

2019 BYLAWS OF THE PALMYRA AREA EDUCATION FOUNDATION

ARTICLE I NAME, OBJECTIVES, AND OFFICES

Section 1. The name of the corporation (hereinafter referred to as the “Foundation”) is

THE PALMYRA AREA EDUCATION FOUNDATION.

Section 2. The purpose of the Palmyra Area Education Foundation, moving forward known as the Cougar Foundation, a broad-based, non-profit community organization, is exclusively educational and charitable. That purpose is to secure resources from individuals, corporations, and other businesses, community organizations, and foundations to be distributed to support programs for the benefit of the students in the Palmyra Area School District. This activity may lead to the overall improvement in the quality of education and an enhancement of community support for public education. The work of the Foundation must be conducted in such a manner that no part of its income or property shall pass or be used for the private benefit of any donor, member, director, officer, or individual having a personal or private interest in the activities of the Foundation.

Section 3. The principal office of the Foundation shall be in the administration building of the Palmyra Area School District on Park Drive in Palmyra, Pennsylvania 17078 until further order of the Foundation’s Board of Trustees.

ARTICLE II MEMBERSHIP

Section 1. This foundation shall have no members.

ARTICLE III THE BOARD OF TRUSTEES

Section 1. **Powers and Duties.** The management of the affairs of the Foundation and the control and disposal of its property and funds shall be vested in a Board of Trustees.

Section 2. **Number of Trustees.** The Foundation shall have nineteen (19) trustees who shall serve without salary or other monetary compensation except for reimbursement of expenses related to their duties as members of the Board of Trustees.

Section 3. **Manner of Selection and Term.** Each trustee shall serve for a term of three years or until a successor is elected. At the end of the first year and every year thereafter, one-third of the Trustees shall be installed at the Annual Meeting. Board. No Trustee, with the exception of the school district superintendent, shall serve more than two successive, three-year terms. Trustees shall be appointed from a number of sources within the school district as detailed below:

- (1) The Superintendent of the Palmyra Area School District;
- (2) A member of the Palmyra Area School Board, as elected by a majority of the Board;
- (3) Three faculty members of the Palmyra Area School District . One from each level, elementary, middle and high school chosen by the faculty at that level

- a. Palmyra Area teachers serving on the PAEF may submit a personal grant application for funding with the following provisions
 - i. Teacher applicant will be excused from all PAEF discussion concerning the grant application prior to the PAEF vote on their grant.
 - ii. Teacher is prohibited from voting on the submitted personal grant application
- (4) Two parents who have children enrolled in the Palmyra Area School District shall be selected by the school Superintendent;
- (5) Two district residents who do not serve on the School Board shall be selected by the President of the School Board;
- (6) Ten additional Trustees consisting of residents of the district, or current or former employees of the Palmyra Area School District (residency preferred but not required), or former members of the School Board (residency preferred but not required) with a minimum of two residents from North Londonderry Township (selected by the North Londonderry Township Supervisors), two residents from Palmyra Borough (selected by the Palmyra Borough Council), and two residents from South Londonderry Township (selected by the South Londonderry Township Supervisors).

Section 4. Resignation. Any trustee of the foundation may resign at any time by giving written notice to the Chairman of the Board of Trustees. The resignation of any trustee shall take effect at the time specified therein; the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. Any vacancy in the Board of Trustees shall be filled by the procedures outlined above for the specific vacancy occurring in each case. This replacement shall hold office for the remaining term of that trusteeship.

ARTICLE IV MEETINGS

Section 1. Annual Meeting. The Annual Meeting of the Board of Trustees shall be held in the month of July at such date, time, and place, as the Board of Trustees shall determine. During the Annual Meeting, the Board of Trustees shall elect officers for the Foundation and issue an annual report summarizing the yearly activities of the Foundation. Notice of the meetings shall state the date, time, and place thereof, served by mailing such notice to each director at least twenty-one (21) days prior to the meeting and no more than forty-five (45) days prior to the meeting.

