

**B Y L A W S  
OF  
BOULDER JUNCTION COMMUNITY FOUNDATION INC**

**STATEMENT OF PURPOSE**

The exclusive purpose of the Corporation shall be charitable, religious, scientific and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code and to fulfill this purpose the Corporation shall engage in activities related to the aforementioned purposes. In fulfillment of such purposes, the Corporation may exercise any and all powers compatible with such purposes granted to a corporation under the Wisconsin Nonstock Corporation Law to promote and enhance philanthropy.

**BYLAW I. OFFICES**

Section 1. Principal Office. The principal office of the Corporation shall be located in the Town of Boulder Junction, County of Vilas, and State of Wisconsin.

Section 2. Registered Office. The registered office of the Corporation required by the Wisconsin Nonstock Corporation Law to be maintained in the State of Wisconsin may be, but need not be, identical with the principal office in the State of Wisconsin, and the address of the registered office may be changed from time to time by the Board of Directors. The business office of the registered agent of the Corporation shall be identical to such registered office.

**BYLAW II. MEMBERS OF THE CORPORATION**

The Corporation shall have no members and shall be managed by its Board of Directors.

**BYLAW III. BOARD OF DIRECTORS**

Section 1. General Powers. The government, business, property and affairs of the Corporation shall be managed and controlled by its Board of Directors. It shall be the duty of the Directors to carry out the aims and purposes of this Corporation and, to this end, to manage and control all of its property and assets. In carrying out its duties, the Board of Directors is authorized to elect officers and to employ or arrange for the services of such persons, including attorneys, agents and assistants, as in its opinion are necessary or desirable for the proper administration of the Corporation, and to pay reasonable compensation for services and expenses thereof. The Board of Directors may also, from time to time, appoint and retain as advisors persons whose advice, assistance or support may be deemed helpful in determining policies and formulating programs for carrying out the Corporation's purposes and pay the reasonable expenses thereof.

Section 2. Qualification of Directors. Only persons who reside or are active in the Town of Boulder Junction shall be directors of the Corporation. (No person who is a representative of any organization which has custody of funds from the area served by the foundation as agency for this Corporation, other than a director who is not a salaried officer or employee of such organization shall be a member of the Board of Directors. No person who is holding a salaried public office shall be a member of the Board of Directors. Each member of the Board of Directors is to be selected for knowledge of the educational, cultural, civic, public and other charitable needs of the Town of Boulder Junction area served by the foundation, and for general representation of varied interests or organizations of the Town of Boulder Junction.

Section 3. Number, Election and Term of Office. The number of directors shall be an odd number, not more than eleven (11) nor less than five (5). Directors as named in the Articles of Incorporation shall be elected to three (3) year terms. As the term of office of each director expires, the vacancy so created shall be filled by the election of a director for a period of three (3) years by the Board of Directors of the Corporation at

an annual meeting of the Board of Directors of the Corporation. Directors shall be divided into three (3) approximately equal classes, with terms staggered over the three (3) year period to provide for continuity in succession. After completing their first full term, any director may be elected for one (1) additional three (3) year term, except as set forth in Bylaw III; Section 19. No director shall be eligible for reelection to the Board of Directors for more than two (2) consecutive terms until a period of one (1) year has passed since the expiration of such director's last term on the Board of Directors. A person who has served a term as immediate Past President may not be eligible for election for a period of one year after the completion of the term of immediate Past President to the Board.

#### Section 4. Miscellaneous.

(a) An independent auditor appointed or approved by the Board of Directors shall at such time as the Board of Directors may determine, but at least annually, prepare for the Corporation as a whole a consolidated financial statement, including a statement of combined capital assets and liabilities, and a statement of income, expenses and distributions, and a list of projects and/or organizations to or for which funds were used or distributed for charitable purposes, and such other additional reports of information as may be ordered from time to time by the Board of Directors. The auditor shall also prepare such financial data as may be necessary for returns or reports required by state or federal government to be filed by the Corporation. The auditor's charges and expenses shall be proper expenses.

(b) The Board of Directors shall take all other appropriate actions to make the Corporation and its purposes known to the people of Boulder Junction and in that connection seek gifts to the Corporation from a wide segment of the population of such community.

(c) Each member of the Board of Directors shall serve in a fiduciary capacity, and shall exercise directorial powers in such a manner as not to disqualify any gift from deduction as a charitable contribution, gift or bequest in computing any Federal income, gift or estate tax of the donor's estate, and not to disqualify the Corporation from Federal income tax exemption as a qualified charitable organization and/or from classification as a public charity.

(d) An Emeritus Board Member is a person who has served as a past Director for at least one full term (or by the invitation of the President or BOD) and is interested in continuing the work of enhancing the future of the Foundation.

