

BY-LAWS OF THE URBANA FREE LIBRARY FOUNDATION

ARTICLE I. PURPOSE

The purposes of the Foundation are solely and exclusively for the charitable, educational and scientific purposes set forth, as follows:

- a. To assist in developing and increasing the resources of The Urbana Free Library for public library services for the community which it serves by encouraging gifts of money, property and other materials having value to The Urbana Free Library and by such other proper means as may be advisable, in accordance with the policies of the governing body of The Urbana Free Library.
- b. To receive, hold and administer gifts and resources, including but not limited to real or personal property or both, and to use and apply the whole or any part of the income there from and the principal thereof exclusively for the enhancement and support of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.
- c. To do such other acts and undertake such other activities as in the judgment of the Board of Directors, with the approval of the Board of Library Trustees of The Urbana Free Library, shall tend to promote the interests and welfare of The Urbana Free Library. The Foundation shall not directly provide library services to the public.

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, 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 purposes set forth above. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidates for public office. Notwithstanding any other provision of these articles, 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, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to The Urbana Free Library or its successor governmental unit, for public purpose. 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.

ARTICLE II. OFFICES

The principal office of the corporation in the State of Illinois shall be located in the City of Urbana, County of Champaign. The corporation shall have such other offices within the State of Illinois as the Board of Directors may determine or as the affairs of the corporation may require from time to time.

The corporation shall have and continuously maintain in the State of Illinois a registered office, as required by the Illinois Non-Profit Corporation Act. The registered office may be, but not need be, identical with the principal office in the State of Illinois, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE III. MEMBERS

The corporation shall have no members; however, the Board of Directors by a majority vote of the members of said Board may recognize contributions to The Urbana Free Library Foundation by an appropriate certificate of recognition which may, if the Board so desires, designate the recipient as an Honorary Member of the Board. Such designation shall be honorary only and shall not create a class of membership or confer any property or voting rights.

ARTICLE IV. BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS. The affairs of the corporation shall be managed by its Board of Directors. Directors need not be residents of the State of Illinois.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS. The number of directors shall be a minimum of ten (10) and no more than fifteen (15). The exact number of Directors shall be established from time to time by resolution of the Board. The members of the Board shall be divided into two (2) classes -- Ex Officio and Appointive.

The Ex Officio Directors shall be four (4) in number. One (1) shall be the Executive Director of The Urbana Free Library; one (1) shall be the President of The Urbana Free Library Board of Trustees or such President's designee from among the members of the Urbana Free Library Board of Trustees, one (1) shall be the President of The Friends of The Urbana Free Library or such President's designee from among the members of The Friends of the Urbana Free Library, and one (1) shall be the Mayor of the City of Urbana or such Mayor's designee from among the elected or appointed officers of the City of Urbana. The term of each as a member of the Board of Directors of this corporation shall be co-extensive with the term of the respective office held or the respective designation made by either such President or the Mayor. Any vacancy in this class shall be filled only by the successor to the office in which such vacancy shall occur, and the qualification in said office or the making of such respective designation by either such

President or the Mayor shall constitute the appointment to the Board of Directors of this corporation. The President of the Board of Library Trustees, the President of The Friends of The Urbana Free Library and the Mayor of the City of Urbana or each of their respective designees, as the case may be, as Ex Officio Directors, shall have voting rights the same as all Appointive Directors. The Executive Director of the Library shall have no voting rights as an Ex Officio Director.

The Appointive Directors shall be not less than six (6) in number and, except as hereinafter provided for the initial Board of Directors, the term of each Director of the Appointive class shall be three (3) years, except that initial terms shall be staggered so that no more than one-third of the elected Directors' terms expire in any one (1) year. The First one-third named as the initial Board of Directors of the Appointive class shall serve until July 1, 1997; the second one-third so named shall serve until July 1, 1998; the last so named shall serve until July 1, 1999. Any additional Directors shall be assigned to a term of office based on lot provided that an equal number of terms expire each year as shall be feasible. An Appointive Director may not serve more than two (2) consecutive three-year terms, except that an Appointive Director appointed or elected initially to a term with less than three (3) years remaining in the term may serve two (2) additional consecutive three (3) year terms. An Appointive Director who has served two (2) or more consecutive terms may not be appointed or elected to another term for at least one (1) year after the expiration of the last term served.

SECTION 3. ANNUAL MEETING. An annual meeting of the Board of Directors shall be held in the month of April in each year, beginning with the year 1997, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. At least fourteen (14) days prior written notice of the annual meeting shall be sent to each Director. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Directors as soon thereafter as conveniently may be.

SECTION 4. PLACE OF MEETING. The Board of Directors may designate any place within the State of Illinois, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be The Urbana Free Library, in Urbana, Illinois. The Board of Directors may provide by motion the time and place, within the State of Illinois, for the holding of additional regular meetings of the Board without other notice than such motion; but if all of the members of the Board shall meet at any time and place within the State of Illinois, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

SECTION 5. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix any place, within the State of Illinois, as the place for holding any special meeting of the Board called by them.

SECTION 6. NOTICE. Notice of any special meeting and the annual meeting of the Board of Directors shall be given at least three (3) days previously thereto by written notice delivered personally or sent by first-class mail or by email to each Director at their respective postal or email address as shown by the records of the corporation. If sent by first-class mail, such notice shall be deemed to be delivered the day after it is deposited in the United States Mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by email, such notice shall be deemed to be delivered when the email is sent as so addressed. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting 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 need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

SECTION 7. QUORUM. A Majority of the Directors then serving on the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

SECTION 8. MANNER OF ACTION. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the board of Directors, unless the action of a greater number is required by law or by these by-laws.

