

## **County College of Morris Foundation By-Laws**

### **Article I – Name and Offices**

1. The name of the non-profit corporation for which these By-Laws are written is County College of Morris Foundation (“Foundation”).
2. The principal office of the Foundation shall be County College of Morris, Center Grove Road, Dover, New Jersey.
3. The registered office of the Foundation required by the New Jersey Nonprofit Corporation Act to be maintained in the State of New Jersey may be, but not need be, identical with the principal office in the State of New Jersey, and the address of the registered agent may be changed from time to time by the Board of Directors, but must remain in the State of New Jersey.

### **Article II – Purposes and Objectives of the Foundation**

The Foundation was organized on May 19, 1972 to operate exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (the “Code”), and in this connection, the Foundation is organized:

- (a) To foster the growth and improvement of the County College of Morris in the development of its physical facilities, programs and activities, so as to provide broader and richer educational opportunities of the highest quality for all the residents of Morris County and other persons to whom the College is made available.
- (b) To operate exclusively for charitable and educational purposes, including receiving contributions and paying them over to organizations which are described in Section 501(c)(3) and exempt from taxation under Section 501(a) of the Internal Revenue Code of 1954, as now in force or as hereinafter amended or supplemented.
- (c) To accept, hold, invest, re-invest and administer any gifts, bequests, devises, benefits of trusts and property of any sort, without limitation as to amount or value, and to use, disburse or donate the income or principal thereof for the benefit of County College of Morris, its students, faculty and staff, including but not limited to the following: to make grants of financial assistance to the College, its faculty and students, including scholarships and loans to students, the endowing of professorships, and assisting financially the continuing development of faculty and staff programs; to act without profit as Trustee of educational or charitable trusts established by Foundation donors.
- (d) To do any lawful activities and exercise any powers suitable, convenient, proper or incidental for the accomplishment of any of the charitable and educational objects enumerated herein.

(e) No provision of these By-Laws shall be interpreted or applied in such a manner so as to disqualify the Foundation from tax-exempt status under the laws or regulations of the United States.

These By-Laws establish the rules and procedures for conducting the affairs of the Foundation. They are binding on the Board of Directors (“the Board”), on members of any committees established by the Board, and on the Foundation's officers, whether those persons served in the applicable capacity at the time that these By-Laws were adopted or were appointed or elected to the position at a later date. These By-Laws are subject to the provisions of the New Jersey Nonprofit Corporation Act ("the Act") and the corporation's Foundation's Certificate of Incorporation, as they may be amended from time to time. If any provision in these By-Laws is inconsistent with a provision in the Act or the Certificate of Incorporation, the provision of the Act or the Certificate of Incorporation shall govern, to the extent of such inconsistency.

### **Article III – Foundation Management**

The general management of the affairs of this Foundation shall be vested in the Foundation Executive Director. The Executive Director shall have general charge, supervision, and authority over the daily activities and affairs of the Foundation subject to the direction of the Board of Directors and Chair. It shall have power to employ necessary staff and other help, authorize expenditures and take all necessary and proper steps to carry out the purposes of the Foundation and to promote its best interests.

### **Article IV – Foundation Board of Directors**

#### **Section 1. Members**

The Foundation Board of Directors shall consist of no less than 17 Directors and no more than 25 Directors, which number shall be determined by the Board from time to time.

#### **Group 1: Non-Voting County College of Morris Board of Trustees:**

Two (2) members of the County College of Morris Board of Trustees shall be appointed by the Chair of the Board of Trustees of the County College of Morris at their annual meeting and shall serve as non-voting Directors of the Foundation. All members of the County College of Morris Board of Trustees shall be entitled to attend all of the meetings of the Foundation Board.

#### **Group 2: From the College:**

- a) The President of County College of Morris shall serve as a non-voting Director of the Foundation coincident with the term of office with the College.
- b) The Executive Director of the Foundation shall serve as a non-voting Director of the Foundation coincident with the term of employment in that capacity.
- c) The Vice President of Business and Finance of the County College of Morris shall serve as a non-voting Director of the Foundation coincident with the term of office with the College.

The list of representatives from the College administration who may serve on the Board in an ex-officio, non-voting capacity will be reviewed annually.

**Group 3: Directors at Large**

These Directors are to be elected by vote of the Board of Directors from the candidates developed by the Nominating Committee.

**Group 4: Non-Voting Emeritus Director**

The Board of Directors may by election bestow upon past members of the Foundation Board the title of Director Emeritus, good for life. Director Emeritus shall be entitled to attend all of the meetings of the Foundation Board, but shall not have the right to vote on matters of business.