Section 5. Nomination of Directors. Nominations for office of director shall be made by the Board of Directors at a meeting of the Board of Directors to be held not more than one hundred twenty (120) days but not less than thirty (30) days prior to the annual meeting of the Board of Directors of the Corporation. At such meeting of the Board of Directors, the Board of Directors shall nominate a sufficient number of persons to fill such vacancies on the Board of Directors as will exist as of the next subsequent annual meeting of the Board of Directors of the Corporation.

Section 6. Ballot. When nominations by members of the Board of Directors of the Corporation are received as permitted by Section 5 of Bylaw III of these Bylaws, so that there are more nominated candidates than vacant positions on the board, it shall be the duty of the Secretary to prepare a proper ballot for the annual election. One copy of such ballot shall be mailed to each member of the Board of Directors of the Corporation in good standing at least ten (10) days before such annual meeting.

Section 7. Canvass. When the number of nominees exceeds the vacant positions, a Nominating Committee shall canvass the ballots, which must be received by mail or in person by noon on the date set for their return, and upon counting the ballots shall prepare and deliver forthwith to the President a written report of its findings for distribution to the members of the Board of Directors. The respective candidates receiving the highest number of votes shall be elected. In the event of one or more ties, such candidates shall determine their election by the drawing of lots. All ballots shall be delivered to the Secretary to be preserved for not less than thirty (30) days after the date set for their return.

Section 8. Unanimous Ballot. In the event that the number of nominees equals the number of vacant positions, the Board of Directors may, at a regular or special meeting held after the time for submitting nominations has expired, declare said nominees duly elected and instruct the Secretary to cast a unanimous ballot of the membership of the Board of Directors for their election. Upon the passage of such resolution by the Board of Directors, said nominees shall be declared duly elected to take office as of the next annual meeting and no ballots need be sent to the membership of the Board of Directors at large.

Section 9. Removal From and Resignation from Office. A director may be removed from office for any reason whatsoever, with or without cause, by affirmative vote of a majority of the members of the Board of Directors of the Corporation entitled to vote for the election of such director, such vote to be taken at a special meeting of members of the Board of Directors of the Corporation called for that purpose. A director may resign at any time by filing his/her written resignation with the Secretary.

Section 10. Annual Meeting. The annual meeting of the Board of Directors of the Corporation shall be held in the month of September, October or November of each year, at such time and place as may be designated by the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting; provided, however, that if not so designated, the annual meeting shall be held on the second Tuesday of November of each year, except when such day is a legal holiday in the State of Wisconsin, in which case the meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day herein designated for any annual meeting or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting to be scheduled as soon thereafter as may be convenient.

Section 11. Regular Meetings. The Board of Directors may provide by resolution the time and place, either within or without the State of Wisconsin, for the holding of regular meetings of the Board of Directors without notice other than such resolution. The Board shall meet no less than 6 times per year. Each board member is required to attend at least 75% of all regularly scheduled meetings. Upon review by the board, such member who does not meet this requirement may be asked to resign from the board.

Section 12. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President, the Secretary or any two directors. The President or Secretary calling any special meeting of the Board of Directors may fix any place, either within or without the State of Wisconsin, as the place for holding any special meeting of the Board of Directors called by them, and, if no other place is fixed, the place of meeting shall be the principal business office of the Corporation as stated in Section 1 of Bylaw I of these Bylaws.

Section 13. Notice of Meeting. Notice of any special meeting shall be given at least forty-eight (48) hours previously thereto by written notice delivered personally or mailed or given by telegram, telephone, FAX or E-mail to each director at his/her business address or at such other address as such director shall have designated in writing filed with the Secretary. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage prepaid thereon. If notice be given by telegram, telephone, FAX or E-mail, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company, or when the telephone call, FAX or E-mail is received.

Section 14. Waiver of Notice of Meeting. Whenever any notice whatsoever is required to be given to any director under the Articles of Incorporation or Bylaws or any provision of law, a waiver thereof in writing signed at any time, whether before or after the time of meeting, by the director entitled to such notice shall be deemed equivalent to the giving of such notice. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting and objects thereto to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 15. Quorum. Except as otherwise provided by law or by the Articles of Incorporation or these

Bylaws, a majority of the number of directors at any time serving shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. Though less than a quorum of the directors are present at a meeting of the Board of Directors, a majority of the directors present may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 16. Manner of Acting. If a quorum is present, the affirmative vote of the majority of the directors present at the meeting shall be the act of the Board of Directors, unless the vote of a greater number is required by law or by the Articles of Incorporation or these Bylaws.

Section 17. Conduct of Meetings. The President, and in the President's absence, the Vice President, and in the absence of both, any director chosen by the directors present, shall call meetings of the Board of Directors to order and shall act as chairperson of the meeting. The Secretary shall act as secretary of all meetings of the Board of Directors, but, in the Secretary's absence, the chairperson may appoint any other person to act as secretary of the meeting. All questions of parliamentary procedure shall be decided according to Robert's Rules of order.

