

BY-LAWS
OF THE
COMMUNITY FOUNDATION FOR NORTHEAST MICHIGAN

(Adopted March 10, 2015)

ARTICLE I
Purpose and Mission

Section 1. Purpose. The Community Foundation for Northeast Michigan (the Foundation) is organized exclusively for the purpose of receiving and administering gifts for charitable, educational or other purposes, as described in Section 501(c)(3) and 170(c)(2)(B) of the Internal Revenue Code, primarily in and for the benefit of the people of the counties of Alcona, Alpena, Montmorency and Presque Isle together with three affiliates: Iosco County Community Foundation, which serves all of Iosco County; North Central Michigan Community Foundation, which serves the counties of Crawford, Ogemaw and Oscoda; and Straits Area Community Foundation, which serves Cheboygan County and all of Mackinac City, all of which are located in northeast Michigan, without discrimination as to race, color, or creed. Unless otherwise approved by the Foundation's Board of Trustees, all assets shall be held as Foundation component funds as provided in Section 1.170A-9(f)(11) of the Treasury Regulations. The Foundation shall not engage in any activities that may cause it to lose its exempt status under Sections 501(c)(3) of the IRC.

Section 2. Mission Statement. The mission of the Community Foundation for Northeast Michigan is to fulfill the charitable goals of our donors and address the current and future needs of our communities.

Section 3. Vision Statement. The vision of the Community Foundation for Northeast Michigan is that we build strong, vibrant, and sustainable communities through the power of everyone's giving.

ARTICLE II
Board of Trustees

Section 1. Directorship. As a result of the Foundation's 2001 Restated Articles of Incorporation the Foundation technically is organized as a Michigan nonprofit corporation a membership basis rather than on a directorship basis. However, the "members" are defined to be the individuals who are Foundation Trustees "and such other persons as may be elected by the members." Because no other such persons have ever been elected, in almost every way the Foundation functions as though it was organized on a directorship basis. The property, business, and affairs of the Foundation shall be managed by a board of directors that shall be designated its Board of Trustees ("**Board**").

Section 2. Number of Trustees. The Board shall consist of not less than fifteen (15) nor more than twenty-two (22) individuals as the Board determines from time to time. Each geographical county affiliate of the Foundation shall be represented on the Board by one (1) Trustee designated by the affiliate and approved by the Foundation. The remaining Trustees shall be residents of the counties of Alpena, Alcona, Montmorency, or Presque Isle.

Section 3. Qualifications. The Trustees of the Foundation shall be individuals experienced in community service who have demonstrated support for the philosophy of the Community Foundation for Northeast Michigan and its philanthropic spirit. Trustees of the Foundation shall be nominated and elected on the basis of their knowledge of the charitable, educational, religious, health, social welfare, environmental, cultural, civic, moral, governmental, and similar needs and concerns of their respective geographic areas and on the basis of activity in, or representation of public, civic, charitable, educational, religious, medical and similar organizations. The purpose of this provision is to make the Board reflect the broad charitable interests of the general public rather than the interests of any single person or family. Each affiliate shall use the same criteria to nominate their respective Trustees.

Any Trustee who changes residence to a location outside the geographic areas served by the Foundation shall be deemed to have resigned.

Section 4. Election and Term of Service. New Trustees shall be nominated by the Nominating Committee. At its annual meeting, the Board shall review those nominations and may choose to accept or reorder the individuals nominated for fill each vacancy. Board action to approve a nomination shall become effective to elect a new Trustees only after the Foundation's Executive Director has communicated the invitation to the nominee and the nominee has accepted. Trustees whose term of service on the Board has expired may be reelected at the regular annual meeting of the Board. If the reelections and actions on nominations do not occur at the annual meeting, such reelections and actions shall occur as soon thereafter as is conveniently possible. Trustees shall generally be selected to represent the geographic, economic, professional, and ethnic diversity of the communities served.

The term of office of any Trustee shall be for three years and continue until his or her successor has been elected and qualified, unless the Trustee is elected to fill a vacancy, in which event it shall be for the remainder of the term to which the Trustee is succeeding.

