Bylaws of The La Porte Rotary Foundation

Article 1 -- Definitions

1. Foundation	The La Porte Rotary Foundation
2. Board	The Board of Directors of the Foundation .
3. Director	A member of this Foundation's board
4. Member	A member, other than an honorary member, of the Rotary Club of La Porte, Texas.
5. Year	The twelve-month period that begins on July 1st and ending June 30th

Article 2 -- Purpose

The purpose of the Foundation is to expend the funds received from public fund-raisers and other sources of income for college scholarships, vocational scholarships, small grants for charitable and educational purposes and contributions to other 501(c)(3) organizations. All other funds expended by the Foundation shall be used solely for administration of the Foundation.

Article 3 -- Name and Location

The name of this corporation is The La Porte Rotary Foundation, herein known as the Foundation. The principal mailing address of the Foundation shall be the official P.O. Box designated by the Board. [P.O. BOX 1534 La Porte, TX 77572] The Foundation may maintain additional locations or addresses as determined by the Board. The registered office may, but need not, be identical with the corporation's principal office in Texas. The registered office and registered agent shall be maintained in accordance with the requirements of the Texas Business Organizations Code.

Article 4 -- Board of Directors

The governing body of this Foundation shall be the Board consisting of six (6) club officers elected in accordance with Article 2, of the club bylaws: namely the president, vice president, president-elect, secretary, treasurer and sergeant-at-arms, together with the immediate past president. It is the option of the president-elect to designate an appropriate number of additional directors for the following year, also elected in accordance with Article 2 of the club bylaws.

Article 5 -- Duties of Officers

Section 1 - The president shall preside over all Foundation and Board meetings, ensure compliance with these bylaws, oversee Foundation operations, and represent the Foundation in all official matters.

Section 2 - President-elect. It shall be the duty of the president-elect to serve as a member of the Board and to perform such other duties as may be prescribed by the president or the Board.

Section 3 – Vice President. It shall be the duty of the vice president to preside at meetings of the Foundation and Board in the absence of the president, to perform such other duties as ordinarily pertain to the office of vice president and as may be prescribed by the president or the Board.

Section 4 - Secretary. It shall be the duty of the secretary to send out notices of meetings of the Foundation, Board and committees, record and preserve the minutes of such meetings, make all reports required by the Foundation and perform such other duties as usually pertain to the office of secretary. Secretary will also serve as Foundation Chair unless otherwise decided by the Board of Directors.

Section 5 - Treasurer. It shall be the duty of the treasurer to have custody of all funds, accounting for same to the Foundation annually and at any other time requested by the Board and to perform such other duties as pertain to the office of treasurer.

Section 6 - Sergeant-at-Arms. The duties of the sergeant-at-arms shall be such as are usually prescribed for such office with an emphasis on supporting meeting order and decorum and such other duties as may be prescribed by the president or the Board.

Article 6 -- Meetings

Section 1 - Annual Meeting. An annual meeting of the Foundation shall be held at the discretion of the Board not later than June 30th of each year at which time the election of officers and directors to serve for the ensuing year shall take place.

Section 2 - One-third of the membership shall constitute a quorum at the annual and regular meetings of the Foundation.

Section 3 - Regular meetings of the Board shall be held monthly at a date and time determined by the Board. The president may cancel a regular meeting when appropriate; however, the Board shall not go more than sixty (60) days without holding an official meeting. Electronic notice of all regularly scheduled Board meetings shall be provided to all directors at least five (5) business days in advance.
Special meetings of the Board may be called by the president or by any two (2) officers or directors. Notice of a special meeting shall be provided electronically to all officers and directors at least three (3) hours prior to the meeting time. Regular and special meetings may be conducted in person or via electronic conferencing platforms such as Zoom. All quorum requirements established in these bylaws apply equally to regular and special meetings. No business may be conducted without a quorum present.

Section 4 - A majority of the Board members shall constitute a quorum of the Board.

Article 7 -- Fees and Dues

There are no dues or other fees associated with membership in the Foundation unless deemed necessary by the Board.

Article 8-- Method of Voting

The business of the Foundation shall be transacted by voice vote except contested elections of officers and directors, which shall be by secret ballot as prescribed in Article 3, section 3 of the club bylaws. The Board may determine that a secret ballot be held on other matters, if the subject matter so dictates. Upon a majority of the Board agreeing, electronic voting may be used for Board or membership decisions where permitted by law.

Article 9 -- Committees

Section 1 - Committees may be created such that they are responsive to and promote the purpose of the Foundation.