Section 18. Voting. Each director shall be entitled to one vote upon each matter submitted to a vote of the Board of Directors. Voting by e-mail may occur with majority consent, if unusual circumstances exist as determined by an officer of the board.

Section 19. Vacancies. Any vacancy occurring in the Board of Directors through death, resignation, removal, disqualification or other cause, including any vacancy created by an increase in the number of directors, but excluding vacancies occurring through expiration of a director's term, may be filled until the next succeeding annual meeting of the Board of Directors of the Corporation by an affirmative vote of a majority of the directors then in office; provided, however, that a director elected to fill such a vacancy shall be elected for the unexpired term of his/her predecessor in office and until the election of his/her successor. A director so elected may be reelected for up to an additional two consecutive terms, provided the vacancy filled has 18 months (half term) or less remaining in the term. Otherwise, the director so elected to fill the term shall be eligible to be reelected for one additional term.

Section 20. Compensation. The Board of Directors shall serve without compensation but may be reimbursed for actual and necessary expenses incurred in connection with carrying out the duties of a Director.

Section 21. Presumption of Assent. A director who is present at a meeting of the Board of Directors or a committee thereof of which he/she is a member at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his/her dissent shall be entered in the minutes of the meeting or unless he/she shall file his/her written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof or shall forward such dissent to the Secretary before the minutes are submitted to the Board for approval. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 22. Unanimous Consent without Meeting. Any action required or permitted by the Articles of Incorporation or these Bylaws or any provision of law to be taken by the Board of Directors at a meeting or by resolution may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors then in office.

#### **BYLAW IV. OFFICERS**

Section 1. Number. The principal officers of the Corporation shall be a President, one or more Vice Presidents, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. If there is more than one Vice President, the board may establish designations for the vice presidencies to identify their functions or their order. The same person may hold any two or more offices,

except that the same person may not hold the offices of President and Secretary and the offices of President and Vice President.

Section 2. Election and Term of Office. The Board of Directors shall elect the initial officers of the Corporation at their first meeting for a term expiring on the date their successors are elected. Thereafter, the officers of the Corporation to be elected by the Board of Directors shall be elected annually by the Board at their annual meeting. If the election of officers shall not be held at such meeting, such election shall be held at a special meeting of the Board of Directors to be scheduled as soon thereafter as may be convenient. Each officer shall hold office until his/her successor shall have been duly elected or until his/her death, resignation or removal.

Section 3. Removal From and Resignation of Office. Any officer or agent may be removed from office for any reason whatsoever, with or without cause, by affirmative vote of a majority of the directors at a meeting of the Board of Directors called for that purpose. Any officer may resign at any time by filing his/her written resignation with the Secretary or, if the Secretary desires to resign, with the President.

Section 4. President. The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall, in general, supervise and control all of the business and affairs of the Corporation. The President shall have authority to sign, execute and acknowledge, on behalf of the Corporation, contracts or other instruments necessary or proper to be executed in the course of the Corporation's regular business, or which shall be authorized by resolution of the Board of Directors, and, except as otherwise provided by law or the Board of Directors, may authorize the Vice President or other officer or agent of the Corporation to sign, execute and acknowledge documents or instruments in his/her place and stead. The President shall, in general, perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. After completion of the term of President, a President may serve an additional year as a Director for a period of one year as immediate Past President.

Section 5. Vice President(s). In the President's absence, or in the event of his or her death or inability or refusal to act, or if for any reason it shall be impractical for the President to act personally, the Vice President (or if there is more than one Vice President, the Vice Presidents in the order designated by the Board of Directors, or in the absence of any designation, in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Each Vice President shall perform such other duties and have such authority as from time to time may be delegated or assigned to him or her by the President or by the Board of Directors. The execution of any instrument of the corporation by any Vice President shall be conclusive evidence, as to third parties, of his or her authority to act in the President's place.

Section 6. Secretary. The Secretary shall: (a) keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records; (d) attest to all official papers; (e) keep or arrange for the keeping of a register of the post office address of each member of the Board of Directors of the Corporation which shall be furnished to the Secretary by such member; (f) sign, as Secretary, documents and instruments authorized by the Board of Directors, and (g) in general, perform all duties incident to the office of Secretary and have such other duties and exercise such authority as from time to time may be delegated or assigned to him/her by the President or by the Board of Directors.

Section 7. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Corporation; (b) receive and give receipts for moneys due and payable to the Corporation from any source whatsoever and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Bylaw VII of these Bylaws and (c) in general, perform all of the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned to him/her by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall

give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

**Section 8. Other Assistants and Acting Officers.**

(a)The Board of Directors shall have the power to appoint any person to act as assistant to any officer, or as agent for the Corporation in his/her stead, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally, and such assistant or acting officer or other agent so appointed by the Board of Directors shall have the power to perform all the duties of the office to which he/she is so appointed to be assistant, or as to which he/she is so appointed to be assistant, or as to which he/she is so appointed to act, except as such power may be otherwise defined or restricted by the Board of Directors.

