

**BY-LAWS
OF
EFFINGHAM UNIT 40 EDUCATIONAL FOUNDATION
EFFINGHAM, ILLINOIS 62401**

MISSION STATEMENT

The purpose of Effingham Unit 40 Educational Foundation is charitable and educational. Effingham Unit 40 Educational Foundation shall be committed to promoting, enhancing, and assisting in the funding of public education in Effingham Community Unit School District #40 through the receipt and qualified distribution of tax-deductible contributions for the benefit of students enrolled in Effingham Community Unit School District #40.

**ARTICLE I
THE ORGANIZATION**

SECTION 1. CLASS OF MEMBERS. The name of this organization shall be "EFFINGHAM UNIT 40 EDUCATIONAL FOUNDATION." It shall be hereinafter designated and referred to in the By-Laws as the "Foundation."

SECTION 2. ADDRESS. The principal office of the Foundation shall be: Effingham Unit 40 Educational Foundation, 2803 South Banker, P. O. Box 130, Effingham, Illinois 62401.

**ARTICLE II
MEMBERSHIP**

SECTION 1. CLASS OF MEMBERS. There shall be three classes of members in the Foundation: Individual members, Family members, and Corporate members. Qualifications for each shall be payment of dues, if any, for each class as established by the Board of Directors.

SECTION 2. DUES. Membership dues for all classes of members shall be established each year by the Foundation's Board of Directors.

SECTION 3. VOTING RIGHTS. Members shall have no voting rights. Nothing contained herein shall, however, prevent a duly elected Director of the Foundation from exercising voting rights as a member of the Board of Directors.

SECTION 4. TERMINATION OF MEMBERSHIP. The Board of Directors may, by a majority vote of those present at any regularly constituted meeting, terminate the membership of any member who shall be in default in the payment of dues, if any.

ARTICLE III BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS. The affairs of the Foundation shall be managed by or under the direction of its Board of Directors.

SECTION 2. NUMBER. The Board of Directors shall consist of not less than 13 members and not more than 18, to be elected as provided in this article. All Directors shall be members in good standing of the Foundation.

SECTION 3. EX-OFFICIO DIRECTORS. In addition to the regular voting members of the Board of Directors, there may not be more than 10 Ex-Officio members of the Board. Ex-Officio members of the Board shall serve in an advisory capacity and shall not have voting privileges.

SECTION 4. ELECTION OF OFFICERS. All members of the Board of Directors holding office at the first annual organizational meeting held following adoption of these By-Laws shall be divided by lot into three classes, each class consisting as nearly as may be of one-third of the entire number of Directors. Directors in Class I shall then hold office for a term of one year, Directors in Class II shall hold office for a term of two years, and Directors in Class III shall hold office for a term of three years, and until their respective successors are elected and qualified. Thereafter, as their terms of office expire, their successors shall be elected and shall hold office for a term of three years and until their successors are elected and qualified. Each term of office up for election in any particular year shall be filled at the regularly constituted annual organization meeting by a majority vote of those members of the Board of Directors who are present at such annual organizational meeting and whose terms have not expired. Ex-Officio members of the Board of Directors shall be divided into classes in a manner similar to regular members of the Board of Directors and shall be elected by a majority vote of those members of the Board of Directors who are present at the regularly constituted organizational meeting, following the election and seating of the Board of Directors.

SECTION 5. VACANCIES. In the event of the death, disability, resignation, or removal of a Director, a successor shall be promptly elected by a majority vote of the remaining Directors, and such director shall serve out the unexpired term.

SECTION 6. REMOVAL OF DIRECTORS. Any elected Director may be removed for cause by a majority vote of the members of the Board, notice of such contemplated action having been given at the immediately preceding meeting. The resignation of a Director for any cause may be accepted by a majority vote of the Board of Directors.

SECTION 7. REGULAR MEETINGS. There shall be regular meetings of the Board of Directors, as established by the Board of Directors. Directors shall be notified in advance of the dates and locations for each of these meetings.

SECTION 8. 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 notice of these meetings shall be sent to all Board Members at least five days in advance of the meeting and shall state the purpose or purposes of the special meeting.

SECTION 9. VOTE AND QUORUM. All actions of the Board of Directors shall be determined by majority vote, unless otherwise specified herein or required by the General Not For Profit Corporation Act of 1986 or other applicable law. Forty percent (40%) of the members of the Board of Directors shall constitute a quorum.

ARTICLE IV OFFICERS

SECTION 1. NUMBER. The officers of the Foundation shall be a President, a Vice-President, a Secretary, a Treasurer, and an Assistant Treasurer, each elected by the Board of Directors at the annual organizational meeting of the Board.

SECTION 2. TERMS OF OFFICE. The officers of the Foundation shall serve until their successors are duly elected and qualified. An officer shall not serve the same elected position for more than two successive terms.

SECTION 3. POWERS AND DUTIES. The officers named in Section 1 of this article shall have such powers and duties as usually and ordinarily devolve upon such officers. In the event of death, disability, or absence of the President, the Vice-President or Treasurer shall have the power to act as President.

SECTION 4. VACANCIES. In the event of 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 the immediately preceding meeting. The resignation of an officer for any reason may be accepted by a majority vote of the Board of Directors.

ARTICLE V FISCAL YEAR

SECTION 1. FISCAL YEAR. The fiscal year of the Foundation shall be November 1 through October 31, inclusive.

**ARTICLE VI
ANNUAL AUDIT**

SECTION 1. AUDIT OF ACCOUNTS. The accounts of the Foundation shall be audited and examined each year by or under the supervision of the President of the Foundation, with reports at least annually to the Board of Directors.

**ARTICLE VII
INVESTMENT**

SECTION 1. SAVINGS AND CHECKING ACCOUNTS. Deposit of Foundation funds may be made in either savings or checking accounts, as the Board may consider advisable. Checks shall be signed by any two officers of the Foundation.

SECTION 2. PURCHASES AND 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 By-Laws. 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.

**ARTICLE VIII
RULES**

SECTION 1. RULES. All actions of the meetings of membership shall be governed by Robert's Rules of Order, as amended.

**ARTICLE IX
AMENDMENT TO BY-LAWS**

SECTION 1. AMENDMENTS. These By-Laws may be amended from time to time by a majority vote of the Board of Directors present at a regularly constituted meeting, provided the subject of the amendment shall have been included in the notice of the meeting, if any.