SECTION 9. VACANCIES. Any vacancy occurring in the Appointive Class of Directors may be filled by the affirmative vote of a majority of the remaining Directors. An Appointive Director elected to fill a vacancy shall be elected for the unexpired term of the Appointive Director's predecessor in office.

SECTION 10. COMPENSATION. Directors as such shall not receive any stated salaries for their services.

SECTION 11. INFORMAL ACTION BY DIRECTORS. Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by a majority of all of the Directors then serving on the Board of Directors.

SECTION 12. INITIAL BOARD OF DIRECTORS. The initial appointive non-elected Board of Directors shall consist of those Urbana Free Library Trustees serving as Trustees as of July 1, 1996, who choose to accept such position. Acceptance shall be deemed to occur by the Trustee signing the initial Articles of Incorporation or attendance at any Board meeting after September 8, 1995, and before June 30, 1997. The terms of these initial non-elective appointive Directors shall expire June 30, 1997, unless elected at the annual meeting occurring in April 1997 or such continued annual meeting date as

the Board shall determine. The initial Board shall elect the initial Appointive Directors at the 1995 annual meeting as provided for in these By-Laws.

SECTION 13. LIBRARY TRUSTEES AS APPOINTIVE DIRECTORS. The Board of Directors shall use its best efforts to reduce the number of Library Trustees servicing on the Board at any time in any capacity to fewer than a majority of a quorum of the Board of Library Trustees.

ARTICLE V. OFFICERS

SECTION 1. OFFICERS. The principal officers of the corporation shall be a President, a Vice President, a Secretary, and Treasurer. Other officers as may also be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one (1) or more Vice Presidents and one (1) or more Assistant Secretaries and one (1) or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary shall not be held by the same person.

SECTION 2. ELECTION AND TERM OF OFFICE. The principal officers of the corporation shall be elected annually by the Board of Directors from amongst its membership at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until the officer's successor shall have been duly elected and shall have qualified.

SECTION 3. REMOVAL. Any officer elected or appointed by the Board of Directors may be removed by majority vote of the Board of Directors in office whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

SECTION 4. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for Trustees.

SECTION 5. PRESIDENT. The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. The President shall preside at all meetings of the members and of the Board of Directors. The President may sign, with the Secretary or any other prior officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution hereof shall be expressly delegated by the Board of Directors or by these by-laws or by statute to some other officer or agent of the

corporation; and in general he shall 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.

SECTION 6. VICE PRESIDENT. In the absence of the President or in the event of the President's inability or refusal to act, the Vice President shall have all powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to the Vice President by the President or by the Board of Directors.

SECTION 7. TREASURER If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of the Treasurer's duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these by-laws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the President or by the Board of Directors.

SECTION 8. SECRETARY. The Secretary shall be responsible that minutes of the meetings of the members and of the Board of Directors are kept in one (1) or more books or files provided for that purpose; see that all notices are duly given in accordance with the provisions these by-laws or as required by law; and be custodian of the corporate records and of the seal of the corporation, if any; keep a register of the post office and email addresses of each member which shall be furnished to the Secretary by such member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors.

ARTICLE VI. COMMITTEES

SECTION 1. COMMITTEES OF DIRECTORS. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one (1) or more committees, each of which shall consist of two (2) or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation, except that no such committee shall have the authority of the Board of Directors in reference to amending, alerting, altering or repealing the by-laws; electing, appointing or removing any member of any such committee or any Director or officer of the corporation; amending the articles of incorporation; restating articles of incorporation, adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage for all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefore; adopting a plan for the distribution of the assets of the corporation; make any expenditure of funds except as may have been specifically authorized by the full Board of Directors; or amending, altering or repealing any resolution of the Board of

Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or them by law.

SECTION 2. OTHER COMMITTEES. Other committees not having and exercising the authority of the board of Directors in the management of the corporation may be appointed in such manner as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the corporation, and the President of the corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

SECTION 3. TERM OF OFFICE. Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until a successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

SECTION 4. CHAIRMAN. One (1) member of each committee shall be appointed chair by the person or persons authorized to appoint the members thereof.

SECTION 5. VACANCIES. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 6. QUORUM. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at the meeting at which a quorum is present shall be the act of the committee.

SECTION 7. RULES. Each committee may adopt rules for its own government not inconsistent with these by-laws or with rules adopted by the Board of Directors.

ARTICLE VII. CONTRACTS, CHECKS, DEPOSITS AND FUNDS

SECTION 1. CONTRACTS. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, DRAFTS, ETC. All checks, drafts or orders for the payment of money, notes or other evidences 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 resolution of the Board of Directors, in the absence or such resolution such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the corporation.

SECTION 3. DEPOSITS. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

SECTION 4. GIFTS. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or device for the general purposes or for any special purpose of the corporation.

ARTICLE VIII. BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at its registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

ARTICLE IX. FISCAL YEAR

The Fiscal year of the corporation shall begin on the first day of July and end on the last day of June in each year.

ARTICLE X. SEAL

The Board of Directors may provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal Urbana Free Library Foundation".

ARTICLE XI. WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Illinois Non-Profit Corporation Act or under the provisions of the articles of incorporation or the by-laws of the corporation, waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII. AMENDMENTS TO BY-LAWS

Subject to approval of the Board of Library Trustees, these by-laws maybe altered, amended or repealed and new by-laws may be adopted by a majority of the Directors

present any regular meeting or at any special meeting, if at least two days written notice is given of intention to alter, amend or repeal or to adopt new by-laws at such meeting.

(Revised April 27, 2004)

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