

FREEHOLD BOROUGH EDUCATIONAL FOUNDATION, INC.

BYLAWS

Revised January 8, 2009

1. CREATION

a. Establishment. There is hereby established, pursuant to N.J.S.A. 15A:1-1 *et.seq.* a not-for-profit Foundation to perform those duties enumerated in these Bylaws and to be governed in the manner stipulated herein.

b. Name. The Foundation shall be named the Freehold Borough Educational Foundation (hereinafter “the Foundation”).

2. **PURPOSE.** The Foundation is organized exclusively for such charitable, educational and scientific purposes as are within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 as amended (or the corresponding provision of any future United States Internal Revenue Law) and, in particular, for the following purposes:

a. To develop and promote community and private sector partnerships with the Freehold Borough Board of Education and in support of the implementation of the mission and strategic objectives of the Board;

b. To improve the educational experience in the Freehold Borough public schools by providing programs and equipment and/or funding therefore not otherwise available to the school system; and

c. To strengthen the economic, cultural and commercial contributions to the educational process by the Freehold area community.

3. PURSUIT OF GOALS.

a. In pursuit of these goals, the Foundation further commits to invite all members of the public and private sectors who share these mutual goals to build a non-partisan partnership to create and implement an action-oriented and pragmatic work plan to realize these goals.

b. The Foundation is a not for profit Foundation organized and operated not for pecuniary profit but exclusively for charitable purposes which are to establish a fund raising

organization to assist in the solicitation and collection of funds and in-kind donations from all domestic sources available for the purpose of securing and expending funds for the benefit of the Foundation and for the benefit of the public school children of Freehold Borough and the Freehold Borough Public Schools.

c. The members of the Foundation (“members”) shall consist of those persons who shall at any given time be serving as members of the Board of Directors of the Foundation and such other persons or entities meeting such qualifications for membership as the Board of Directors shall from time to time establish.

d. No part of the funds solicited or the net earnings of the Foundation shall inure to the benefit of any member, trustee or officer of the Foundation except as otherwise set forth in these bylaws.

e. Notwithstanding any other provision of these bylaws, the Foundation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization deemed exempt under Section 503(c)(3) of the Internal Revenue Code and its regulations as amended or by an organization contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code as amended.

f. The Foundation shall have perpetual existence. However, upon dissolution of the Foundation or the winding up of its affairs, the assets of the Foundation shall be distributed exclusively as permitted by law which qualifies under 501(c)(3) and its regulations as amended.

g. Office of Registered Agent.

i. The principal office of the Foundation shall be located at 6 Hance Blvd, Freehold, New Jersey or at such location in Freehold Borough, New Jersey as the Board of Directors may hereafter designate.

ii. Registered Agent. Ron Reich, Esq. with offices at 6 Hance Blvd., Freehold, New Jersey is the Registered Agent for the Foundation.

4. THE BOARD OF DIRECTORS. There shall be elected a Board of Directors which shall govern the Foundation in accordance with the bylaws and relevant State and local laws.

a. The Board of Directors shall be comprised of the officers of the Foundation and no less than two (2) nor more than eight (8) additional Directors.

- b. The President of the Freehold Borough Board of Education or such designee as shall be named is a non-voting member of the Board.
- c. The Business Administrator of the Freehold Borough Board of Education shall be a non-voting member of the Board of Directors.
- d. A member of the Professional Staff of the Freehold Borough Board of Education, as elected by their colleagues, shall be a non-voting member of the Board of Directors.
- e. The voting members of the Board of Directors shall be elected for a three-year term. The terms of the voting members of the Board of Directors shall be arranged so that third of the members is elected each year. In the first election subsequent to the approval of these bylaws, a lottery shall be conducted in which the term of the members of the Board shall be determined as one year, two year and three year terms with one-third of the Board being placed in each category.
- f. An elected Director's term shall commence at his/her swearing in at the annual meeting or upon the date he/she is sworn in to take office to fill an unexpired term.
- g. If there is a vacancy on the Board of Directors at any time for any reason, the Directors may appoint, by a majority of the Board, a successor at a regular or special meeting of the Board without prior written notice to all members. The person so appointed shall serve until the next scheduled regular election of the Directors wherein a successor shall be elected for the balance of the unexpired term.
- h. Duties: The Board of Directors of the Foundation shall govern the overall operation and management of the Foundation including but not limited to the following:
 - i. Preparation and recommendation of an annual budget to the members.
 - ii. Implementation of the approved budget.
 - iii. Approval of all debt and property acquisition.
 - iv. Establishment of all policies governing the Foundation and its business affairs.
 - v. Recommendations to the members for changes in these by-laws.
 - vi. Hire, manage and terminate all employees.
 - vii. Negotiate and execute all contracts.
 - viii. Prepare the annual report and commission the annual audit.
 - ix. Monitor the functioning of all committees.
 - x. Establish the procedures for the nomination and conduct of all elections and the agenda of the semi-annual meeting to the extent known at the time.
 - xi. Authorize and approve all expenditures of the Foundation.