(b)Emeritus Board Members can assist the Foundation in any activities deemed acceptable by the Board of Directors.

**Section 9. Vacancies.** Any vacancy occurring in any principal office through death, resignation, removal, disqualification or other cause, but excluding vacancies occurring through expiration of an officer's term, shall be filled by an officer elected by an affirmative vote of a majority of the directors then in office. A vacancy in any other office, as created under Section 1 of Bylaw IV of these Bylaws, through death, resignation, removal, disqualification or other cause, but excluding vacancies occurring through expiration of an officer's term, may be filled by an officer elected by an affirmative vote of a majority of the directors then in office. An officer elected to fill any vacancy in any principal or other office pursuant to Section 9 of Bylaw IV of these Bylaws shall be elected for the unexpired term of his/her predecessor in office and until the election of his/her successor.

**Section 10. Compensation.** No officer of the Corporation, other than a common law employee of the Corporation, shall receive any salary or anything of pecuniary value from the Corporation for performing services as an officer, but may be reimbursed for actual expenses in connection therewith.

## **BYLAW V. COMMITTEES**

**Section 1. Appointment and Discharge of Committee.** The Board of Directors may appoint any committees it deems necessary to properly carry on the business of the Corporation and shall fix the number, terms of office and duties of their respective members; provided, however, that any such committee shall have a minimum of three (3) members. These committees are to be used to study certain facets of the total operation of the Corporation and make recommendations to the Board of Directors for action. The Board of Directors shall appoint as members of such committees any persons felt best qualified by the Board of Directors to serve on the specified committee. The Board of Directors shall designate one of the members of each such committee as its chairperson for such period of time as shall be established and revised, from time to time, by the Board of Directors. The Board of Directors may discharge any such committee at any time from further consideration of any matter previously submitted to it for study. Members of these committees need not be directors but each committee shall include at least one board member. However, the chairperson of a committee shall at all times be a member of the Board of Directors an Emeritus Board Member, or a person the Board of Directors unanimously appoints.

**Section 2. Removal From and Resignation from Office.** A committee member may be removed from office for any reason whatsoever, with or without cause, by affirmative vote of a majority of the directors then in office, such vote to be taken at a meeting of Board of Directors called for that purpose. A committee member may resign at any time by filing his/her written resignation with the Secretary.

**Section 3. Committee Meetings.** Meetings of any committee may be called by or at the request of its chairperson or the President.

Section 4. Notice of Committee Meeting. Notice of any committee meeting shall be given at least twenty-four (24) hours previously thereto by written notice delivered personally or mailed or given by telegram, telephone, FAX or E-mail, to each committee member at his/her business address or at such other address as such committee member shall have designated in writing filed with the Secretary. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage prepaid thereon. If notice be given by telegram, telephone, FAX or E-mail, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company or when the telephone call, FAX or E-mail is received.

Section 5. Waiver of Notice of Committee Meeting. Whenever any notice whatever is required to be given to any committee member under these Bylaws, a waiver thereof in writing signed at any time, whether before or after the time of meeting, by the committee member entitled to such notice shall be deemed equivalent to the giving of such notice. The attendance of a committee member at a committee meeting shall constitute a waiver of notice of such meeting, except where a committee member attends a committee meeting and objects thereto to the transaction of any business because the committee meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any committee meeting need be specified in the notice or waiver of notice of such meeting.

Section 6. Quorum. Except as otherwise provided by these Bylaws, any number of committee members appointed to a committee in accordance with Section 1 of Bylaw V of these Bylaws representing not less than fifty percent (50%) of the members of such committee shall constitute a quorum for the transaction of business at any committee meeting of such committee. Though less than a quorum of the members of a committee are present at a committee meeting, a majority of the committee members present may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 7. Manner of Acting. If a quorum is present, the affirmative vote of the majority of the committee members present at a committee meeting shall be the act of the committee, unless the vote of a greater number is required by these Bylaws.

Section 8. Conduct of Meetings. The chairperson, and in the chairperson's absence, the chairperson's designee, and in their absence, any committee member chosen by the committee members present, shall call committee meetings to order and shall act as chairperson of the meeting. The Secretary shall act as secretary of all meetings of all committees, but, in the Secretary's absence, the chairperson may appoint any other person to act as secretary of the meeting. All questions of parliamentary procedure shall be decided according to Robert's Rules of order.

Section 9. Voting. Each committee member shall be entitled to one vote upon each matter submitted to a vote of the committee.

Section 10. Vacancies. Any vacancy occurring in any committee through death, resignation, removal, disqualification or other cause, including any vacancy created by an increase in the number of committee members, but excluding vacancies occurring through expiration of a committee member's term, may be filled by any person felt best qualified by the Board of Directors to serve on the specified committee; provided, however, that a committee member appointed to fill such a vacancy shall be appointed for the unexpired term of his/her predecessor in office and until the appointment of his/her successor.

