets.** The Finance

Committee and the Treasurer shall make recommendations to the Board for management of all assets over which the Board retains direct control.

**ARTICLE XIV**  
**Amendments**

**Section 14.01. In General.** The power to make, alter, amend or repeal these By-Laws are vested in the Board of Directors. A vote of at least two-thirds (2/3) of those present is required before any amendment may be authorized rather than the quorum as defined in Article VI, Section 6.05 of these By-Laws.

**Section 14.02. Notice.** There shall be no change, alteration or amendment to the By-Laws unless written notice is given to all the members of the Board of Directors. The notice shall give the time, place and the proposed amendment or amendments.

**ARTICLE XV**  
**Dissolution of the Foundation**

**Section 15.01. Dissolution – Successor Organization.** In the event of dissolution of the Foundation, any remaining assets shall be distributed to the Carroll County Community Foundation or its successor organization, if any. Any designated scholarship, grant, or other endowed funds shall be maintained by Carroll County Community Foundation for their original intended purpose, and any undesignated funds shall be used for educational purposes in furtherance of the stated Purpose of the Carroll Education Foundation, Inc.

**Section 15.02. Dissolution – No Suitable Successor Organization.** If any of these designated distributions are impossible due to inadequate funds, lapse of time, or unavailability of suitable successor organization, assets shall be distributed for one or more exempt purposes within the meaning of §501(c)(3) of the Internal Revenue Code, or corresponding section of any future Federal tax code, or shall be distributed to the Federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by Circuit Court of the county in which the principal office of the organization 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.

These By-Laws were adopted by the Incorporators of the Carroll Education Foundation, Inc., on the 25th day of October, 2006.

Revised: May 29<sup>th</sup>, 2012 Addition of E-Vote Section 6.07.