To the extent practicable, Trustee terms shall be staggered so that only a portion of the Trustee are elected each year. If the Board wishes to decrease the number of Trustees, some of the terms of the positions eliminated may be staggered so as to position the Board ultimately for the same proportion of the Trustees to be elected each year. Instead of eliminating Board positions, the Board may choose not to elect or reelect Trustees until the Board reaches its goal number.

No Trustee shall serve more than three consecutive three-year terms. A Trustee who is appointed to fill an unexpired term may be elected to two additional three-year terms. In order to adjust the proportions of Trustees elected each year, a Trustee may be elected to one- or two-year terms. In no event shall a Trustee serve for more than nine consecutive years. A former Trustee may be re-elected to the Board after at least a two-year absence from the Board.

Section 5. Vacancies. Whenever any vacancy occurs on the Board, a majority of the Trustees then in office may fill such vacancy at any regular or special meeting. The resignation of a Trustee shall be effective upon its receipt by the Foundation or a subsequent time as set forth in the notice of resignation.

Selection for the vacancy of a Trustee position representing an affiliate may be made only following nomination by the “board” of the affiliate. Such individual shall remain a Trustee for the balance of the unexpired term to which the individual was elected and until a successor is elected.

Section 6. Removal of Trustee. A Trustee may only be removed with or without cause by a vote of a majority of the members of the Board then in office.

Section 7. Compensation. Trustees shall receive no compensation directly or indirectly for their services as Trustee, but may be reimbursed for actual, reasonable, and necessary expenses incurred in connection with work done for the Foundation. The Board shall specifically authorize such reimbursement. This is not to preclude a Trustee from being compensated for other reasonable and necessary services if the Board specifically authorizes such expenditures in compliance with the Foundation’s self-dealing policy.

Section 8. General Powers as to Negotiable Paper. The Board shall, from time to time, prescribe the manner of signature or endorsement of checks, drafts, notes, acceptances, bills of exchange, obligations, and other negotiable paper or other instruments for the payment of money and designate the officer or officers, agent or agents who shall from time to time be authorized to make, sign or endorse the same on behalf of the Foundation.

Section 9. Powers as to Other Documents. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any conveyance or other instruments in the name of the Foundation and such authority may be general or confined to specific instances. When the execution of any contract, conveyance or other instrument has been authorized without specification of the officers authorized to execute, the same may be executed on behalf of the Foundation by the President, the Secretary, or the Treasurer.

ARTICLE III Trustees’ Meetings

Section 1. Regular Meetings. The regular meetings of the Board shall be held on the second Tuesday of March, June, September, and December at such time and place as the Board or the President may designate. The March meeting will also be considered the annual meeting.

Section 2. Annual Meeting. The annual meeting of the Board shall be held in the month of March of each year to reelect to an additional term those Trustees whose terms of service have expired, to appoint or reappoint the Foundation’s officers, to act on new Trustee nominations received from the Nominated Committee, and to transact such other business as may come before it. Trustees and officers elected at the annual meeting will begin their duties effective immediately.

Section 3. Special Meeting. A special meeting of the Board may be held at the call of the President, the Vice President, or any five members of the Board. Any request for such meeting shall state the purpose or purposes of the proposed meeting.

Section 4. Notice of Meeting. Notice of the time, place, and purpose of each regular or special meeting of the Board shall be given by the Secretary of the Foundation, or his or her designated agent, served personally or by regular mail, electronic transmission upon each Trustee not less than five (5) days nor more than twenty (20) days before a regular meeting or at least 24 hours in advance of a special meeting. The notice shall be directed to each Trustee at his or her home or office address, electronic mail address, or facsimile transmittal number as it appears in the records of the Foundation, unless he or she has with the Secretary thereof a written request that notices intended for him or her be directed elsewhere. Notice by mail shall be deemed to be given at the time when deposited in the post office or a letter box, in a postpaid sealed wrapper, and addressed to persons at their addresses appearing on the records of the Foundation. Notice by electronic transmission shall be deemed given when transmitted to the person entitled to the notice in a manner authorized by the person.