Section 2. Regular Meetings. Regular meetings of the Board of Trustees shall be held on a quarterly basis throughout the year. These meetings shall be held at such date, time, and place, as the Board of Trustees shall determine. Notice of regular meetings shall be given no less than fourteen (14) days prior to the meeting and no more than thirty (30) days prior to the meeting.

Section 3. Special Meetings. Special meetings of the directors may be called by the President of the Foundation or by any four- (4) directors. Notices of such a meeting must state the date, time, and place of the meeting. Such notice may be served personally or by mail to each director at least seven (7) days prior to the meeting.

Section 4. Quorum. A majority of the Board of Trustees shall be necessary to constitute a quorum for the transaction of business at any annual, regular, or special meeting. But the trustees present at any meeting thereof, even though less than a quorum, may adjourn the meeting from time to time, and such meeting may be held on a subsequent date with public notice, provided a quorum be present at such adjourned meeting.

Section 5. Proxies. Proxies shall not be allowed or used.

Section 6. Good Faith. A trustee of the Foundation shall stand in a fiduciary relationship to the Foundation and shall perform his duties as a Trustee, in good faith, in a manner he reasonably believes to be in the best interests of the Foundation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 7. Sunshine. All meetings shall be open to the public. All meetings shall be advertised in a publication of general circulation in the Palmyra Area School District in accordance with the requirements of Sections 1, 2, and 3 of Article IV.

ARTICLE V OFFICERS

Section 1. Number. The Foundation shall have a President, a Vice President, a Secretary, and a Treasurer each of whom must be a Trustee of the Foundation. At its Annual Meeting, the Board of Trustees shall elect a President, Vice President, Secretary and Treasurer of the Foundation who shall hold their offices until their successors are elected at the next Annual Meeting.

Section 2. Terms. The President, Vice President, Secretary, and Treasurer may be elected to serve succeeding terms as long as they remain trustees of the Foundation.

Section 3. Removal. Officers may be removed for any reason from their elected office by the affirmative vote of two-thirds of the entire Board of Trustees.

Section 4. Restrictions. The Superintendent of Palmyra Area School District, the designee of the Palmyra Area School Board, and the representatives of the Palmyra Area School District faculty may not serve as officers of the Foundation.

Section 5. Restrictions. Board of Trustees who are faculty members applying for a grant may not be present during a vote on a grant application.

ARTICLE VI POWERS AND DUTIES OF OFFICERS

Section 1. President. The President shall be the chief executive officer of the Foundation. This officer shall, if present, preside at all meetings of the Board of Trustees. This officer shall have general supervision, direction, and active management of the business and affairs of the Foundation. This officer shall see that all orders or resolutions of the Board of Trustees are carried into effect. This officer shall execute all contracts, deeds, bonds, and other instruments in writing authorized by the Board of Trustees. This officer shall have the general powers of supervision and management usually vested in the office of the President of a corporation not for profit under the laws of the Commonwealth of Pennsylvania.

Section 2. Vice President. During the absence or disability of the President, the Vice President shall exercise all the functions of the President. The Vice President shall have such powers and discharge such duties as may be so assigned by the Board of Trustees.

Section 3. Secretary. The Secretary shall keep the records of the Foundation under the supervision of the President and the Board of Trustees, including permanent records of all minutes of meetings of the members which minutes shall be signed by the Secretary. This officer shall have charge of all such additional bonds and papers as the Board of Trustees may direct. This officer shall in general perform all such duties as pertain to the office of a

Secretary of a corporation not for profit under the laws of the Commonwealth of Pennsylvania.