Section 11. Compensation. All members of all committees shall serve without compensation, but may be reimbursed for actual expenses in connection therewith.

Section 12. Presumption of Assent. A committee member who is present at a meeting of a committee of which he/she is a member at which action on any submitted matter is taken shall be presumed to have assented to the action taken unless his/her dissent shall be entered in the minutes of the meeting or unless

he/she shall file his/her written dissent to such action with the person acting as secretary of the committee meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary immediately after the adjournment of the committee meeting. Such right to dissent shall not apply to a committee member who voted in favor of such action.

## **BYLAW VI. INDEMNIFICATION**

### **Section 1. Indemnification.**

(a) The Corporation shall indemnify any person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, administrative or by reason of the fact that he/she is or was a Director, officer, employee, or agent of the Corporation against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit or proceeding if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any proceeding, had no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any proceeding, had reasonable cause to believe that his/her conduct was unlawful.

(b) The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he/she is or was a Director, officer, employee or agent of the Corporation against expenses, including attorneys' fees, actually and reasonably incurred by him/her in connection with the defense or settlement of such action or suit if he/she acted in good faith in a manner he/she reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his/her duty to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

(c) To the extent that a Director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Paragraph (a) or (b), or in defense of any claim, issue or matter therein, he/she shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him/her in connection therewith.

(d) Any indemnification under Paragraph (a) or (b), unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper in the circumstances because he/she has met the applicable standard of conduct set forth in Paragraph (a) or (b). Such determination shall be made:

(i) By the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding;

(ii) If such a quorum is not obtainable, or, even if obtainable a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

### **Section 2. Expenses.**

(a) Expenses, including attorneys' fees, incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in Paragraph (d) upon receipt of an undertaking by or on



behalf of the Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he/she is entitled to be indemnified by the Corporation as authorized in this section.

(b) The indemnification provided by this Bylaw shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of members or disinterested Directors or otherwise, both as to action in his/her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(c) The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation against any liability asserted against him and incurred by him in any such capacity or arising out of his/her status as such, whether or not the Corporation would have the power to indemnify him against such liability under this section.

## **BYLAW VII. GIFTS TO THE CORPORATION**

Section 1. Method. Donors may make gifts to the Corporation by naming or otherwise identifying the Corporation, whether or not an agent is designated to have custody of the property contributed. Gifts shall vest in the Corporation upon receipt and acceptance by the Corporation (whether signified by an officer, employee or agent of the Corporation). The Corporation may enter into agreements with agents having custody of funds of the Corporation, specifying additional terms of such custody. A donor may designate one or more agents of the Corporation to have custody of and administer the investment of a gift, and if more than one, that portion of the gift to be so held and administered by each. In case of failure of a donor to designate an agent of such portions, or failure of a designated agent to accept custody of a gift, the Board of Directors may in each case so far as necessary designate one or more of the agents to have custody of and administer the investment of the gift, and if more than one, the portions to be so held and administered by each.

Section 2. Terms. Each donor by making a gift to the Corporation accepts and agrees to all the terms of the Articles of Incorporation and these Bylaws, and provides that the fund so created shall be subject to the provisions of these Bylaws for the presumed intent of donors, variance from a donor's restrictions and amendments and termination, and to all other terms of the Articles of Incorporation and these Bylaws and any agency agreement between the Corporation and agents having custody of the funds of the Corporation, each as from time to time amended.

Section 3. Gifts in Trust. If a gift is made to a trustee in trust to make income or other payments for a period of a life or lives or other period, to any individuals or for non-charitable purposes, followed by payments to the Corporation, or in trust to make income or other payments to the Corporation, followed by payments to any individuals or for non-charitable purposes, only the payments to the Corporation shall be regarded as subject to the Corporation's Articles of Incorporation and these Bylaws, and then only when the Corporation becomes entitled to their use. The Board of Directors may take such actions as it from time to time deems necessary to protect the Corporation's rights to receive such payments.

### Section 4. Donor's Restrictions.

(a) Any donor may provide, at the time of the gift, restrictions which are consistent with the charitable purposes of the Corporation, as to (i) the field of charitable purposes of particular charitable organizations or purposes to be supported, and (ii) the manner of distribution, including amounts, time and conditions of payment, and whether from principal and/or income, (iii) the geographical limits or use of the gift, including use in or for areas outside the area served by the foundation, (iv) the name, as a memorial or otherwise, for a fund given, or addition to a fund previously held, or anonymity for the gift, and (v) reasonable limits on or additions to investment powers of an agent having custody of the gift for the Corporation.

(b) All such restrictions by donors shall be followed except as provided in Sections 6 and 7 of this Bylaw VII, or in other provisions of these Bylaws or in the Articles of Incorporation or by law.