Section 5. Waiver of Notice. A Trustee's attendance at or participation in a meeting waives notice to the Trustee of the meeting, unless the Trustee at the beginning of the meeting, or when the Trustee arrives, objects to the meeting or the transacting of business at the meeting and after objecting does not vote for or assent to any action taken at the meeting. A Trustee may waive any right to notice before or after a meeting.

Section 6. Quorum and Vote Required. One more than half of the total number of members of the Board from time to time shall constitute a quorum of the Board. Less than a quorum shall have power of adjournment. The Board must authorize all Board actions by a majority of votes cast.

Section 7. Action without Meeting. Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if, either before or after the action is taken, all of the Trustees consent thereto in writing or, by electronic transmission. The consents shall be filed with the minutes of the proceedings of the Board.

Section 8. Participation in Meeting by Remote Communication. A Trustee or a member of a committee may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all individuals who are participating in the meeting can communicate with the other participants. Such participation in a meeting constitutes presence in person at the meeting.

Section 9. Conduct of Meetings. Trustees' meetings must generally follow accepted rules of parliamentary procedure. The presiding official has authority over matters of procedure and may adopt any other form of procedure suited to the business being conducted.

ARTICLE IV

Committees

Section 1. Executive Committee. The Executive Committee shall be comprised of the Foundation's President, Vice President, Secretary, and Treasurer. In addition, the immediate Past President will also act as a member of the Executive Committee, if and while the Past President remains a Trustee.

The Executive Committee, subject to those limitations as may be required by law or imposed by Board resolution and as may otherwise be provided herein, shall, during the intervals between the meetings of the Board, possess and may exercise all of the Board's powers in the management of the affairs of the Foundation. The Executive Committee shall have authority over the investment policies with respect to the property of the Foundation, and such other duties and authority as the Board may be delegated to it. Three members of the Executive Committee present at any meeting shall constitute a quorum. The Executive Committee shall keep full records and accounts of its proceedings and transactions. All action by the Executive Committee shall be reported to the Board at the next meeting succeeding such action and shall be subject to control, revision, and alteration by the Board, provided that no rights of third persons shall be prejudicially affected thereby.

In addition to its other duties, the Executive Committee will act as the Personnel Committee if any personnel issues should arise. The Executive Committee will also perform an annual performance review of the Executive Director.

The Executive Committee will not have power or authority to:

- (a) Amend the Articles of Incorporation (because the Foundation is organized on a membership basis, only the Board, acting as the members, may amend the Articles);
- (b) Adopt an agreement of merger or consolidation;
- (c) Recommend the sale, lease or exchange of all or substantially all of the Foundation's property and assets;
- (d) Recommend the dissolution of the Foundation or a revocation of a dissolution;
- (e) Amend the Bylaws of the Foundation;
- (f) Fill vacancies on the Board, the Executive Committee, or the Nominating Committee; or
- (g) Make grants.

Section 2. Other Committees of Trustees. The Board may appoint one or more other committees to consist of one or more Trustees. Such a committee may exercise any of the powers and authority of the Board in the management of the business affairs and property of the corporation, but only to the extent provided in the Board resolution establishing the committee and subject to the limitations of delegable authority specified in Section 528 of the Michigan Nonprofit Corporation Act. The Board may designate one or more individuals who are not directors to receive notice of, attend, and be heard at a committee meeting, but such individuals cannot vote.

Section 3. Advisory Committees. The Board may appoint one or more committees to consist in whole or in part of individuals who are not Trustees. Any such committee serves solely to assist in the conduct of the Foundation's affairs and cannot exercise any of the Board's powers or authority. The resolution that establishes the committee must state the purpose and functions of the committee, the terms and qualifications of the committee members, and the ways in which the members of the committee are selected and removed.

Section 4. Nominating Committee. The Nominating Committee shall consist of such individuals as are specified from time to time in a Trustee nominating policy that the Board adopts. In advance of each Board annual meeting, the Nominating Committee shall identify at least two individuals to fill each open Trustee position on the Board and shall prioritize the individuals nominated for each open position. The committee shall communicate its nominations and prioritizations to the Chairperson and to the Executive Director at least 14 days in advance of the Board's annual meeting at which the nominations are to be considered and acted upon.

