

# Gadsden State Cardinal Foundation

## BYLAWS

### ARTICLE I: NAME AND OFFICES

- a. **Name:** The name of this nonprofit corporation shall be the Gadsden State Cardinal Foundation.
- b. **Office:** The principle office of the Corporation shall be located at Gadsden State Community College, 1001 East Broad Street, Gadsden, Alabama 35902. The Corporation may have such additional offices at such other places in Alabama as the Board of Directors may select or as may be required in the operation of the Corporation in performing its purposes.

### ARTICLE II: BOARD OF DIRECTORS

- a. **Control:** The entire management and control of the activities, affairs, business, and property of the Corporation shall be completely and absolutely vested in its Board of Directors.
- b. **Number of Directors:** The Board of Directors shall consist of not less than 12, nor more than 24 individuals to be named or elected as hereinafter provided. The number of directors may be increased or decreased by amendment to these bylaws in the manner hereinafter provided. No decrease in number shall have the effect of shortening the term of an incumbent director so that upon a decrease, each director in office shall serve until his or her term expires or until his or her resignation or removal has been accomplished as provided herein.
- c. **Election, Qualifications, and Terms:** The College President and/or designee(s) shall serve as ex-officio directors by virtue of their positions with the college, but only during their terms of office in connection with the college. Upon the death, resignation, or removal of an individual occupying one of the aforementioned positions with the College, the person assuming that office or duty in connection with the College shall replace the deceased, resigned or removed individual on the Board of Directors. Ex-officio members shall not have voting privileges. All directors other than ex-officio directors shall be designated as directors-at-large and shall be elected by the Board of Directors for three (3) year terms, which term shall commence on the first day of July following their election, unless appointed to fill an unexpired term. Directors may be re-elected to serve consecutive terms of office, provided, however, no member of the Board of Directors who has served two consecutive three-year terms shall be eligible for re-election until after one year has lapsed from the expiration of his or her term.

- d. **Officers:** The officers of the Foundation shall be a president, two vice presidents, a secretary, a treasurer, and the College President. All officers shall be elected for one (1) year terms by the majority of the Board of Directors. Officers' terms of office shall begin the first day of July. In the event one of the elective officers is vacated, a director shall be elected by the Board to serve the unexpired term. A vice president shall be elected to fill the position of president, by a majority vote of the Board of Directors, in the event of a vacancy. Officers may be re-elected to serve consecutive terms of office.
- e. **Quorum:** A majority of the directors in office shall constitute a quorum for the transaction of business. The term "majority of directors" means more than one-half of the total number of directors then in office. The act of the majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors unless a greater number is required by law or these bylaws for a particular action.
- f. **Meetings:** The Board of Directors shall meet at a minimum quarterly and at such times as may be fixed by resolution of the Board of Directors. Special meetings may be held at any place and any time, in person or by way of electronic or telephonic means, upon the call of the Foundation President or a Vice President in his/her absence, by written or verbal notice, duly served upon, delivered, sent, expressed or mailed to each director not less than 7 days before such meetings; however, notice need not be given of regular meetings, whether in person or by way of electronic or telephonic means, of the Board of Directors held at such places and times fixed by resolution of the Board of Directors. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. Neither the business to be transacted 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 meetings.

Whenever any notice of a meeting is required to be given to any person under the provisions of these bylaws, the Articles of Incorporation or State law, a waiver thereof in writing signed by the person entitled thereto, whether given before, concurrent or subsequent to such meeting or before or after the time stated therein, shall be equivalent to the filing of such notice.

Meetings may be held at any time without notice upon the written and unanimous consent of all directors in office, and further, at any meeting attended by all directors in office, upon the failure of any director to object to the holding of such meeting but only after having been given an opportunity to express an objection thereto.

At all meetings of the Board of Directors, the Foundation President, or a vice president shall preside.

Any action of the Board of Directors or of a committee of directors may be taken without a meeting if consent in writing, setting forth the action taken, shall be signed by all of the directors entitled to vote with respect to the subject matter thereof; such consent shall have the same force and effect as an unanimous vote and will be recorded with the minutes of the corporation as though such action were taken, conducted, and performed at a meeting.

