

**BYLAWS OF
ISD 88 FOUNDATION, INC.**

Amended 12-5-16

This instrument constitutes the Bylaws of ISD 88 Foundation, Inc., adopted for the purpose of regulating and managing the internal affairs of the corporation. The Articles of Incorporation shall be part of these Bylaws the same as if they were recited verbatim herein. Every provision of the Articles of Incorporation shall be a provision of these Bylaws.

**ARTICLE I
CORPORATE SEAL**

Section 1. This corporation shall not have a seal.

**ARTICLE II
MEMBERS**

Section 2.1. This corporation shall have no members.

Section 2.2. Any action or approval of the Members or shareholders of a corporation which would otherwise be required by the terms of any agreement to which the corporation is a party, or by which the corporation is bound, or by the provisions of any law, rule or regulation to which this corporation is subject, requires only action or approval of the Board.

**ARTICLE III
BOARD OF DIRECTORS**

Section 3.1. The affairs of the Corporation shall be governed and managed by the Board of Directors. The Board of Directors shall have the power to do all things necessary to carry out the general purpose and plan of the operation of the Corporation. It may employ such individuals, agents or representatives as it may deem necessary, each of whom shall have such authority and be required to perform such duties as the Board may require.

Section 3.2. Except for the first Board of Directors which shall be appointed by the incorporators, the Directors shall be appointed by the Board of Directors of the Corporation. Directors must be natural persons and the majority must be adults and residents of Independent School District No. 88.

Section 3.3. The number of directors of the Corporation shall be a minimum of nine (9) up to fifteen (15). In addition to the regular members of the Board, the Superintendent of Independent School District No. 88 or the Superintendent's designee shall serve as a nonvoting, ex officio member of the Board.

Section 3.4. The terms of the first Board of Directors shall be as designated by the incorporators with three (3) members of the Board being appointed for a one (1) year; three (3) members of the Board being appointed for a period of two (2) years; and three (3) members of the Board being appointed for a period of three (3) years. Thereafter, Directors shall be elected by the affirmative vote of a majority of directors present at a duly held meeting. A Director shall be elected to serve a term of three (3) years and until a successor is appointed and qualifies.

Section 3.5. A Director may not be appointed to more than two successive three year terms and shall not be eligible for reappointment as a Director until three years after the scheduled expiration of the second successive full term to which appointed.

Section 3.6. The Board of Directors may from time to time create committees with such authority and duties as the Board of Directors may determine. No committee shall have the authority to bind the Foundation without the express approval of the Board of Directors.

Section 3.7. The Board of Directors shall cause to be kept at the registered office of the Corporation originals or copies of:

1. Records of all proceedings of the Board of Directors and the Executive Committee, if any;
2. All financial statements of this Corporation; and
3. Articles of Incorporation and Bylaws of the Corporation and all amendments and restatements thereof.

Section 3.8. The Board of Directors of this Corporation may, at any time and from time to time, by resolution adopted by two-thirds (2/3) of the total number of directors, provide for the payment or reimbursement of expenses incurred by any director or for the payment of compensation to, and for the payment or reimbursement of expense incurred by any officer, agent or employee of this Corporation for personal services rendered to this Corporation, or for any expense necessarily paid or incurred by, any such director, officer, agent, or employee, but only if and to the extent that the performance of such service or the incurring of such expenses is directly in furtherance of the charitable purposes of this Corporation and the compensation of the amount of expenses paid or reimbursed, as the case may be, is reasonable and not excessive.

ARTICLE IV

RESIGNATIONS, REMOVALS AND FILLING OF VACANCIES

Section 4.1. A director may resign at any time by giving written notice of his or her resignation to the corporation. The resignation is effective when received by the corporation, unless a later date is specified in the notice.

Section 4.2. A director may be removed from office, with or without cause, by the affirmative vote of a majority of the directors present at a duly held meeting; provided

that not less than five (5) days and not more than thirty (30) days notice of such meeting stating that removal of such director is to be on the agenda for such meeting shall be given to each director.

Section 4.3. In the event of the death, removal or resignation of a director, a successor to fill the unexpired term shall be elected by the affirmative vote of a majority of the directors present at a duly held meeting.

ARTICLE V

OFFICERS

Section 5.1. The officers of the corporation shall be a President, a Vice President, a Secretary, a Treasurer, and other such officers as the Board of Directors may, from time to time, appoint. The office of Secretary and Treasurer may be combined in one person. Except in the case where the offices of Secretary and Treasurer are combined, an individual shall only hold one specified office.