Section 4. Treasurer. The Treasurer shall have the custody of all of the funds and property of the Foundation. This officer shall deposit all moneys contributed to the Foundation in such banks as may be selected by the Foundation. Whenever required by the Board of Trustees or by the President so to do, this officer shall exhibit a complete and true statement of the cash account and of the securities and other property of the Foundation. This officer shall enter regularly in the books belonging to the Foundation and to be kept by this officer for such purposes, an accurate account of all money received and paid by the Treasurer on account of the Foundation together with all other business transactions. This officer shall perform all duties which pertain to the office of Treasurer of a corporation not for profit under the laws of the Commonwealth of Pennsylvania, subject, however, at all times to the direction and control of the Board of Trustees and the President.

The Board of Trustees may require the Treasurer, and such other officers, and agents as the Board deems advisable, to give bond for the faithful discharge of their duties, in such sum and with such surety or sureties as the Board of Trustees may from time to time prescribe, the expense of which may be borne by the Foundation, as the Board of Trustees shall determine.

Section 5. Powers and Duties. All powers and duties given to officers shall be exercised only in a fiduciary capacity and in accordance with the Prudent Man Rule.

ARTICLE VI-A COUGAR COMMITTEE

Section 1. Purpose. The Board of Trustees hereby establishes a committee of the Foundation known as the Cougar Committee to further promote and implement the goals and objectives of the Foundation, and to develop and implement a capital campaign to benefit students of the Palmyra Area School District. The Cougar Committee shall determine specific needs of the Palmyra Area School District, collaborate with the School District leadership to develop plans for a capital campaign and provide financial assistance through the resources of the Foundation to implement the capital campaign plan.

Section 2. Membership of the Committee. Members of the Cougar Committee shall consist of at least one individual who is a member of the Board of Trustees, at least one individual who is a senior administrator or officer of the School District, at least one individual who is a member of the Board of School Directors of the School District, and other community members, administrators, faculty and staff of the School District as appointed by the Board of Trustees.

Section 3. Powers and Duties. The Cougar Committee may exercise the power and authority provided to it by the Board of Trustees in accordance with the bylaws of the Foundation. The Cougar Committee shall perform the duties assigned to it by the Board of Trustees.

Section 4. Officers. The Cougar Committee shall elect a Chairperson and Treasurer of the Committee. The Chairperson and Treasurer shall serve at the pleasure of the Board of Trustees. The Chairperson and Treasurer will coordinate the activities of the Committee with the Board of Trustees.

Section 5. Removal. Members of the Committee may be removed for any reason by an affirmative vote of two-thirds (2/3) of the Board of Trustees.

Section 6. Reports. At the request of the Board of Trustees, the Cougar Committee shall provide periodic reports to the Board of Trustees concerning the activities of the Cougar Committee, and in particular, the development and implementation of the capital campaign.

ARTICLE VII

INDEMNIFICATION

Section 1. The Foundation may indemnify such persons, for such expenses and liabilities, in such manner, under such circumstances, and to such extent as determined by the Board of Trustees.

ARTICLE VIII FISCAL AGENTS

Section 1. This Foundation may designate such fiscal agents, investment advisors, and custodians as the Board of Trustees may select by resolution. The Board of Trustees may at any time, with or without cause, discontinue the use of the services of any such fiscal agent, investment advisor, or custodian. Such fiscal agent may not be a member of the Board.

ARTICLE IX POLICIES WITH RESPECT TO DISTRIBUTION OF PRINCIPAL AND INCOME AND RELATED MATTERS

Section 1. Annual Distributions. It shall be the policy of this Foundation to plan annual distributions for one or more of the educational purposes for which it is organized, including administrative expenses and amounts paid to acquire an asset used (or held for use) directly in carrying out one or more of its purposes, in an amount determined by the Board of Trustees to be appropriate. In any such distribution of funds no discrimination shall be made on account of the age, sex, color, religious affiliation or national origin of the individuals or programs to be benefited there by. As for the purpose of the existence of this Foundation, no funds shall be distributed to the School District of Palmyra Area except with the concurrence of the Palmyra Area School Board.