xii. Provide appropriate insurance protection for all Foundation officers, employees and activities.

5. Elections.

a. By nomination: A nominating committee, appointed by the Directors, shall nominate eligible candidates for the Trustee positions at least 40 days prior to the June annual meeting. Within ten days of the report of the nominating committee, the Board shall report the nominations to the Foundation.

b. By petition:

i. In May of each year but no less than 20 days prior to the date set for the June annual meeting, the Board shall report the nominations of the nominating committee to the members.

ii. Thereafter but no later than 10 days prior to the date set for the June meeting, petitions for nomination must be received by the Board containing the names of the additional nominees.

iii. Each additional nominee must be endorsed by the signed written endorsement of a minimum of five (5) members.

c. The final slate of all candidates for positions on the Board shall be sent to the general members no later than five (5) days prior to the date set for the election. The election of Directors shall be held at the June annual meeting by written ballot of those present which may be cast in person, or by absentee ballot in accordance with the rules set forth herein.

d. Eligibility. There shall be no restrictions on eligibility for election to the Board of Directors of the Foundation or as an officer of the Foundation except:

i. Director must be a member of the Foundation.

ii. The Chair and the Treasurer must be of majority age.

iii. Absentee Ballots. Eligible members may vote by absentee ballot upon the filing of an application, prepared by the Foundation, in essentially the same form and pursuant to the same conditions as required to vote as an absentee in any general election in the County of Monmouth. Applications may be obtained from the Board through the Foundation's registered agent or his designee.

- e. Participation in this election shall be open to all members of the Foundation.
- f. All elections shall be conducted by secret paper ballot and the recipient of the highest amount of votes for each position to be filled shall be deemed the winner. In the event of a tie, there shall be a run-off election held in the same manner as heretofore set forth.
- g. Proxy Ballots. There shall be no proxy ballots.
- h. Vacancies. Vacancies may be filled on an as needed basis by a majority vote of the Board of Directors to serve until the next general meeting of the Foundation at which time the vacated seat shall stand for election.

6. **POWERS.** The Foundation may:

- a. Accept, acquire, receive, take and hold by bequest, devise, grant, gift, purchase exchange, lease, transfer, judicial order or decree or otherwise, for any of its objects and purposes, any property real and personal of whatever kind, nature and description and wherever situated.
- b. Sell, exchange, convey, mortgage, lease, transfer or otherwise dispose of any such property, both real and personal, as the objects and purposes as the Foundation may require subject to such limitation as prescribed by law.
- c. Invest and reinvest its funds in such stock, common or preferred, bonds, debentures, mortgages or in such other securities and property as the Board of Directors shall deem advisable, subject to the limitations and conditions contained in any bequest, devise, grant or gift, provided such limitations and conditions are not in conflict with the provisions of Section 503(c)(3) of the Internal Revenue Code as amended.
- d. Borrow money and, from time to time, to make, accept, endorse, execute and issue bonds, debentures, promissory notes, bills of exchange and other obligations of the Foundation for money's borrowed or in payment for property acquired for any of the other purposes of the Foundation and to secure the payment of any such obligations by mortgage, pledge, deed, indenture, agreement or other instrument of trust or by other lien upon, assignment of or agreement in regard to all or any part of the property, rights or privileges of the Foundation wherever situated whether now owned or hereafter to be acquired.