Section 5.2. The duties of the officers of this corporation shall be:

- (a) President – The President shall sustain an executive and advisory relation to the working policies of this Corporation. The President shall preside at all meetings of the directors and shall discharge such duties as the Board of Directors may require.
- (b) Vice-President – The Vice President shall perform the duties of the President in the event of the President's disability or absence, and shall discharge such other duties as the Board of Directors may require.
- (c) Secretary – The Secretary shall attend all meetings of the Board of Directors, and keep the minutes of such meetings, give notices, prepare any necessary certified copies of corporate records, and perform such other

duties as may be determined from time to time by the Board of Directors.

- (d) Treasurer – The treasurer shall have charge of the corporate treasury, receiving and keeping the monies of the corporation, and disbursing Corporate funds as authorized. The Treasurer shall not pay out any money, invest any funds, or transfer or dispose of any securities or other property except on the authorization of the Board of Directors. Treasurer shall perform such other duties as may be determined from time to time by the Board of Directors.

Section 5.3. The Board of Directors may appoint such other officers, agents, or representatives as it may deem appropriate, each of whom shall hold office for such period, having such authority and perform such duties as the Board of Directors may require. The Board of Directors may delegate to any officer power to appoint any such subordinate officers or agents.

Section 5.4. Officers shall be elected at the annual meeting or directors to serve for a one-year term and until their successors are duly elected and qualified. The President and Vice-President may be elected to no more than two consecutive one-year terms in the same office. The Secretary, Treasurer and other unspecified officers may succeed themselves in the same office.

Section 5.5. Any officer of the Corporation, in addition to the powers conferred by these Bylaws, shall have such additional powers and perform such additional duties as may be prescribed from time to time by the Board of Directors.

ARTICLE VI

STANDARD OF CARE

AND DEALING WITH OTHER CORPORATIONS AND ORGANIZATIONS

Section 6.1. It is the responsibility of each officer and director of this corporation to discharge his or her duties as a director in good faith, in a manner the person reasonably believes to be in the best interests of this corporation, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

Section 6.2. A contract or other transaction between this corporation and one or more of its directors, or between this corporation and an organization in or of which one or more of this corporation's directors are directors, officers or legal representatives or have a material financial interest, in not void or voidable because the director or directors or the other organizations are parties or because the director or directors are present at the meeting of the Board of Directors at which the contract is authorized, approved or ratified if:

- A. The contract or transaction was, and the person asserting the validity of the

contract or transaction sustains the burden of establishing that the contract or transaction was, fair and reasonable to the corporation at the time it was authorized, approved or ratified; or

- B. The material facts as to the contract or transaction and as to the director's or directors' interest are fully disclosed or known to the Board, and the Board authorizes, approves or ratifies the contract or transaction in good faith by a majority of the Board, but the interested director or directors shall not vote.

For the purpose of this Section:

- A. A director does not have a material financial interest in a resolution fixing the compensation of the director or fixing the compensation of another director, officer, employee or agent of the corporation, even though the first director is also receiving compensation from the corporation; and
- B. A director has a material financial interest in each organization in which the director, or the spouse, children, parents and spouses of children, brothers and sisters and spouses of brothers and sisters of the directors, or any combination of them have a material financial interest.

ARTICLE VII

FINANCE

All gifts received by the Foundation, whether received in cash in kind, shall be disbursed as hereinafter set forth.

Section 7.1. The designation by a donor or donors of any special use or purpose of any gift, devise or bequest shall be complied with to the best of the ability of the Board of Directors. In the event the use or purpose so designated has ceased to exist, then and in that event, the Board of Director may elect to treat such funds as undesignated pursuant to Section 7.2, below.

Section 7.2. Gifts, bequests, and devises which are made to Corporation by a donor or donors which do not bear a designation for any special or specific use or purpose, shall be held by the Board of Director and used to accomplish the objectives and purposes of the Corporation as set forth in Article II of the Articles of Incorporation. Said gifts are not intended to substitute or replace funding for existing programs or to fund programs mandated by statutes, rules or regulations applicable to school districts. Rather, it is the desire of the Foundation that said gifts be used for such purposes as the Foundation Board of Directors in their sole discretion deem proper, including, without limitation, the acquisition by purchase, lease or other conveyance, construction, improvement or maintenance of school sites or facilities to

enhance, supplement and enrich existing programs and to provide new programs and opportunities.

Section 7.3. The Foundation Board of Directors in its sole discretion may refuse to accept gifts, devises or bequests which it determines not to be in the best interest of the Corporation or not to be in compliance with Article II of the Article of Incorporation.

Section 7.4. All funds of the corporation shall be deposited to the credit of the corporation under such conditions and in such banks as shall be designated by the Board of Directors.

Section 7.5. All contracts, checks and orders for payment, receipt or deposit of money, and access to securities of the corporation shall be provided by the Board of Directors.

Section 7.6. The annual budget of estimated income, income expense and capital expense shall be approved by the Board of Directors.

