

CORTLAND COMMUNITY FOUNDATION

BY-LAWS

ARTICLE I – MEMBERS

Section 1. Members

There shall be no members of the Corporation.

ARTICLE II – PURPOSES

Section 1. Purposes

The Corporation, through use of its endowment, shall enhance the quality of life for those who live and work within the community by:

- a. Encouraging a permanent charitable endowment to meet the community's needs;
- b. Providing a vehicle by which donors with various philanthropic interests may make gifts to benefit the community;
- c. To carry out a grant or gift-making program that is visionary, inclusive, and enhances the quality of life in the Cortland community.

Section 2. Territory

The territory in which this corporation shall operate shall be primarily Cortland County but may include the Central New York region to the extent the Board of Directors considers that it can be done efficiently and economically and is consistent with the purposes of the Corporation.

ARTICLE III – BOARD OF DIRECTORS

Section 1. Powers

The business and affairs of the Corporation shall be under the direction of its Board of Directors. The Board of Directors may, except as otherwise required by law, exercise all such powers and do all such acts and things as may be exercised or done by the Corporation

Section 2. Number

The Corporation shall consist of not less than four (4) nor more than twenty-one (21) persons who shall be elected by the Board at the annual board meeting. The Board shall represent community interests and have such skills and knowledge that would be advantageous to the Corporation. All directors shall be residents of New York State, and residence within the County of Cortland shall be preferred but not required.

Section 3. Term of Office

The term of office of each director shall be three years and shall hold office until the expiration of the term for which he or she is elected, and until his or her successor has been elected and qualified. Directors shall be eligible for election to a maximum of three consecutive full three-year terms. Upon completion of the maximum number of terms, such director shall not be eligible for re-election until he or she has been off the board for a minimum of two years.

Section 4. Election of Directors

Directors shall be elected annually by the Board of Directors at the annual meeting of said board held during each calendar year (the "Annual Meeting"), which meeting shall be held no later than March 31 of each year.

Section 5. Removal

Any director may be removed at any time with or without cause by vote of a majority of the entire Board at any meeting of the Board, provided that at least one week's notice of the proposed action shall have been given to the entire Board of Directors then in office. Without limiting the generality of the foregoing provisions, any director, trustee, custodian, or agent may be removed for breach of fiduciary duty under state law or for failure to produce a reasonable return of net income, as determined by the board, over a reasonable period of time, as determined by the board.

Section 6. Vacancies and Newly Created Directorships

Newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause may be filled only by the affirmative vote of two-thirds of the entire Board. Directors so chosen shall hold office for the balance of the term of the Director whose vacancy is being filled

Section 7. Regular Meetings

Regular meetings of the Board of Directors shall be held at such a place or places, on such date or dates, and at such time or times as shall have been established by the Board of Directors and publicized among all Directors but there shall be no less than four (4) meetings per year, including the Annual Meeting. A notice of each regular meeting shall not be required.

Section 8. Special Meetings

Special meetings of the Board of Directors may be called by any three (3) directors or by the President of the Board and shall be held at such place, on such date, and at such time as they, or he or she, shall fix. Notice of the place, date, and time of each such special meeting shall be given to each Director by whom it is not waived by mailing written notice not less than five (5) days before the meeting or by telegraphing or telexing or by facsimile transmission of the same not less than twenty-four (24) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 9. Quorum

At any meeting of the Board of Directors, a majority of the entire Board shall constitute a quorum for all purposes. If a quorum shall fail to attend any meeting, a majority of those present may adjourn the meeting to another place, date or time, without further notice or waiver thereof.

Section 10. Participation in Meetings By Conference Telephone

Members of the Board of Directors, or of any committee thereof, may participate in a meeting of such Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and such participation shall constitute presence in person at such meeting for all purposes.

