

LUDLOW ROTARY CHARITABLE FOUNDATION INC BYLAWS

JULY 1, 2013

Amended; September 2013, November 2013, December 2013, Final June 2014,
Revised April 29, 2016

ARTICLE I

Members

Section 1. Members. Members of the Board of Directors of the Ludlow Rotary Club Charitable Foundation Inc. must be active Members in good standing of Ludlow Rotary. Throughout the remainder of this document the word “Members” shall be used to describe members of the Board of Directors of the Ludlow Rotary Charitable Foundation Inc.

Section 2. Foundation – Throughout the remainder of this document the word “Foundation: shall be used to describe the Ludlow Rotary Charitable Foundation Inc.”

Section 3. Voting Privileges. Only active Members in good standing shall be entitled to voting privileges at any meeting of the Members.

Section 4. Annual Meetings. The annual meeting of the Members shall be held on the first Wednesday of December of each year as the annual meeting of the Ludlow Rotary. At the annual meeting, the President or other Officer of the Foundation shall report to the Members concerning the Foundation’s activities and finances, and Members may consider such other business as may lawfully come before them. In the event of the failure to hold an annual meeting, such meeting may be called at a later date upon request of ten (10) Members, a majority of the Board of Directors, or by the President of the Foundation.

Section 5. Special Meetings. Special meetings of the Members may be called by the President or a majority of members.

Section 6. Notice of Meetings. Written or printed notice stating the place, day and hour of any meeting of Members shall be given to the Members by or at the direction of the President or the Board of Directors calling the meeting not less than ten (10) days before the date of such meeting in any of the following ways: Personally, by mail, by electronic communication or by placing same in the Ludlow Rotary weekly bulletin. In case of a special meeting, or when required by statute or by these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice.

- (1) Board Meetings to be held monthly following the regularly scheduled weekly meeting

Section 7. Quorum. A quorum shall be constituted by one half of the Members entitled to vote at a meeting. If a quorum is not present at any meeting of Members, a majority of the Members present may adjourn the meeting from time to time without further notice.

Section 8. Manner of Acting. The majority voice vote of the Members present at any meeting at which a quorum is present shall constitute the act of the Members, except as otherwise required by law or these Bylaws. For purposes of this Article I Section 7, the vote of any Director not present at a meeting at which a quorum is present shall nevertheless be counted and be deemed valid if, prior to a vote, such Director (1) delivers such Director's written vote on the exact motion voted upon at the meeting to the Secretary or other Officer of the Foundation personally, by mail or electronic communication, or (2) delivers such Director's written proxy to the Secretary of the Foundation permitting another Director present to vote in such Director's place and such other Director then votes, or (3) votes by other methods approved by the Board of Directors, all subject to the requirements of law. Actions may also be taken without a meeting by written consent of all Directors.

Section 9. Conflict of Interest. Should any Director have a substantial interest or conflict of interest, directly or indirectly, with respect to any matter which comes before the Board of Directors, such Director shall disclose same and refrain from participating in discussing and voting on such matter.

Section 10. Vacancies. A vacancy on the Board of Directors shall occur upon the death, resignation, disqualification or other removal of a Director. In such event, the vacancy shall be filled by the person appointed or elected by the Ludlow Rotary to serve the unexpired portion of the term of such Director.

Section 11. Compensation. Directors as such shall not receive any compensation for their services, but nothing herein contained shall preclude a Director from serving the Foundation in any other capacity and receiving compensation therefore.

ARTICLE II

Officers

Section 1. Officers. The Officers of the Foundation shall consist of a president, vice-president(s), secretary, treasurer and such other officers as may be elected in accordance with the provisions of this Article or the Articles of Incorporation. The Board of Directors may appoint or elect such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem advisable, such officers to have the authority and perform the duties described by the Board of Directors from time to time.

Section 2. Election and Term of Office. The Officers of the Foundation shall be elected by the Ludlow Rotary annually, or as soon thereafter as may be convenient, as provided in this Article III Section 2. The President of the Ludlow Rotary shall serve as President of the Foundation; the Vice President of the Ludlow Rotary shall serve as Vice President; President Elect of the Ludlow Rotary shall serve as President Elect; the Secretary of Ludlow Rotary shall serve as Secretary; and the Treasurer of the Ludlow Rotary shall serve as Treasurer. Election of the Officers by the Ludlow Rotary shall automatically be deemed to constitute election to the respective offices of the Foundation. New offices may be created and filled at any meeting of the Board of Directors. New Officers shall serve for one year commencing July 1st of each year after election, or until successor Officers are duly elected and qualified by the Ludlow Rotary and the term of office commences.

Section 3. Removal. Any Officer may be removed by the Board of Directors whenever in its judgment the best interests of the Foundation would be served thereby. Any officer of the Ludlow Rotary who is removed from office and who is then serving as an Officer of the Ludlow Rotary Charitable Foundation Inc. shall automatically be deemed removed as an Officer of the Ludlow Rotary Charitable Foundation Inc.