Section 7.7. Title to all property shall be held in the name of the corporation.

Section 7.8. A summary report of the financial operation of the corporation shall be made by the Treasurer at least annually to the Board of Directors.

ARTICLE VIII

MEETING OF BOARD OF DIRECTORS

Section 8.1. The annual meeting of the Board of Directors shall be held at such place and at such time as shall be determined by the Board of Directors of the Corporation. Advance notice of such meeting of the Board of Directors shall be given to all members of the Board. At such annual meeting members of the Board of Directors shall be elected to replace those whose terms have expired. Members whose terms have expired shall not be permitted to vote on their replacements.

Section 8.2. Regular meetings of the Board of Directors shall be held at such time and place as the Board may determine.

Section 8.3. Special meetings of the Board of Directors may be held at any time on call by the President or Vice President or by any two members of the Board of Directors, provided that no less than five (5) days written notice of the time and place of the meetings shall be given by the officers or directors calling the same.

Section 8.4. A Director may make written waiver of notice before, at or after a meeting. The waiver shall be filed with the person who has been designated to act as Secretary of the meeting who shall enter it upon the records of the meeting. Appearance at a

meeting is deemed a waiver unless it is solely for the purpose of asserting the illegality of the meeting.

Section 8.5. At all meetings of the Board of Directors, each member of the Board shall be entitled to cast one (1) vote on any question coming before the meeting. A majority of the members of the Board of Directors shall constitute a quorum at any meeting thereof, but the members of the Board present at any meeting, although less than a quorum, may adjourn the meeting from time to time. A majority vote of the members of the board present, if there be a quorum, shall be sufficient to transact business.

Section 8.6. Robert's Rules of Order shall govern the conduct of all meetings of members, Directors or committees.

ARTICLE IX **DISSOLUTION**

This Corporation shall continue until such time as it shall be dissolved and its Charter, if any, relinquished by a vote of three-fifths (3/5) of its Directors at any meeting, provided notice of such proposal has been given by the Secretary of the Corporation to all Directors thirty (30) days prior to the meeting. In the event of dissolution, the debts and liabilities of the Corporation shall first be paid and any funds remaining thereafter shall be paid to Independent School District No. 88 if such school is exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code, and if Independent School District No. 88 is not in existence or is not exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code, the remaining assets shall be distributed to organizations organized and operated exclusively for charitable, educational or scientific purposes as shall at the time qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or to the Federal Government or a State or Local Government, for a public purpose.

ARTICLE X **INDEMNIFICATION**

The Board of Directors agrees to abide by all provisions of Minn. Stat. § 317A.521, as amended, entitled "Indemnification."

To the full extent permitted by the Minnesota Nonprofit Corporation Act, as amended from time to time, or by other provision of law, each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whenever and by whomsoever brought (including any such proceeding, by or in right of the corporation), whether civil, criminal, administrative or investigative, by reason that the person is or was a director or officer of the corporation, or the person is or was serving at the special request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the corporation against expenses, including judgements, penalties, fines, amounts paid in

settlement, and reasonable expenses, including attorney's fees and disbursements, incurred by the person in connection with the proceeding if the person: has not been indemnified by another organization or employee benefit plan for the same liability; acted in good faith; received no improper personal benefit and Director Conflicts of Interest (Minn. Stat. § 317A.255) has been satisfied; in the case of a criminal proceeding, did not have reasonable cause to believe the conduct was unlawful; and, in their official capacity reasonably believed the conduct was in the best interests of the corporation or reasonably believed the conduct was not opposed to the best interests of the corporation.

Determinations as to whether indemnification of a person is required because the criteria set forth above have been satisfied and whether a person is entitled to payment or reimbursement of expenses in advance of the final disposition of a proceeding pursuant to Minnesota Chapter, 317A is by the affirmative vote of a majority of the directors present at a duly held meeting of the Board of Directors for which notice has been given. The indemnification provided by this article shall inure to the benefit of the heirs, executors and administrators of such person and shall apply whether or not the claim against such person arises out of matters occurring before the adoption of this provision in the bylaws.

ARTICLE XI
AMENDMENT OF BYLAWS

The Bylaws may be amended at any annual or other meeting of the Directors of the Corporation, provided that notice of the proposed amendment or amendments shall be given in writing to all Directors at least ten (10) days before the meeting.

ARTICLE XII
NONDISCRIMINATORY POLICY

It shall be the policy of the ISD 88 Foundation that it shall not discriminate on the basis of sex, age, disability, marital status, race, color, creed, religion, national origin or status with regard to public assistance in the administration of its policies.

I hereby certify that the foregoing constitute the Bylaws of ISD 88 Foundation adopted by the Board of Directors at a meeting called for that purpose on _____

Secretary