Section 11. Conduct of Business

At any meeting of the Board of Directors, business shall be transacted in such order and manner as the Board may from time to time determine, and all matters shall be determined by the vote of a majority of the Directors present, except as otherwise provided herein or required by law. Action may be taken by the Board of Directors without a meeting if a majority of the members thereof (or such greater number as may be required by these By-laws, the Certificate of Incorporation or by law) consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors.

Section 12. Compensation

Any director of the Corporation is authorized to receive reasonable compensation for professional services rendered to the Corporation and authorized by two-thirds of the Board of Directors and only when so authorized. No salary or other compensation shall be paid to Directors for serving as directors on the Board.

ARTICLE IV – COMMITTEES

Section 1. Committees of the Board of Directors

The Board of Directors may, by resolution adopted by the majority of the entire Board, establish and appoint an Executive Committee and other standing committees. The President of the Board of Directors shall appoint the chairperson of each committee. Each committee so appointed shall consist of three or more directors.

Section 2. Executive Committee

The Board of Directors may appoint an Executive Committee, which shall consist of the officers and such other members as the Board shall determine. The Executive Committee shall have all the authority of the Board except as to the following matters:

- a. the filling of vacancies on the Board or on any other committee;
- b. the amendment or repeal of the by-laws or the adoption of new by-laws;
- c. the amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable;
- d. the fixing of compensation of the directors for serving on the Board or any committee.

Section 3. Special Committees

Special committees may be appointed by the President with the consent of the Board and shall have only the powers specifically delegated to them by the Board.

ARTICLE V – OFFICERS

Section 1. Generally

- a. The Board of Directors, at the Annual Meeting or at such other times as may be determined by the Board of Directors, shall elect a President, a Secretary and from time to time may choose such other officers as it may deem proper. Any number of offices may be held by the same person, except that no person may simultaneously hold the offices of president and secretary.

- b. The term of office of all Officers shall be until the next Annual Meeting and until their respective successors are chosen but any Officer may be removed from office at any time by the majority vote of the whole Board of Directors.
- c. All Officers chosen by the Board of Directors shall have such powers and duties as generally pertain to their respective Offices, subject to the specific provisions of these By-laws. Such officers shall also have such powers and duties as from time to time may be conferred by the Board of Directors or by any committee thereof.
- d. The Board of Directors may, except as otherwise required by law, remove any Officer of the Corporation with or without cause, and from time to time, devolve the powers and duties of any Officer upon any other person for the time being, and to confer upon any Officer of the Corporation the power to appoint, remove or suspend subordinate officers, employees and agents.

Section 2. President

The President shall have general responsibility for the management and control of the affairs of the Corporation, shall oversee all aspects of the Corporation's activities, and shall perform all duties and have all powers which are commonly incident to the office of President or which are delegated to him or her by the Board of Directors. Subject to the direction of the Board of Directors, the President shall have power to sign all contracts and other instruments of the Corporation which are authorized and shall have general supervision of all of the other Officers, employees and agents of the Corporation.

Section 3. Vice President

A Vice President or Vice Presidents, if elected by the Board of Directors, shall perform the duties of the President in his or her absence or during his or her inability to act. In addition, the Vice Presidents shall perform the duties and exercise the powers usually incident to their respective offices and/or such other duties and powers as may be properly assigned to them by the Board of Directors or the President. A Vice President or Vice Presidents may be designated as Executive Vice President or Senior Vice President and in the absence or inability to act of the President, the highest ranking Vice President who is available and ready to act shall substitute for the President.

Section 4. Secretary

The Secretary or Assistant Secretary shall issue notices of meetings, shall keep their minutes, shall have charge of the seal and the corporate books, shall perform such other duties and exercise such other powers as are usually incident to such office and/or such other duties and powers as are properly assigned thereto by the Board of Directors or the President.

Section 5. Treasurer

The Treasurer, if elected by the Board of Directors, shall be the chief financial officer of the Corporation and shall have the responsibility for maintaining the financial records of the Corporation. He or she shall make such disbursements of the funds of the Corporation as are authorized and shall render from time to time an account of all such transactions and of the financial condition of the Corporation. The Treasurer shall also perform such other duties as the Board of Directors may from time to time prescribe.