Section 2 - The president shall be ex-officio a member of all committees and, as such, shall have all the privileges of membership thereon.

Section 3 - Each committee shall transact such business as is delegated to it and such additional business as may be referred to it by the president or the Board. Except where special authority is given by the Board via board policy or resolution, such committees shall not take action until a report has been made to the Board and approved by the Board.

Article 10 -- Finances

Section 1 - The treasurer shall deposit all funds of the Foundation in institutions approved by the Board.

Section 2 - All bills shall be paid only by checks signed by the treasurer or president. An audit by a certified public accountant or other qualified person shall be made once each year of all the Foundation's financial transactions.

Section 3 - Officers with financial authority shall be bonded if required by the Board, with the expense borne by the Foundation.

Section 4 - The fiscal year of the Foundation shall extend from July 1st through June 30th

Section 5 - At the beginning of each fiscal year the Board shall prepare a budget of estimated income and estimated expenditures for the year, which, having been agreed to by the Board, shall stand as the limit of expenditures for the respective purposes unless otherwise ordered by action of the Board.

Section 6 - The Board approved budget shall be reviewed with the membership at a regular meeting as soon as practical after the start of the fiscal year.

Section 7 - The Foundation shall maintain a Standing Fund for the purpose of generating investment income to support charitable and educational activities consistent with the mission of the Foundation. Income generated by the Standing Fund shall supplement funds raised through public fund-raisers.

At the end of each fiscal year, any amount in the Standing Fund exceeding the Board-approved “base amount” may be used for charitable and educational purposes. The base amount shall be adjusted for inflation each June using the Consumer Price Index (CPI-U) for the preceding calendar year, or another comparable index approved by the Board.

The Board shall establish the initial base amount and may revise the base amount or base year at its discretion to ensure long-term fund sustainability and responsible stewardship.

In the event of unusual circumstances, funds may be withdrawn from the Standing Fund in excess of the amount so noted with Board and membership approval following Article 13 - Amendments. In such case, these funds shall be used consistent with the purpose of the organization.

Investment of the Standing Fund will be managed by a reputable commercial financial institution selected by the Board. The investment strategy to be followed by such institution shall be approved by the Board. Investments may include equities, bonds, money market funds, and/or money certificates of deposit. Each quarter the treasurer is to disclose to the members the current Standing Fund balance and portfolio.

The investment management firm selected by the Board shall be formally evaluated at least once every five (5) years. The review must be presented to the Board and then the Club no later than June 30, 2030 and every five (5) years thereafter. As part of this review, representatives of the firm shall provide a presentation including:

- the qualifications and roles of the individuals responsible for managing the Foundation’s funds;
- current and historical performance of the Foundation’s investment accounts;
- a detailed breakdown of the Foundation’s current asset allocation; and
- any additional information reasonably requested by the Board.

The Board reserves the right to conduct additional evaluations at any time prior to the five-year review if concerns arise regarding performance, service quality, or adherence to the Foundation’s investment policies.

<u>Article 11 -- Resolutions</u>

No resolution or motion to commit the Foundation on any matter shall be considered by the Foundation until it has been considered by the Board. Such resolutions or motions, if offered at a Foundation meeting, shall be referred to the Board without discussion.

<u>Article 12 -- Method of Selecting Members</u>

Since The Rotary Club of La Porte spawned the creation of The La Porte Rotary Foundation and because the interests of these two organizations remain synonymous, any person selected for membership in the Rotary Club of La Porte will also become a member of the Foundation.

<u>Article 13 -- Amendments</u>

These bylaws may be amended by a favorable vote of a majority of officers and directors, a quorum being present, followed by a favorable ratification vote by two-thirds of the members present at a regular meeting, a quorum being present, provided that notice of such proposed amendment shall have been mailed, provided electronically or provided in person via printed copy to each member at least ten days before such meeting. No amendment or addition to these bylaws can be made which is not in harmony with the Articles of Incorporation.

Article 14 -- Foundation Policies

The Board may adopt, amend, or repeal Foundation policies that support effective governance, financial integrity, and charitable stewardship. All policies must align with these bylaws and the Articles of Incorporation. Policies shall be communicated to the membership electronically and maintained in a publicly accessible location for reference.

Approval

I certify that I am the duly elected Secretary of the Foundation, and that the foregoing bylaws constitute the bylaws of the Foundation. These bylaws were duly adopted by consent of the Board on June 08, 2026 and were subsequently ratified by the membership on June 25, 2026

Mason A. Peres

Mason Peres, Secretary

June 25, 2026

Date