Section 5. Geographical Affiliates. The Foundation shall have three separate geographically based advisory committees, which shall be referred to as affiliates or affiliated community foundations: Iosco County Community Foundation, which serves all of Iosco County; North Central Michigan Community Foundation, which serves the counties of Crawford, Ogemaw and Oscoda; and Straits Area Community Foundation, which serves Cheboygan County and all of Mackinac City. The Foundation shall maintain assumed name registration in each of those names with the State of Michigan's Corporations Division. The Foundation Board shall appoint the members of each affiliate's advisory committee. Those members may be referred to as affiliate foundation "trustees," although they are not true trustees or directors as those terms are used in the Michigan Nonprofit Corporation Act. Each affiliated community foundation shall be represented on the Foundation's Board by one Trustee. Each individual serving as an affiliate's Trustee representative must have been nominated by that affiliate and then, if found acceptable, be elected by action of the Foundation's Board. The primary functions of an affiliated community foundation shall be (i) to attract contributions to new or existing Foundation component funds that make grants to support activities or programming that occur in or benefit the people of the county or counties associated with the affiliate and (ii) then recommend grants from such component funds.

Section 6. Procedure. All committees, and each member thereof, will serve at the pleasure of the Board. The Board will have the power at any time to increase or decrease the number of members of any committee, to fill vacancies thereon, to change any member thereof, and to change the functions or terminate the existence of any committee. Regular or special meetings of any committee may be held in the same manner provided in these Bylaws for regular or special meetings of the Board, and a majority of any committee will constitute a quorum at the meeting.

Section 7. Committee Action Without Meeting. If and when the members of the Executive Committee or any other committee shall severally or collectively consent in writing, including by electronic transmission, to any action authorized to be taken by such committee, either before or after the action is taken, such action shall be as valid committee action as though it had been authorized at a meeting of the committee and the written consents shall be filed with the minutes of the proceedings of such committee.

ARTICLE V Officers

Section 1. Election or Appointment. The Board must elect a President who shall be one of the Trustees and who shall also be the Chairperson of the Board and of the Executive Committee, a Vice President, a Secretary, and a Treasurer. The Trustees may also elect additional Vice Presidents, an Assistant Secretary, an Assistant Treasurer, and such additional officers as they deem desirable. Except in the case of the President, an individual may hold two or more offices.

Section 2. Term of Office. The officers of the Foundation shall be elected at the annual meeting of the Board. The term of office of all officers will commence upon their election or appointment and will continue until the next annual meeting of the Foundation and until their respective successors are chosen or until their resignation or removal.

An officer may resign by written notice to the Foundation. The resignation will be effective upon its receipt by the Foundation or at a subsequent time specified in the notice of the resignation.

Section 3. Absence of Officers. In the absence or disability of any officer of the Foundation, the Board may delegate his or her powers and duties to any other officer or to any Trustee, during such absence or disability, and the person so delegated shall, for the time being, be the officer whose powers and duties he so assumes.

Section 4. Vacancies. Any vacancy in any office shall be filled for the unexpired term by a majority vote of the Board at any meeting.

Section 5. Removal of Officers. Any officer may be removed from office at any meeting of the Trustees, with or without cause, by the affirmative vote of a majority of the Trustees then in office.

Section 6. Compensation of Officers. Officers who are Board members and not full- or part-time employees of the Foundation shall serve without compensation.

Section 7. The President. The President will see that all orders and resolutions of the Board of Trustees are carried into effect. The President will preside at meetings, of the Trustees and in his or her absence, the Vice President will preside, or the Trustees present at the meeting will designate another presiding officer.

Section 8. The Vice President. The Vice President will, in the absence or disability of the President, perform the duties and exercise the powers of the President and will perform any other duties prescribed by the Board or the President.

Section 9. The Secretary. The Secretary will attend all meetings of the Board and will designate to another the duty to record the minutes of all proceedings in a book to be kept for that purpose. The Secretary will give or cause to be given notice of all meetings of the board of Trustees for which notice may be required and will perform any other duties prescribed by the Board.

Section 10. The Treasurer. The Treasurer will oversee the financial activities of the Foundation. The Treasurer will perform all duties incident to the office of Treasurer and other administrative duties as may be prescribed by the Board.