ARTICLE VI – NOTICES

Section 1. Notices

Except as otherwise specifically provided herein or required by law, all notices required to be given to any Director, Officer, employee or agent pursuant to these By-laws shall be in writing and may in every instance be effectively given by hand delivery to the recipient thereof by depositing such notice in the mails, postage paid, or by sending such notice by prepaid telegram or mailgram or other courier. Any such notice shall be addressed to such Director, Officer, employee or agent at his or her last known address as the same appears on the books of the Corporation. The time when such notice is received, if hand delivered, or dispatched, if delivered through the mails or by telegram or mailgram or other courier, shall be the time of the giving of the notice.

Section 2. Waivers

A written waiver of any notice, signed by a Director, Officer, employee or agent, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to the notice required to be given to such Director, Officer, employee or agent. Neither the business nor the purpose of any meeting need be specified in such a written waiver.

ARTICLE VII – CONFLICTS OF INTEREST AND OTHER REGULATORY MATTERS

Section 1. Conflicts and Related Parties

Each member of the Board of Directors shall, at least annually, report and certify that he or she has no business relationship or involvement that would benefit the Board member as a result of any payments for services or products made by the Corporation. If any such benefit does inure to a Board member, the details of such relationship and benefit shall be fully disclosed.

ARTICLE VIII – RECEIPTS AND DISTRIBUTION OF FUNDS

Section 1. Acceptance and Distribution of Funds

In accordance with the purposed of the Corporation, the Board shall from time to time vote to receive and distribute funds to organizations qualified under the Internal Revenue Code Section 501(c)(3) to further the purposes of this Corporation and to make policies concerning the same.

Section 2. Restricted and Donor Advised Funds

In directing the distribution of funds from a Restricted and/or Donor Advised Fund, the Board of Directors shall give consideration but shall not be bound to any wishes expressed by the donor or others in creating a gift or at any subsequent time, provided that the Board may, in its sole discretion:

- a. Modify any restriction or condition on the distribution of funds for any specialized charitable purpose or to specify to organizations if, in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with charitable needs of the community or area served;
- b. Modify such requested distribution whenever it deems it inappropriate, so long as the requested distribution is not part of a legal restriction on the original gift made.

ARTICLE IX – MISCELLANEOUS

Section 1. Indemnification

The Directors and Officers of the Corporation, and their executors, administrators and estates, shall be indemnified against any judgment, find, amount paid in settlement and reasonable expenses incurred including attorneys fees resulting from any actual or threatened action or proceeding arising by reason of such person being a Director or Officer of the Corporation, or by virtue of such person serving as the director or officer of any other entity at the request of the Corporation, to the fullest extent provided for under the Not-for-Profit Corporation law of the State of New York, without any further action of the Board of Directors authorizing or approving such indemnification being required.

Section 2. Reliance Upon Books, Reports and Records

Each Director, each member of any committee designated by the Board of Directors, and each Officer of the Corporation shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books of account or other

records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its Officers or employees, or committees of the Board of Directors so designated, or by any other person as to matters which such Director or committee member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 3. Fiscal Year

The fiscal year of the Corporation shall be as fixed by the Board of Directors, and in the absence of such determination, the fiscal year shall be a calendar year.

Section 4. Time Periods

In applying any provision of these By-laws which requires that an act be done or not be done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days shall be used, the day of the doing of the act shall be included, and the day of the event shall be excluded.

Section 5. Adoption of Regulations

The Board of Directors may, except as otherwise required by law, adopt from time to time regulations, not inconsistent with these By-laws, for the management of the Corporation's business and affairs.

ARTICLE X – AMENDMENTS

Section 1. Amendments to By-laws

These By-laws may be amended by the affirmative vote of two-thirds of the entire Board at any meeting of the Board of Directors upon prior written notice of intent to amend or repeal said By-laws.