**Section 2. Term of Office**

The term of office for a Board of Directors member shall be three years. One-third of the members shall be elected every three years. There are four exceptions: the two Trustees of County College of Morris who are appointed by Chair of the Board of Trustees; the ex officio members who serve by virtue of their employment with the college, such as, the President of County College of Morris, the Executive Director of the County College of Morris Foundation and the County College of Morris Vice President of Business and Finance.

**Section 3. Absences**

A Director who has missed three (3) consecutive meetings without reasonable cause may be asked to resign or may be subject to removal. A Director may be subject to removal with cause by a majority vote of the Board of Directors.

**Section 4. Vacancy**

If for any reason a vacancy occurs, to the extent that there are fewer Directors than the allotted number of Directors of the Board, the Nominating Committee will solicit a candidate to be elected to fill the vacancy whose name shall be presented to the Board at the next regular or special meeting for consideration. Board Members shall take office immediately upon announcement of the election results.

**Section 5. Compensation**

No Director shall receive any compensation from the Foundation for services performed in his or her official capacity, but Directors may be reimbursed for reasonable and necessary expenses incurred in the performance of their official duties.

**Article V – Meetings**

**Section 1. General Meetings**

The Board of Directors shall meet quarterly. Notification by mail or e-mail of the date, time and location of each meeting shall be provided to each Board member no less than ten (10) days before each meeting at the mailing address and/or email address provided by each Director and as on file with the Executive Director of the Foundation.

**Section 2. Annual Meeting**

The Annual Meeting of Directors of the Foundation shall be held with the County College of Morris Board of Trustees during the month of October, on a day and time coincident with the regular meeting of the County College of Morris Board of Trustees.. The business of the Annual Meeting of the Board of Directors of the Foundation will include an appointment of the Directors of the Foundation; receipt of the annual reports of officers; consideration of proposed amendments to these By-Laws; and the transaction of any other business which may properly be brought before the members. The annual meeting and special meetings of the members will be held at the County College of Morris or at such other place in the County of Morris, State of New Jersey, as the Board of Directors may designate. The Chairperson of the Foundation Board of Directors shall be the presiding officer at its meetings.

**Section 3. Special Meetings**

Special meetings of the Board of Directors may be called by the Chairperson of the Board of Directors or Executive Director of the Foundation, or by written request of a majority of the Board with at least five (5) days prior notice before the meeting.

**Section 4. Quorum**

The presence of a majority of the members of the Foundation Board of Directors who are eligible to vote shall constitute a quorum for the transaction of business at any meeting of the members. No business shall be transacted without a quorum being present.

**Section 5. Voting**

Each voting member shall be entitled to one (1) vote at any meeting of the Board. Voting by proxy will not be permitted. All questions coming before the members shall be determined and decided by a majority vote of the members present at the meeting, unless otherwise stipulated in these By-Laws. Abstentions shall not be counted as a vote and shall be recorded as “not voting.”

**Section 6. Participation**

Directors may participate in any Board of Directors or committee meeting in person or via teleconference, or computer generated communication such as Skype, or similar means of electronic communication, provided that the means utilized allows all the participants of the meeting to hear each other at all times.

**Section 7. Chairperson**

The Chairperson of the Board of Directors shall preside over meetings. In his or her absence, the Vice Chairperson shall preside. If neither can be present, the Chairperson may appoint a designee to preside.

## **Article VI – Officers**

### **Section 1: Officers, Election**

The Board shall elect by majority vote a Chairperson, Vice Chairperson, Secretary, and Treasurer, who shall be given such duties, powers and functions as hereinafter provided. Each officer shall hold office for the term for which he or she is elected and until his or her successor has been elected. The Executive Director of the Foundation is automatically a non-voting Officer as an employee of County College of Morris and is not elected by the Board Members.

### **Section 2: Removal, Resignation**

Officers serve at the discretion of the Board of Directors. The Board, by majority vote, may remove any officer elected by the Board. In the event of the death, resignation or removal of an officer, the Nominating Committee of the Board of Directors shall appoint an acting successor to fill the unexpired term. This appointment shall be confirmed or disapproved by the full Board at the next regular or special meeting of the Board of Directors.

### **Section 3: Duties, Terms**

#### **3.1 Chairperson**

The Chairperson shall preside at all meetings of the Directors. He or she shall execute, in the name and on behalf of, the Foundation, all documents required by law to be executed by the Foundation and shall perform such other duties as requested by the Board of Directors. He or she shall appoint members to the standing committees and be a voting member on all committees. He or she shall be elected for a term of one (1) year. The President, Executive Director, and Vice-President of Business and Finance of the College may not serve as Chairperson.