Section 5. Investments. No gift shall be required to be separately invested or held unless so provided by a restriction of the donor, or it is necessary in order to follow any other restriction of the donor as to purpose or investment, or in order to prevent tax disqualification, or it is required by law. Restrictions involving the naming of a fund as a memorial or otherwise may be satisfied by keeping under such name accounts reflecting appropriately the interest of such in each common investment.

Section 6. Presumption as to Donors' Intent. Each gift to and fund of the Corporation shall be presumed to be intended (1) to be used only for charitable purposes, (2) to be productive of a reasonable return of net income which (except during the period referred to in Section (3) of this Bylaw VII) is to be distributed at least annually, or if accumulated is to be accumulated only in a reasonable amount and for a reasonable period for a charitable purpose or purposes, and (4) to be used only for such of those purposes and in such manner as not to disqualify the gift or fund from deduction as a charitable contribution, gift or bequest in computing any Federal income, gift or estate tax of the donor or his/her estate and not to disqualify the Corporation from exemption from Federal income tax as a qualified charitable organization and/or from classification as a public charity; and each gift and fund shall not be otherwise applied. If a restriction by the donor, however expressed, would, if followed, result in use contrary to the intent so presumed, or if the Board of Directors is advised by counsel that there is substantial risk of such result, the restriction shall not be followed, but shall be varied by the Board of Directors so far as necessary to avoid such result, except that if the donor has clearly stated that compliance with the restriction is a condition of the gift, then the gift shall not be accepted in case of such advice unless an appropriate judicial or administrative body first determines that the condition and restriction need not be followed. Reasonable charges and expenses of counsel for such advice and proceedings shall be proper expenses.

Section 7. Variance. Whenever the Board of Directors decides that conditions or circumstances are such or have so changed since a restriction by the donor as to purpose, or manner of distribution, use or investment was provided, that literal compliance with the restriction is unnecessary, undesirable, impractical or impossible, or the restriction is not consistent with the Corporation primarily serving effectively the charitable needs of the area served by the foundation, it may, by the affirmative vote of a majority of its members, order such variance from the restriction and such application of the whole or any part of the principal or income of the fund as in its judgment is then necessary more effectively to serve the charitable purposes of the Corporation.

## **BYLAW VIII. INVESTMENT ADMINISTRATION**

Section 1. Administration. All gifts and bequests shall be administered directly by the Corporation through its Board of Directors or by such professional asset managers acting or appointed as trustees, agents or custodians of the assets of the Corporation as the Board of Directors or the Corporation's donors shall appoint, exclusively for charitable purposes.

Section 2. Investment Policy. It shall be the goal of the corporation to invest all funds to produce a reasonable return of net income or appreciation.

Section 3. Fiduciary Duty. The Board of Directors, officers, and agents of the Corporation and any banks or trust companies acting as trustees, agents or custodians shall not be exonerated from the normal responsibilities of a fiduciary.

Section 4. Substitutions. The Board of Directors may substitute another bank or trust company for any bank or trust company serving as trustee, custodian or agent or may require such bank or trust company to change the conduct of its investment policy with respect to the assets held in trust in order to comply with Sections 2 and 3 of this Bylaw VIII.

## **BYLAW IX. DISTRIBUTION AND DISBURSEMENTS**

Section 1. Determination of Distributions in General. The Board of Directors shall determine all distributions to be made from net income and principal of this Corporation (including funds held by agents of the Corporation), after setting aside sufficient funds charged to each fund on a pro rata basis for distribution to administrative funds, pursuant to provisions of the Articles of Incorporation and these Bylaws and make, or authorize and direct the respective agents having custody of funds of this Corporation to make, payments to organizations or persons to whom payments are to be made, in such amounts and at such times and with such accompanying restrictions, if any, as it deems necessary to assure use for the charitable purposes and in the manner intended. The Board of Directors shall determine all disbursements to be made for administrative expenses incurred by the Board of Directors and direct that respective agents having custody of funds of this Corporation as to payment thereof and funds to be charged. No determination shall be made that would cause the Corporation to be disqualified from exemption from Federal Income tax as a qualified charitable organization as provided for by Section 501 (c)(3) of the Internal Revenue Code and/or from classification as a public charity.

Section 2. Voting Requirements. All determinations shall be made by the affirmative vote of a majority of the Board of Directors present unless otherwise expressly provided in these Bylaws or by a donor's restriction at the time of the gift (which is nevertheless subject to variance as provided by Bylaw VII).

Section 3. Distribution of Capital. Determinations may be made to distribute capital from funds given without restrictions as to principal or income as well as pursuant to provisions expressly permitting use of the principal. With respect to funds of this Corporation in the custody of an agent, the Board of Directors shall inform such agent as far in advance as the Board of Directors deems practical so as to permit the agent to adjust its investment policies accordingly, and may, upon advice from the agent as to how the desired distribution and any necessary liquidation of investments can most economically be accomplished, adjust its directions for distribution so far as it deems practicable accordingly.