Section 4. Vacancies. A vacancy in any office shall occur upon the death, resignation, disqualification or other removal of an officer. In such event, the vacancy shall be filled by the person appointed or elected by the Ludlow Rotary to serve the unexpired portion of the term of such officer.

Section 5. President. The President of the Ludlow Rotary Charitable Foundation Inc. shall be the principal executive officer of the corporation. The President shall preside at all meetings of the Members and of the Board of Directors. The President may sign, with the Secretary or any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases when the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer of the Foundation; and in general the President shall perform all duties incident to the President, and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. In the absence of the President or in the event of the inability or refusal to act by the President, 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 of the President. The Vice President shall perform such other duties as may be assigned by the President or the Board of Directors from time to time.

Section 7. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Foundation; receive and give receipts for monies due and payable to the Foundation from any source whatsoever, and deposit all monies in the name of the Foundation in such financial institutions or other depositories as shall be selected; and in general perform all the duties incident to the office of Treasurer, and such other duties as may be assigned by the President or the Board of Directors from time to time.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the Members and Board of Directors in one or more books provided for such 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 corporate records and seal of the Foundation, and see that the seal is affixed to all documents, the execution of which on behalf of the Foundation under its seal, is duly authorized in accordance with the provisions of these Bylaws; and in general perform all of the duties incident to the office of secretary, and such other duties as may be assigned by the President or the Board of Directors from time to time.

Section 9. Finance, Foundation, Membership and Scholarship Chairs, Directors, Non-Officers. The Directors shall perform all duties incident to their positions and any such other duties as may be assigned by the President or the Board of Directors from time to time.

ARTICLE III

Committees

Section 1. General. The Foundation Board of Directors may establish committees and prescribe the duties and authority of such committees as they from time to time may determine is in the best interest of the Foundation. The number of committee members and their term shall be as determined by the Board of Directors.

Section 2. Committee Membership. The President shall appoint the committee members and shall also designate the chairperson of each committee, subject to approval of the Board of Directors.

Section 3. Standing Committees. The Foundation shall cooperate with the “Service Projects Committee” to promote giving of charitable contributions to the Foundation, the “Finance Committee” to invest cash and other assets received and the “Finance Committee” to make recommendations to the Board of Directors for making charitable contributions.

ARTICLE IV

Contracts, Checks, Deposits and Funds

Section 1. Contracts. The Board of Directors may authorize one or more officers or agents of the Foundation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation, and such authority granted may be general or specific in nature.

Section 2. Checks. All checks, drafts or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Foundation shall be valid only when signed by an officer of the Foundation designated to sign same by the Board of Directors, including without limitation, the President, Secretary and Treasurer.

Section 3. Deposits. All funds of the Foundation shall be deposited into an account or accounts of the Foundation’s at one or more financial institutions selected by the Board of Directors.

ARTICLE V

Books and Records

The Foundation shall keep correct and complete books and records of account, minutes of the meetings of its Members and Board of Directors and the names and addresses of all active members at the principal office of the Foundation. All books and records of the Foundation may be inspected by any Member, or his agent or attorney, for any reasonable purpose upon request at any reasonable time.

ARTICLE VI

Fiscal Year

The fiscal year of the Foundation shall commence on the first day of July and end on the 30th day of June of the succeeding year.

ARTICLE VII

Waiver of Notice

Whenever any notice is required to be given under the laws of Massachusetts, or the Articles of Incorporation or Bylaws of this Foundation, a waiver thereof may be signed by any person entitled to such notice, whether before or after the time stated therein, in which event such waiver of notice shall be deemed equivalent to the giving of such notice.

ARTICLE VIII

Indemnification

This Foundation hereby indemnifies and holds its Officers and Directors harmless from and against any liability and expenses which may be incurred by its Officers and Directors by reason of any act or omission to act of said persons on behalf of the Foundation or in furtherance of the interests of the Foundation, including but not limited to any expenses incurred in connection with the defense of any proceeding or claim, provided (1) the individual's conduct was in good faith; (2) the individual acting in his official capacity believed such conduct was in the best interests of the Ludlow Rotary Charitable Foundation Inc., or in all other cases was at least not opposed to its best interests; and (3) in the case of any criminal proceedings, the individual had no reasonable cause to believe the conduct was unlawful. The foregoing indemnification is intended to fully comply with Massachusetts law.

ARTICLE IX

Amendments to Bylaws

These by-laws may be amended at any regular Board meeting, a quorum being present, provided that notice of such proposed amendment shall have been mailed or communicated electronically to each member at least fifteen days before such meeting.

ARTICLE X

Charitable Contributions to the Foundation

Section 1. Funding Options. Members and other donors may contribute tax deductible gifts to the Foundation in any one or more of the following ways:

(1) **Endowment Fund.** Gifts to the Endowment Fund shall be retained in perpetuity. The income derived from investment of such gifts shall be utilized to make charitable contributions, and any realized gain in value may also be utilized for such purpose.