#### **3.2 Vice Chairperson**

The Board of Directors shall elect one (1) of their members as Vice Chairperson. This person shall perform all duties assigned to the Chairperson in the absence of the Chairperson and shall perform such other duties as requested by the Board of Directors. He or she shall be elected for a term of one (1) year. The President, Executive Director, and Vice-President of Business and Finance of the College may not serve as Vice Chairperson.

#### **3.3 Treasurer**

The Board of Directors shall elect one (1) of their members as Treasurer of the Foundation Board of Directors. He or she shall be responsible for the supervision of an account of all monies received or expended by the Foundation. He or she shall report to the Board, at all meetings according to a format prescribed by the Board and the Chairperson of the Finance Committee and perform such other duties as are requested by the Chair or Board. He or she shall be elected for a term of one (1) year.

#### **3.4 Secretary**

The Board of Directors shall elect one (1) of their members as Secretary. The Secretary shall take and record the minutes of all the meetings of the Foundation, see that all notices are duly given in accordance with the provisions of these By-Laws or required by law, and be custodian of the records of the Foundation. The Secretary shall keep a register of each Board member's pertinent

contact information, and in general, perform all duties incident to the office, and such other duties as from time to time may be assigned by the Chairperson. In addition, the Secretary shall notify members of their election to office or their appointment to committees and keep a record of the transactions of the Foundation and Executive Committee. The Secretary may direct a staff member of the Foundation or County College of Morris to do the above tasks.

The Secretary shall keep the Seal of the Foundation and shall, when necessary, attest to the official acts of the Board of Directors and the other officers. The Secretary shall be elected for a term of one (1) year.

### **3.5 Executive Director of the Foundation**

The Executive Director of the Foundation is an employee of County College of Morris and reports to the President of the County College of Morris. He or she shall be the principal administrative officer of the Foundation, charged with the duties of effectuating the purposes of the Foundation.

## **Article VII – Committees**

### **Section 1: Board Standing Committees**

The standing committees of the Foundation Board of Directors shall be: an Executive Committee, a Finance Committee, a Nominating Committee, and a Conflict of Interest/Audit Committee. Additional ad-hoc committees may be created and appointed by the Chairperson with the consent of the Board of Directors as needed for special purposes. Committee Chairs must be members of the Board of Directors but other members need not be, except as otherwise provided herein.

### **Section 2: Executive Committee**

The Executive Committee shall consist of the Chairperson, Vice Chairperson, Treasurer, Secretary, and Executive Director of the Foundation. The Chairperson of the Board shall serve as the Chairperson of the Executive Committee. The Executive Committee shall maintain oversight of the business and affairs of the Foundation and shall be empowered to transact only such business as may be necessary between Board meetings, and to set the agenda for full Board meetings. The Committee shall submit a report of its actions at the next regularly scheduled or special Board meeting. The Chairperson or three members of the Committee may call the meetings of the Executive Committee.

### **Section 3: Finance Committee**

The Finance Committee shall be chaired by the Treasurer of the Board of Directors and shall consist of the Chair of the Board, appointed members of the Board, the Executive Director of the Foundation, and the County College of Morris Vice President of Business and Finance. The Executive Director of the Foundation shall be a non-voting member of the Finance Committee. The finance committee is responsible for fiscal growth and viability for the Foundation. They shall develop a budget for approval by the Board of Directors and recommend policies governing the finances and investments of the Foundation for adoption by the Board of Directors.

**Section 4: Nominating Committee**

The Nominating Committee, which shall consist of a minimum of four (4) and no more than six (6) Board members, shall develop, for election by the Board of Directors, a cadre of potential board candidates and officers who will advance the needs of the Foundation. Two (2) members of the Board of Trustees appointed by the Chairperson of the Board of Trustees of the County College of Morris shall serve as members of the Nominating Committee.

The Nominating Committee shall also be responsible for the orientation and training of new Board members, as well as continuous training for the Board as needed. The Committee shall identify Board responsibilities and ensure that all Board members are aware of these responsibilities and have the tools they need to carry them out. The Committee shall regularly review and assess the By-Laws of the Foundation to confirm they address the needs of the Foundation.

**Article VIII – Assets and Funds****Section 1. Ownership**

All assets and funds of the Foundation shall be owned exclusively by the Foundation for the benefit of the College.

**Section 2. Disposition**

In accordance with the County College of Morris Foundation Investment Policies, all funds of the Foundation shall be deposited in an account or accounts in the name of the Foundation. Funds shall be expended only to advance the purposes and to pay the proper expenses of the Foundation. Funds shall be withdrawn from such bank or investment accounts and invested or reinvested upon written authorization and signature of the County College of Morris Vice President of Business and Finance.