Section 4. Investigations and Research. The Board of Directors shall gather and analyze facts and conduct such investigation and research as from time to time is necessary in order to determine the most effective agencies and means for meeting the needs of Boulder Junction, through distribution of funds given for charitable purposes. The Board of Directors may direct disbursements for such fact gathering, analysis, investigation and research from funds given for such purposes or from funds given without restriction as to purpose. Disbursements for other proper administrative expenses incurred by the Board of Directors, including salaries for such professional and other assistance as it from time to time deems necessary, shall be directed to be paid so far as possible, first from any funds which are available for such purpose, and any balance out of other available funds of the Corporation.

Section 5. Other Distributions to Organizations or Agencies. The Board of Directors may, in furtherance of the Corporation's charitable purposes when needs therefore have been determined and with appropriate provisions to assure use solely for such purposes, direct distributions to such persons, organizations, governments, or governmental agencies as in the opinion of the Board of Directors can best carry out such purposes or help create new qualified charitable organizations to carry out such purposes.

## **BYLAW X. GRANT DISTRIBUTIONS**

Section 1. Purpose. The purpose of this section is to establish procedures and standards for the administration of grants to eligible organizations from Corporation funds available under Bylaw IX.

Section 2. Applicability and definitions. This bylaw is applicable to a) nonprofit organizations that qualify for tax exemption under Section 501(c)(3) of the Internal Revenue Code and/or from classification as a public charity, and (b) schools, governmental units and religious institutions providing programs that benefit the public at large, who apply for grants to undertake charitable projects that benefit the greater Boulder Junction

area. The greater Boulder Junction area is defined as the area within the borders of the Town of Boulder Junction.

Section 3. Eligible projects. The Board of Directors may award a grant for a project that meets all of the following requirements:

- (a) The project addresses unmet needs within the Town of Boulder Junction that are consistent with the charitable purposes of the Corporation, including, but not limited to, within the areas of human services, education, health & recreation, arts & culture, the environment, and community development.
- (b) The project is consistent with the mission and purposes of the organization applying for the grant.
- (c) The applicant organization has provided evidence satisfactory to the Board of Directors that it has the financial capacity and the ability to complete the project and, if applicable, provide for its long-term management and maintenance.
- (d) The project can be completed within two years of the grant approval date.
- (e) If a project is a phase or component of a larger project, the component must be usable or functional in and of itself.

Section 4. Priorities. The Board of Directors shall evaluate and prioritize projects for grant assistance in accordance with the following project priorities, which are not listed in order of preference:

- (a) Projects that support the mission of the Corporation.
- (b) Projects that effectively impact education & literacy, community improvement/enrichment, healthy families, or arts & culture.
- (c) Projects that promote cultural harmony and understanding.
- (d) Projects that enhance the social strength of the community.
- (e) Projects that enhance economic, civic, or ecological systems.
- (f) Projects that address public health, environmental, safety, or security problems.
- (g) Projects designed to serve the needs of elderly persons, disabled persons, and youth in the community.
- (h) Projects that make a difference in children's lives – that support activities that serve, teach and inspire children, youth and families.
- (i) Projects that meet a well-documented need and have community support.
- (j) Projects that meet a new or growing need of a broad segment of the community.
- (k) Projects that address a community need as defined in a Vilas County, Town of Boulder Junction or other organization planning document or other key community indicators.
- (l) Projects that enhance or expand quantity/quality of a local organization's programs or services.
- (m) Projects shown to be town-wide in impact and importance.
- (n) Projects ready to be implemented immediately.
- (o) Projects that demonstrate the ability to leverage other resources (i.e. other funds, volunteer labor, in-kind contributions, or community partnerships).
- (p) Projects that are implemented through the cooperation of two or more organizations.
- (q) Projects where those people directly or indirectly affected by the project are appropriately involved.
- (r) Projects that provide for completion of a project already started.
- (s) Projects submitted by an organization that has not previously received a grant or received a grant within the past 3 years.
- (t) Projects that are permanent and maintainable.
- (u) Projects that show creativity, originality and enthusiasm.
- (v) Projects that are focused, well defined, and likely to be implemented successfully.
- (w) Projects that identify clear outcomes, work plans and measures of success.
- (x) Projects where evaluation of the project is clearly incorporated into the project design.
- (y) Projects that don't duplicate existing services.

## Section 5. Application and grant award procedures.

(a) Applications for grants shall be submitted to the Boulder Junction Community Foundation on forms provided by the Board of Directors. Applications shall include evidence of the organization's eligibility to apply for a grant, a detailed description of the proposed project, a cost estimate, timetable and other information required by the Board of Directors. Each eligible organization may submit only one application per year. The Board of Directors shall base its evaluation of projects on information submitted in the application and may require further information through follow-up communication, site visits, or technical review.