(2) **Rotating Fund.** Pledges and other cash gifts shall be allocated to the Rotating Fund. Such gifts shall be then utilized to make charitable contributions. All cash gifts received by the Foundation which are not restricted under Section 3 of this Article XI shall be allocated to the Rotating Fund.

(3) **Special Projects Fund.** Gifts to the Special Projects Fund may be utilized anytime after receipt.

Section 2. Assets Contributed. Members and other donors may contribute cash, securities, real estate and other assets to the Foundation; however, the Foundation Board of Directors shall have the right, in its discretion, to refuse to accept any contribution. For purposes of these Bylaws, contributions “in-kind” shall include any item which must be stored at the Foundation’s expense. The Foundation may be named as a beneficiary under any Will, Trust, life insurance policy, annuity, or other entity.

Section 3. Restricted Gifts. Any Foundation Member or other donor may require that cash gifts exceeding \$100 to the Foundation be allocated (1) to one or more of the Funds described in Section 1 of this Article X; and/or (2) to any category of charity described in Article XI. Any such funds are hereby designated as “Restricted Gifts”.

Section 4. Investment and Management of Foundation Assets. The Board of Directors shall hold, invest, manage and administer all funds and property of the Foundation. In furtherance of this responsibility, in addition to the powers otherwise granted by statute or these Bylaws, the Board of Directors is authorized to do the following:

(1) To sell, lease, transfer or exchange all or any part of the property of the Foundation at such prices and upon such terms and conditions and in such manner as they deem best;

(2) To execute and deliver any proxies, securities or real estate as they deem suitable for the investment of Foundation funds;

(3) To invest and reinvest in such loans, securities or real estate as they deem suitable for the investment of Foundation funds;

(4) To adopt budgets and appropriate funds for activities of the Foundation;

(5) To select and employ suitable agents and attorneys, including the employment of investment managers to whom may be delegated such powers in managing and investing the funds of the Foundation as the Board of Directors may deem advisable, and as the laws of Massachusetts may permit, and to pay their reasonable compensation and expenses; and

(6) To pay all necessary expenses of administering the Foundation out of the funds of the Foundation, including out-of-pocket expenses incurred by a Director, unless otherwise provided by the Board of Directors.

ARTICLE XI

Guidelines for Charitable Contributions by the Foundation

Section 1. Charitable Contributions. The Foundation shall make charitable contributions in accordance with the following guidelines:

- (1) Charitable contributions to Ludlow area schools and/or to schools in Massachusetts for educational scholarships for students deemed worthy;
- (2) Charitable contributions for youth activities and to youth organizations within, or substantially benefiting, the Ludlow area and/or Massachusetts;
- (3) Other charitable organizations within, or substantially benefiting, the Ludlow area and/or Massachusetts;
- (4) Charitable organizations which help alleviate suffering in a time of crisis, wherever situated; and
- (5) Other charitable organizations approved by a majority of the Members of the Foundation.

Section 2. Contributions In-Kind. The Foundation may make charitable contributions in-kind to any charitable organization deemed needy and worthy, wherever situated.

ARTICLE XII

Financial Reports

Section 1. Books and Financial Records. The Board of Directors shall provide accurate books and records of the receipts, expenditure, investments, properties and all other assets of the Foundation to the end that all property received shall be devoted exclusively to the purposes set forth in the Articles of Incorporation and these Bylaws.

Section 2. Reports. The Treasurer of the Foundation shall periodically notify the Directors of the status of Foundation appropriations and the amount of money that is available to further the purposes of the Foundation.

Section 3. Financial Review. The Board of Directors shall annually appoint the finance committee to review the accounts of the Foundation, including without limitation, its receipts and expenditures, and furnish a written report of such review to the Board of Directors. The Board of Directors may, in its discretion, require an annual certified audit.

Section 3 (a), Finance Committee

- A. Prior to each fiscal year prepare an annual budget of estimated income and expenditures
- B. Review and approve financial statements on a monthly basis
- C. Present quarterly financial statements to the Board of Directors for their review. It will be the responsibility of the board to approve and present said financials to the club members at the next meeting
- D. Review requests for donations submitted during the month. Review the requests per the requirements as outlined in the by-laws of the finance committee and make a decision as to whether or not they comply and whether the funds are available. Make a recommendation to the board as to the decision and if approved, the recommended amount of the donation. It will be the responsibility of the Board of Directors to make a determination and to present to the club members for a vote at the next meeting.
- E. Present annual financial statement to club members
- F. A thorough annual review of all financial transactions shall be completed by a qualified person.

I, the undersigned Secretary of this corporation, do hereby certify that the foregoing "Bylaws of the Ludlow Rotary Foundation" were amended, restated and adopted at a regular meeting of the Board of Directors of the Ludlow Rotary Foundation held on _____

Secretary

Approved: _____
(date)