7. ADDITIONAL PURPOSES AND POWERS.

- a. The Freehold Borough Educational Foundation may have, as additional purposes those powers enumerated by State law or deemed necessary by the Board of Directors.
- b. In general and subject to such limitations and conditions as are or may be prescribed by law, to exercise such other powers which are now or hereafter may be conferred by law upon a Foundation organized for the purposes hereinabove set forth or necessary or incidental to the powers so conferred or conducive to the attainment of the purposes of the Foundation.
- c. These powers shall be subject to any further limitation and condition that, notwithstanding any other provision of these bylaws, only such powers shall be exercised as are in the furtherance of the tax exempt purposes of the Foundation and as may be exercised by an organization exempt under Section 503(c)(3) of the Internal Revenue Code and Regulations and by an organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations.

8. MEETINGS.

- a. General Meeting. There shall be at least one annual meeting of the Foundation each year held in June.
- b. At the June meeting, the following items of business shall be conducted:
 - i. Election of the Board of Directors by the members.
 - ii. Election of the officers by the Board of Directors.
 - iii. Oath of office for new board members.
 - iv. Adoption of the annual budget.
 - v. An update on the Foundation activities in the past twelve (12) months.
 - vi. An update on the status of the budget in the past twelve (12) months.
 - vii. Other items of the business as may be necessary for the proper operation of the Foundation.
- c. The Board of Directors may, at its sole discretion, call a meeting during October at which time the following items of business may be considered:
 - i. An update on the proposed Foundation activities for the fiscal coming year.
 - ii. An update on the status of the budget for the coming fiscal year.

- d. Conduct of Meetings. All meetings, to the extent possible, shall be governed by the philosophy and procedures of the Open Public Meetings Act, N.J.S.A. 10:4-6 ET. seq. but the Foundation shall not be bound by those statutes. Robert's Rules of Order shall apply.
- e. The Board of Directors shall meet as often as necessary to accomplish its assigned duties but shall meet at least once monthly.

9. OFFICERS AND EMPLOYEES.

- a. There shall be elected by the Board of Directors at its annual June meeting, the following officers:
 - i. Chairperson
 - ii. Vice Chairperson
 - iii. Secretary
 - iv. Treasurer
- b. To be eligible to be an officer of the Foundation, a nominee or petitioner must serve at least one full two year term on the Board of Directors.
- c. These officers shall serve as the officers of the Foundation for one year.
- d. No officer may serve in any position for more than two neither consecutive terms, nor more than three years in a specific office in any five year period.
- e. The order of succession for the officers shall be:
 - i. The Vice Chairperson is the Chairperson-elect; and
 - ii. The Secretary shall be the vice chairperson elect; and
 - iii. The Treasurer shall be the secretary elect.
- f. Duties of the Officers: The officers shall be assigned the following duties:
 - i. Chairperson: Overall responsibility for the management and control of the Foundation and the coordination of the various committees. Calls and chairs all Board of Directors meetings.
 - ii. First Vice Chairperson: Acts in the absence of the Chair and assists the Chair in various assigned projects.
 - iii. Treasurer: Maintains the accounts of the organization and jointly authorizes all approved payments with another designated member of the Board of Directors.

- iv. Secretary: Prepares and maintains the minutes of all Board meetings and records of the organization and is responsible for all official correspondence.
- v. An assistant Secretary and/or Treasurer may be appointed to act in the absence of the Secretary or Treasurer.

g. Employees.

i. Foundation Administrator

(1) A Foundation Administrator may be hired and employed by the Board of Directors. The Administrator shall perform those duties assigned by the Board of Directors.

(2) The Foundation Administrator shall report to and be supervised by the Chair or the Chair's designated representative.

(3) The Foundation Administrator shall serve at the will of the Board of Directors and may be removed with or without cause by the Board after receiving thirty (30) days written notice. Upon notice of termination, the Foundation Administrator shall have the opportunity for a hearing before the Board on the reasons for termination removal.

ii. Other Staff. The Board may employ and/or terminate such other staff, employees and consultants as they, from time to time, deem necessary.