(b) The Board of Directors may evaluate and approve applications as they come in, year-round, to the extent that funds are available, or they may establish application deadlines in order to rate and rank competing applications according to the priorities set forth in this bylaw.

(c) Funds shall be allocated to projects based upon their priority until funding is exhausted. Grant applicants whose projects are not funded will receive an explanation of eligibility or priority ranking results. Applicants may request that their projects be reconsidered in another fiscal year if the project is eligible for funding. Resubmissions will be judged without prejudice or preferential priority.

(d) The Board of Directors may advance up to 100% of the grant payment to the sponsor once the sponsor provides documentation that it has its share of project costs.

(e) Each sponsor that receives a grant award shall maintain accurate and complete financial records of project expenses in accordance with generally accepted accounting principles and practices. A final report, which documents project expenses, shall be submitted to the Board of Directors within 90 days of the completion of the project or by the date indicated in the grant notification letter, whichever is sooner. If expenses for the project are less than estimated, the applicant shall return unused grant funds with the final report.

## Section 6. Ineligible projects and project costs.

- (a) Costs not directly associated with or necessary for the implementation of the project are ineligible for grant funding.
- (b) Costs associated with ongoing operating expenses of well-established organizations or debt retirement.
- (c) Costs associated with needs more properly funded through the operating budget of the applicant organization or by other sources.
- (d) Grants to individuals or loans of any type.
- (e) Projects associated with political candidates or groups.
- (f) Projects for sectarian or religious purposes.
- (g) Projects submitted by current Board members.
- (h) Projects from organizations that discriminate on the basis of race, color, gender, sexual orientation, age, religion, national or ethnic origin or physical disability.

## **BYLAW XI. CONTRACTS, LOANS, CHECKS AND DEPOSITS: SPECIAL CORPORATE ACTS**

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the Corporation. Such authorization may be general or confined to specific instances. In the absence of other designation, all deeds, mortgages and instruments of assignment or pledge made by the Corporation shall be executed in the name of the Corporation by the President or the Vice President and by the Secretary, and the Treasurer; and when so executed no other party to such instrument or any third party shall be required to make any inquiry into the authority of the signing officer or officers.

Section 2. Loans. No indebtedness for borrowed money shall be contracted on behalf of the Corporation and no evidences of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors. Such authorization may be general or confined to specific instances. No loans may be made to any officer or Director of the Corporation, directly or indirectly.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by or under the authority of a resolution of the Board of Directors.

Section 4. Deposits. All funds of the Corporation not otherwise employed, or designated held in custody by an Agent of the Corporation by a donor, shall be deposited from time to time to the credit of the Corporation in such professional asset managers or other depositories as may be selected by or under the authority of a resolution of the Board of Directors.

Section 5. Shares of Stock. Shares of stock or other voting securities held in the name of the Corporation may be voted by the President or by any Vice President or any other officer or proxy appointed by the President to perform such duty.

## **BYLAW XII. TAX EXEMPTION AND DISSOLUTION**

Section 1. Tax Exemption Considerations. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, its directors, officers or other private individuals, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purpose set forth in Article III of its Articles of Incorporation. No substantial part of the activities of the Corporation shall consist of direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office or carrying on propaganda or otherwise attempting to influence legislation. Notwithstanding any other provisions of these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a Corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954, as amended, or (b) by Corporation contributions which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954, as amended.

Section 2. Corporation Dissolution. In the event of voluntary or involuntary dissolution or liquidation of the Corporation, any remaining assets of the Corporation shall be distributed to, or for the benefit of, such organization or organizations designated by the Board of Directors as are then qualified as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954, as amended. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

## **BYLAW XIII. FINANCE**

Section 1. Gifts, Contributions, Etc. Financial support of the Corporation shall be derived from gifts, contributions, grants, bequests or devises.

Section 2. Special Funds. If deemed necessary or advisable by the Board of Directors, special funds may be raised.

Section 3. Disbursements. All disbursements shall be made by check.

Section 4. Fiscal Year. The fiscal year of the Corporation shall begin on the 1st day of January and end on the 31st day of December, effective January 1, 2010.

#### **BYLAW XIV. SEAL**

The Corporation shall not have a corporate seal.

#### **BYLAW XV. AMENDMENTS**

Section 1. By Directors. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the members of the Board of Directors of the Corporation by an affirmative vote of a majority of the members of the Board of Directors of the Corporation in good standing present in person or represented by proxy at any meeting at which a quorum is in attendance.

Section 2. Implied Amendments. Any action taken or authorized by the Board of Directors which would be inconsistent with the Bylaws then in effect but is taken or authorized by an affirmative vote of not less than the number of directors required to alter, amend or repeal the Bylaws so that the Bylaws would be consistent with such action shall be given the same effect as though the Bylaws had been temporarily altered, amended, repealed or suspended so far, but only so far, as is necessary to permit the specific action so taken or authorized.