Section 2. No Self-Dealing. It shall be the policy of this Foundation not to engage in any act which would constitute "self-dealing" as defined in Section 4941(d) of the Internal Revenue Code of 1954.

Section 3. Investments. It shall be the policy of this Foundation to assure that no funds, whether title thereto is vested in this Foundation or is vested in a trust for the benefit of this Foundation, shall be invested or reinvested in a manner inconsistent with the Prudent Man Rule in the advancement of any educational purposes for which this corporation is organized.

Section 4. Expenditure Responsibility. It shall be the policy of this Foundation that this Foundation, through its Board of Trustees, will exercise "expenditure responsibility," as defined in Section 4945(h)(1) and (2) of the Internal Revenue Code of 1954, as now enacted or as hereafter amended, with respect to all grants and distributions.

Section 5. Reasonable Return. The Board of Trustees shall take steps to assure that each trustee, agent, or custodian with respect to the aggregate of the unrestricted trusts or funds that are a component part of this Foundation, administer such trust or fund in accordance with accepted standards of fiduciary conduct to produce a reasonable (as determined by the Board of Trustees) return of net income, in furtherance of this Foundation's education purposes.

Section 6. Requests. The Palmyra Area School Board shall not be allowed to make requests for assistance.

ARTICLE X BOOKS OF RECORD, AUDIT, FISCAL YEAR

Section 1. Books and Records. The Board of Trustees of this Foundation shall cause to be kept:

- (1) Records of all proceedings of Trustees, and Committees; and
- (2) All financial statements of this Foundation;
- (3) Articles of Incorporation and Bylaws of this and all amendments thereto and restatements thereof;
- (4) Such other records and books of account as shall be necessary and appropriate to the conduct of the corporate business.

Section 2. Audit and Publication. The Board of Trustees shall cause the records and books of account of this corporation to be audited at least once in each fiscal year in such a manner as may be deemed necessary or appropriate, and also shall make such inquiry as the Board of Trustees deems necessary or advisable into the condition of all trusts and funds held by any trustee, agent, or custodian for the benefit of this corporation, and shall retain such person or firm for such purposes as it may deem appropriate. Not later than six months after the close of each fiscal year of this Foundation, the Board of Trustees of this Foundation shall furnish to the Board of School Directors of the School District of Palmyra Area copies of the corporation's financial statement for its immediately preceding fiscal year and may, if determined necessary or appropriate by the Board of Trustees, cause such financial statement to be published in one or more local newspapers having general circulation and distribution, as may be selected by the Board of Trustees.

ARTICLE XI WAIVER OF NOTICE

Section 1. Whenever any notice is required to be given by these Bylaws or any of the corporate laws of the Commonwealth of Pennsylvania, such notice may be waived in writing, signed by the person or persons entitled to said notice, whether before, at, or after the time stated therein, or before, at, or after the meeting.

ARTICLE XII FISCAL AND BUSINESS YEAR

Section 1. The fiscal and business year of the Foundation shall commence on the first day of July in each year unless otherwise determined by resolution of the Board of Trustees.

ARTICLE XIII AMENDMENTS

Section 1. These bylaws may be altered, amended or repealed only by a two-thirds vote of all Trustees at any regular or special meeting of the Board of Trustees at which a quorum of the Board shall be present, provided that at least fifteen (15) days written notice is given of the intention to alter, amend or repeal the bylaws.

APPENDIX I INITIAL LENGTHS OF TERMS

- (1) Superintendent of the Palmyra Area School District: three (3) years
- (2) School Board Member: one (1) year

- (3) Two faculty members of the Palmyra Area School District: one for one (1) year and one for two (2) years
- (4) Two parents: one for two (2) years and one for three (3) years
- (5) Two district residents: one for two (2) years and one for three (3) years
- (6) One resident of North Londonderry Township: one (1) year
- (7) One resident of Palmyra Borough: two (2) years
- (8) One resident of South Londonderry Township: three (3) years