10. STANDING COMMITTEES.

a. The following standing committees are hereby established:

i. Fund Raising. There shall be a fund raising committee whose responsibilities shall include, but are not limited to, planning for implementation of the solicitation of contributions, monetary and in-kind, in support of the Foundations purposes.

ii. Program. There shall be a program committee whose responsibility shall include review of proposals and recommendations for program allocations.

iii. Public Relations and Communications. There shall be a public relations and communications committee whose responsibilities shall include, but are not limited to, advising the members of the Foundation and the public, in general, of the purpose and work of the Foundation.

iv. Nominating Committee. There shall be a nominating committee, re-appointed annually, whose responsibilities shall be to seek out and recommend the names of

qualified individuals to the Board of Directors and the Officer positions of the Foundation.

b. The Board of Directors may create such additional standing or special committees as it deems necessary from time to time.

c. Duties. Each committee shall perform those duties as established by the Board of Directors.

d. Each committee will have a chairperson appointed by the Board of Directors and a vice chairperson elected by the active members of the committee. The Chairperson will serve as a non-voting member of the Board of Directors if he/she is not already a member of the Board.

e. Each committee will solicit and encourage active participation from the members of the Foundation and shall be comprised of members and other interested parties.

f. Each committee will develop a long term and a short term work plan and present them to the Board of Directors for approval at least once annually during the month of June. No program may be submitted without a proposed budget consisting of cost estimates and potential funding sources as well as a detailed description of the programs purpose, assets required and expected time for completion, if any.

g. All committees will meet at least quarter annually and forward a legible copy of the meeting minutes to the Board of Directors within 14 days of the meeting.

h. Committees may establish any sub-committees and appoint any such officers as it deems necessary to achieve its defined goals within the parameters of the guidelines set by the Board of Directors and in keeping with the Foundation mission statement.

i. A committee may not establish a separate treasury nor commit funds without prior authorization of the Board of Directors.

11. OTHER PROVISIONS

a. Parliamentary Procedures.

i. All meetings of the Board of Directors and all Committees shall be governed by Robert's Rules of Order.

ii. The goal of the Foundation is to conduct business in an orderly manner based upon a consensus of the members.

- b. Lack of a quorum. In the event any meeting of the Board of Directors lacks a quorum the Board may act only upon a vote at the meeting supplemented by a telephone poll or an e-mail poll of the absentee members of the Board.
- c. Emergent Matters. In the event an emergent matter is presented to the Board at a regularly scheduled meeting of the Foundation, action may be taken by telephone vote or via e-mail of all the voting members of the Board of Directors. Such action must be memorialized at the next regularly scheduled meeting.
- d. Checks, drafts, etc. All checks, drafts and orders for payment of money, notes and other evidence of indebtedness, issued in the name of the Foundation shall be signed by the Treasurer and Chairperson or their designees as approved by the Board of Directors.
- e. Annual Reports. There shall be prepared, annually, a full and correct statement of the affairs of the Foundation, including a balance sheet and statement of operations for the preceding fiscal year audited and certified by a Certified Public Accountant, which shall be submitted at the June general meeting of the Foundation and filed immediately thereafter at the principal office of the Foundation as required by IRS regulations.
- f. Fiscal Year. The fiscal year of the Foundation shall begin on 1 July of each year and end on 30 June of the following year, unless otherwise provided by the Board of Directors by special resolution.
- g. Seal. The Board of Directors shall provide a suitable seal, bearing the name of the Foundation which shall be in the custody and charge of the secretary.
- h. Bonds. The Board of Directors may require an officer, agent or employee of the Foundation to give a bond to the Foundation conditioned upon the faithful discharge of that person's duties with one or more sureties and in such form as may be satisfactory to the Board of Directors. The cost of the bond shall be paid by the Foundation.
- i. Removal from Office.
 - i. The Directors may remove from the Board of Directors any member who
 - (1) misses three consecutive meetings without reasonable excuse; or
 - (2) fails to diligently perform assigned duties; or
 - (3) acts in such a manner as to discredit the reputation or seriously encumber the purposes, goals or operation of the Foundation.