**Section 3. Investment**

Subject to the limitations and conditions contained in any gift, devise or bequest, the Foundation may invest its funds in such mortgages, bonds, debentures, shares of preferred and common stock and other securities, property, and any other legal investments as the Board of Directors shall deem advisable.

**Section 4. Financial Agent.**

The Board of Directors may appoint a financial agent or agents to represent and advise the Foundation in the investment of its funds.

**Section 5. Insurance**

The Board shall have the right to authorize and direct the County College of Morris Vice President of Business and Finance to purchase and maintain insurance to the fullest extent permitted by law on behalf of the Foundation's officers, directors, and other agents, against any liability asserted against or incurred by any officer, director, or agent in such capacity arising out of the officer, director, or agent's status as such. The insurance maintained under this Section will be provided by and through the College.

## **Article IX – Restrictions**

### **Section 1. Legislative and Political Activities Prohibited**

The Foundation shall not, directly or indirectly, support or influence any legislation, participate or intervene in any political campaign, or support or oppose any candidate for public office.

### **Section 2. Prohibited Transactions**

The Foundation shall not engage in any of the prohibited transactions described in Section 501(c) of the Internal Revenue Code, as now in force or afterwards amended. The Foundation shall at all times operate within the limitations of the Code and other applicable laws pertaining to tax-exempt foundations.

### **Section 3. Accumulation of Income**

The Foundation will not have objectives and will not engage in activities which are characterized as an “action” organization as defined by the Internal Revenue Code of 1954 and the regulations thereto.

### **Section 4. Trade or Business**

The Foundation shall not be operated for the primary purpose of carrying on an unrelated trade or business as defined in Section 513 of the Internal Revenue Code, as now in force or afterwards amended.

### **Section 5. Distribution of Earnings**

No part of the net earnings of the Foundation shall inure to the benefit of any private shareholder or individual within the meaning of Section 501(c)(3) of the Internal Revenue Code, as now in force or afterwards amended.

### **Section 6. Compensation**

No compensation shall be paid to any member, elected officer, director, trustee, creator, or organizer of the Foundation or substantial contributor to it except as a reasonable allowance for services actually rendered to or for the Foundation.

### **Section 7. Public Purpose**

The Foundation is organized to serve public interests. Accordingly, it shall not be operated for the benefit of private interests, such as contributors to, or persons controlled directly or indirectly by such private interests.

## **Article X – Limitations of Liability and Indemnification**

### **Section 1. Limitation of Liability of Members, Directors and Elected Officers**

No person serving without compensation, other than reimbursement for actual expenses, as a Director, officer, or member of the Foundation shall be personally liable to the Foundation for damages resulting from (a) the exercise of judgment or discretion in connection with the duties of his/her office, or (b) acts of commission or omission arising out of or in the course of his/her

volunteer services, unless the acts or omissions are the result of willful or criminal conduct or gross negligence. Nothing in Section 1 shall be deemed to grant immunity to any person causing injury or damage as the result of his/her negligent operation of a motor vehicle.

### **Section 2. Indemnification**

Whenever any claim is made or a civil action is brought against a member, Director or officer of the Foundation for any act or omission arising out of and in the course of the performance of the duties as a member, Director or officer of the Foundation, the Foundation shall defray all costs of defending against the claim or action, including reasonable counsel fees and expenses, together with costs of appeal, if any, and the Foundation shall indemnify and save harmless and protect such person from any resulting financial loss, except that the foregoing indemnification shall exclude any claim, liability or expense determined by a court of competent jurisdiction to have arisen from the willful or unethical conduct, gross negligence, or a criminal act of the member, Director or officer of the Foundation.

### **Section 3. Limitation of Liability**

In the absence of fraud or bad faith, no Director shall be personally liable for the debts, obligations or liabilities of the Foundation.

## **Article XI – Amendments**

These By-Laws may be altered, amended, or repealed and new By-Laws may be adopted at any meeting of the Board of Trustees by the affirmative vote of two-thirds (2/3) of the voting membership. Amendments must be presented to the Board of Trustees, in printed form, ten (10) days in advance of the meeting at which the vote will be taken on the amendments.

## **Article XII – Conflict of Interest**

### **Section 1. Conflict of Interest Policy**

The Board of Directors has adopted a Conflict of Interest Policy, the purpose of which is to protect the Foundation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private Interest of an officer or Director of the Foundation.

### **Section 2. Abstention**

A Director shall abstain from voting on any matter before the Board that may place him or her in a conflict of interest. Any conflict of interest questions or concerns that arise shall be referred to the Conflict of Interest/Audit Committee which may, at its option, request an opinion of legal counsel for the Foundation.