### ARTICLE III: COMMITTEES

- a. **Executive Committee:** The Executive Committee shall consist of the following directors: the Foundation President, who shall be Chairman of the Executive Committee; two Vice Presidents; the Secretary; the Treasurer; two at-large directors; the President of Gadsden State Community College and/or designee(s) (ex-officio). The presence and affirmative vote of four (4) members shall be required for the adoption of any resolution.
- The Executive Committee shall meet at the call of the Foundation President and minutes of the meeting shall be kept by the Secretary in the Foundation minute book. All action taken by the committee shall be reported at the next meeting of the Board of Directors.
- The Executive Committee shall have all power and authority of the Board of Directors when said Board is not in session, subject only to such restrictions or limitations as the Board may from time to time specify. However, the Executive Committee shall not have the power to change the Articles of Incorporation or the bylaws.
- b. **Investment Committee:** The Investment Committee shall consist of five (5) directors, one of whom shall serve as the Chairman. Members of said committee shall be nominated by the Nominating Committee and approved by majority vote of the Board of Directors. The President of Gadsden State Community College shall be an ex-officio member without voting privileges. The presence of three (3) members shall constitute a quorum and the affirmative vote of three (3) members shall be required for the adoption of any resolution. The Investment Committee shall meet at the call of the Foundation President and minutes shall be kept and filed in the Foundation minute book. All action taken by the committee shall be reported at the next meeting of the Board of Directors for approval. The Investment Committee shall have and may exercise all powers and authority for making investments and reinvestments of the Foundation's assets and funds. All investment activities shall be reported to the Board of Directors.
- c. **Nominating Committee:** The Nominating Committee shall consist of the members of the Executive Committee. The Committee shall submit to the Board of Directors the names of nominees for the election and re-election of officers and directors for the succeeding term, annually by March. New directors shall be chosen as follows: 1) The President of Gadsden State Community College shall submit a roster of persons constituting his/her recommendations for new directors to the Nominating Committee, and the Nominating Committee may add names to the roster. 2) Upon approval by the Nominating Committee, the individual(s) named in the roster shall then be submitted to the Board of Directors. 3) Should the Nominating Committee reject the name of any individual(s) submitted by the College President, the College President shall submit the name of another individual to the Nominating Committee for consideration. 4) The individual(s) recommended by the Nominating Committee shall become a member of the Board of Directors upon approval of the Board of Directors at the commencement of the next term, or immediately in the case of filling a vacancy of an unexpired term.

- d. **Other Committees:** Other committees not having and exercising the authority of the Board of Directors in the management of the Foundation may be designated by a resolution adopted by a majority of the directors present at a meeting of the Board of Directors at which a quorum is present.

#### **ARTICLE IV: POWERS AND DUTIES OF OFFICERS**

- a. **President:** The president shall preside at all meetings of the Board of Directors and shall act as the chief executive officer of the Foundation and shall do and perform such other duties as from time to time may be assigned by the Board of Directors. The President shall serve as a member of the Executive Committee and the Investment Committee and as Chairman of the Nominating Committee; and presides at meetings of the Board of Directors.
- b. **Vice President(s):** The vice president(s) shall preside at all meetings of the Board of Directors in the absence of the President and shall do and perform such other duties as from time to time may be assigned by the Board of Directors, and shall also do and perform all duties which might or should be performed by the President when the President is ill, absent from the State of Alabama, or otherwise incapacitated.
- c. **Secretary:** The Secretary shall keep the minutes of all meetings of the Board of Directors in a book provided for that purpose; shall attend to giving and serving of all notices required by the bylaws; shall sign with the President in the name of the Foundation all contracts authorized by the Board of Directors, and shall affix the seal of the Foundation thereto; shall have charge of all such books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to the examination of any director; and shall, in general, perform all of the duties incident to the office of the Secretary, subject to the control of the Board of Directors.
- d. **Treasurer:** The Treasurer shall receive and keep the funds of the Foundation and pay out the same only at the direction of the Board of Directors; shall deposit all monies, checks, and other credits to the account of the Corporation in such bank or banks or other depository as the Board of Directors may designate; shall sign all receipts and vouchers for payments made to and all vouchers and checks made by the Foundation jointly with such other officer as may be designated by the Board of Directors; shall render to the Board of Directors an account and statement of all transactions at each meeting of said Board and at such other times as said Board may from time to time determine; shall enter regularly in the books of the Foundation to be provided for that purpose a full and accurate account of all monies received and paid out on account of the Foundation; shall execute and deliver to the Foundation a bond in such sum and with such surety or sureties as shall be determined by the Board of Directors; shall at all reasonable times exhibit his or her books and accounts to any director of the Foundation; and shall, in general, perform all the duties incident to the office of Treasurer, subject to the control of the Board of Directors.

## **ARTICLE V: REMOVAL FROM OFFICE**

Any elected officer or elected director may be removed from office and/or from the Board of Directors by the Board whenever, in its judgment, the best interest of the Foundation will be served thereby. Such removal shall take place during a duly called meeting by a majority vote of the Board members present.

## **ARTICLE VI: ORDER OF BUSINESS**

The order of business at all meetings of the Board of Directors will typically be as follows:

1. Roll call
2. Minutes of last meeting
3. Resignations and elections
4. Report of officers
5. Report of committees
6. Unfinished business
7. New business
8. Adjournment

## **ARTICLE VII: COMPENSATION**

No director, officer or other official of the Foundation shall receive any compensation for his or her services as such but may receive reimbursement for actual expenses incurred in conducting the business and affairs of the Corporation and in attending its meetings and activities. Additionally, the Board of Directors may contract for and pay to any director or officer rendering unusual or exceptional services to the Corporation special compensation appropriate to the value of such services. The Board of Directors may also pay reasonable compensation for services rendered and make any payments to any employees, agents or recipients and any other distributions in furtherance of the purposes as set out in the Articles of Incorporation. The above notwithstanding, the provisions of this Article VII shall be construed as only authorizing the Corporation to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the exempt purposes of the Corporation as set forth in the Articles of Incorporation of the Gadsden State Cardinal Foundation. Further, no provision of the Article VII shall be construed as permitting any action contrary to the provisions of the Articles of Incorporation, nor shall any provision of this Article VII be construed as permitting the making of loans to any of the directors or officers.