- ii. Prior to removal, the chairperson (or if the chair, the vice chair) shall notify the affected member of the pending action at the Regular or Special meeting at which the action will be taken. The member shall have the right to be present at this meeting and provide additional information and testimony on the member's behalf.
- iii. A vote for removal must be adopted by 2/3rds of the Board of Directors.

j. Annual Meetings.

- i. The annual meetings of the Foundation shall be held in June of each year.
- ii. Notice of the annual meeting, a tentative agenda and, the recommended budget and nominees for the Board of Directors and Officers of the Foundation shall be mailed, electronically, or by regular postal service, at least five (5) days before the meeting to all members of the Foundation.
- iii. Notices shall be mailed to all members at the last address shown on the members records of the Foundation.
- iv. The Foundation shall not be liable for any mistakes and the failure to notify anyone of the annual meeting and such failure to notify shall not void any action taken at the annual meeting pursuant to these by-laws.

k. Compensation. Directors shall not receive any compensation for their services as such but, by resolution of the Board of Directors, individual Directors may be reimbursed for actual expenditures which they may incur while performing Foundation business.

l. Quorum. At the meetings of the Board of Directors, a quorum of 50% plus one of the fully constituted Board is required to conduct business.

m. Ratification of actions when no quorum is present. When a quorum is not present at any meeting of the Board of Directors, formal actions or official votes may be taken and ratified within ten (10) days by a majority of 50%+1 of the voting members of the Board required to make a quorum. Such ratification may be made by telephonic inquiry or by e-mail by the Foundation Secretary to the absent voting members which shall be filed with the minutes.

n. Fiscal Requirements.

- i. The Board shall, five days prior to the date set for the annual June meeting, send to each member, the proposed annual budget.
- ii. If the annual budget is not adopted at the annual June meeting, the Board of Directors shall establish a special meeting of the Foundation for further

consideration and adoption of a budget and shall continue to conduct special meetings until an annual budget is adopted.

o. Restrictions on cost of fund raising. The Foundation shall make every reasonable effort to keep the cost of fund raising to no more than twenty-five percent (25%) of the total raised.

12. **ADOPTION AND CHANGES TO THE BYLAWS.**

a. Changes to the bylaws shall be adopted by a vote taken among the Foundation members at the annual June meeting.

b. No later than 30 days prior to the annual meeting, any proposed or amended Bylaw must be presented, in writing, to the Board of Directors for review and recommendation.

c. If the Directors accept the proposed amendment, a copy of the proposed or amended bylaw or addition with an explanation of its purpose and the recommendation of the Directors shall be distributed to all eligible members of the Foundation.

d. All voting members shall be mailed, by regular mail, or sent by electronic communication a set of the proposed or amended bylaws, a sample ballot and a notice of the date, time and place for balloting and the opening of all ballots and their tabulation.

e. Bylaw amendments shall be deemed to be approved if at least 50% plus 1 of the valid ballots cast vote in favor of adoption of the bylaw amendments or additions.

f. If the voting members do not approve the bylaw amendment or proposal, the proposal or amendment may be adopted by a 75% affirmative vote of the full Board of Directors at a regular or special meeting for which a 5 day written notice was given to each Trustee of the proposed action to be taken at the meeting on the bylaw amendment or proposal.

13. **INDEMNIFICATION.** The Foundation shall, to the fullest extent now or hereafter permitted by law, indemnify its officers, Directors and employees made, or threatened to be made, a party to any action, suit or proceeding by reason of the fact the person (or a person whom the person is a legal or personal representative or heir or legatee) is or was a trustee, officer, employee or other agent of the Foundation or of any organization served by the person in any capacity at the request of the Foundation, against judgments, fines, amounts paid in settlement and reasonable expenses including attorneys fees. A trustee, or officer of the Foundation shall not be personally liable to the Foundation for damages for breach of any duty owed to the Foundation except that this provision shall not relieve a trustee, director or an officer from liability for any breach of duty based upon an act or omission (a) in breach of such person=s duty of loyalty to the Foundation, (b)

not in good faith or involving knowing violation of law, or (c) resulting in receipt by such person of an improper personal benefit.

14. **EFFECTIVE DATE.** These Bylaws shall be effective immediately upon adoption.