## **ARTICLE VIII: DUTY, STANDARD OF CARE, AND INDEMNIFICATION**

### **Section 1: Duty and Standard of Care**

Every Director and officer of the Corporation in exercising his or her powers and discharging his or her duties shall:

- a. Act honestly and in good faith with a view to the best interests of the Corporation, and
- b. Exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

No Director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other Director or any officer or employee, or for joining in any receipt or act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Corporation shall be placed or invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, firm or corporation including any person, firm or corporation with whom or with which any monies, securities or effects shall be lodged or deposited, or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any monies, securities or other assets of or belonging to the Corporation or for any other loss, damage or misfortune whatsoever which may happen in the execution of the duties of his or her respective office or trust or in relation thereto unless the same shall happen by or through the failure of the Director or officer to exercise the powers and to discharge the duties of office honestly and in good faith with a view to the best interests of the Corporation and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

A Director is not liable for any breach of duty to the Corporation if the Director relies in good faith on:

- a. Financial statements of the Corporation represented to the Director by an officer of the Corporation or in a written report of the auditor of the Corporation fairly to reflect the financial condition of the Corporation, or
- b. An opinion or report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by such person.

A Director or officer shall not be held liable for a breach of the duty otherwise imposed by Section 1 if the Director or officer has, in committing the breach, acted honestly and reasonably and ought fairly to be excused from such liability, as determined by the Board, such assessment to be made with a particular view to the voluntary nature of his or her service as a Director of the Corporation, if applicable.

## **Section 2: Indemnification**

Every member of the Board of Directors, officers or employees of the Corporation may be indemnified by the corporation against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon such members of the Board, officer or employee in connection with any threatened, pending, or completed action, suit or proceeding to which she/he may become involved by reason of her/his being or having been a member of the Board, officer, or employee of the corporation, or any settlement thereof, unless adjudged therein to be liable for negligence or misconduct in the performance of her/his duties. Provided, however, that in the event of a settlement the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the corporation. The foregoing right of indemnification shall be in addition and not exclusive of all other rights which such member of the Board, officer or employee is entitled.

## **ARTICLE IX: FUNDS AND FINANCES**

The Board of Directors shall have authority to establish, from time to time, general, special, or designated funds to be administered by the Board of Directors under the conditions of their creation or upon such conditions and restrictions as may be established by the Board of Directors, but all in accordance with the Articles of Incorporation and these Bylaws.

- a. **Books and Records:** The Board of Directors shall ensure that the Treasurer of the Corporation shall keep correct and complete books and records of account and that the Secretary of the Corporation shall keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors and shall keep such books and records at its registered address. Such books and records may be inspected by any member of the Board of Directors or his agent or attorney, for any proper purpose at any reasonable time on written demand, and shall further be subject to inspection by representatives or agents of the Alabama State Board of Education and Chancellor of Postsecondary Education.
- b. **Fiscal Year:** The fiscal year of the Corporation shall begin on July 1 of each year and end on June 30 of the succeeding year.

## **ARTICLE X: EXECUTION OF CONTRACTS, DEED, ETC.**

The Board of Directors may authorize any officer or agent of the Corporation to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to a specific instance; and unless so authorized by the Board of Directors, no officer, agent, individual director or employee shall have any power or authority to bind the Corporation by any contract or engagement, or to pledge its credit to render it liable for any purpose or any amount. Any writing, contact or document properly authorized shall not be invalid due to the absence of or failure to affix the seal of the Corporation thereto.

## **ARTICLE XI: INVESTMENTS**

The Corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the Board of Directors, without being restricted to the class of investments which a trustee is or may hereafter be permitted by law to make or any similar restriction.

## **ARTICLE XII: EXEMPT ACTIVITIES**

Notwithstanding any other provision of these bylaws, no director, officer, employee or representative of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United State Internal Revenue law) or by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law).

## **ARTICLE XIII: AUDIT AND INVENTORY**

The Board of Directors shall appoint an audit committee and have an audit made of the books and records of the Foundation for the preceding year. The Board shall cause an annual inventory and appraisal of all assets, ensuring compliance with local, state, and federal laws and IRS guidelines. Such audit and inventory and appraisal shall be filed in the office of the Foundation and available for inspection.



#### ARTICLE XIV: AMENDMENTS

By vote of a majority of the directors then in office, the Board of Directors shall have the power to amend, alter, or repeal the bylaws or adopt new bylaws of the Corporation at any meeting of the Board of Directors, subject to the approval of the Chairman of the Board of Directors.

Adopted and ratified by the unanimous vote of all of the directors of the corporation in office at a meeting held on the 11<sup>th</sup> day of June, 2019, as confirmed by their respective signature hereto.



**Steve Hildebrant**  
President



**Theresa Hulgan**  
Secretary

Amended 6/11/2019