Section 11. The Executive Director. The Executive Director will be the principal operating officer of the Foundation and will have general and active management of the day-to-day activities of the Foundation. The Executive Director, subject to the control of the Board, will supervise and control all of the property and affairs of the Foundation and will have the general duties incident to the office of the Executive Director and other duties as may be prescribed by the Board. Within this authority and in the course of his or her duties, he or she will sign, execute, acknowledge or verify instruments of any nature which the Board has authorized to be signed, executed, acknowledged or verified, except in cases where expressly delegated by the Board or by these Bylaws to some other officer or agent of the Foundation.

ARTICLE VI

Fiscal Year

The fiscal year of the Foundation shall commence on the 1st^t day of October of each year and terminate the following 30th of September, unless the Board shall determine an alternative fiscal period.

ARTICLE VII

Gifts to the Foundation

Section 1. Donor Gifts. Gifts shall vest in the Foundation upon receipt and acceptance by it. A Foundation officer, authorized employee, or the Board may accept gifts on behalf of the Foundation.

Section 2. Certain Conditions Imposed. Each donor, by making a contribution to the Foundation, accepts and agrees to all the terms of the Articles of Incorporation and these Bylaws, including the provisions for presumption of donors' intent, for modification of restrictions or conditions, and for amendments and termination.

Section 3. Contributions Made in Trust. If a contribution is made to a financial trustee in trust under which the Foundation has an income or remainder interest, or is a named beneficiary of any other portion of the trust assets, only those assets actually distributed to the Foundation from the trust shall be subject to the Foundation's Articles of Incorporation and Bylaws, and then only when the Foundation becomes entitled to their use. The Board may take such action as it deems necessary or advisable to protect the Foundation's interest in trust assets or its right to receive payments from any such trust.

Section 4. Designation by Donor. A donor may, in connection with a contribution made to the Foundation, impose certain restrictions or limitations which are not inconsistent with the Articles of Incorporation, Bylaws and written policies of the Foundation, relating to (a) specified charitable purpose or particular charitable organizations to be supported; (b) the manner of distributions, including amounts, times, and conditions of payment; (c) geographic limits or use of the gift, including use in or for areas outside the Alpena County area and its neighboring counties throughout northeast Michigan, and (d) the name, as a memorial or otherwise, for a given fund, or addition to a fund previously held.

Section 5. Commingling Investments. No contributions shall be required to be separately invested by direction of a donor. Directions for naming a fund as a memorial or otherwise may be satisfied either by segregating the assets of such fund or by commingling the fund with others but maintaining appropriate bookkeeping records to reflect the proportion of commingled assets represented by such fund.

Section 6. Presumption of Charitable Intent. Each contribution to the Foundation shall be presumed to be intended (a) to be used only for charitable purposes; (b) to be productive of a reasonable return of net income over a reasonable period of time; (c) to be used only for those purposes and in a manner as not to disqualify the contribution from deductibility as a charitable contribution in computing any federal income, gift or estate tax of the donor or his estate and not to disqualify the Foundation from exemption from federal income tax as a charitable organization described in Sections 501(c)(3) and 509(a)(1) of the Code; and (d) to be held and administered in accordance with the Articles of Incorporation and Bylaws of the Foundation and subject to any agreement relating to the custody, administration or investment of the assets of the Foundation. A donor may not impose any material restriction or condition that prevents the Foundation from freely and effectively employing the transferred assets, or the income derived therefrom, in furtherance of its charitable purposes. If any restriction or condition imposed by a donor, however, expressed, would, if followed, result in a use contrary to the intent so presumed, or if the board is advised by counsel that there is substantial risk of such result, the restriction or condition shall not be followed, but shall be varied by the Board so far as necessary to avoid such result, except that if the donor has clearly stated that compliance with the restriction or condition is mandatory, then the contribution shall not be accepted unless an appropriate judicial or administrative body first determines that the condition or restriction need not be followed. The Board, following acceptance and receipt of a restricted or conditional contribution, may vary the terms, conditions or restrictions imposed as in its discretion will fulfill the objectives of the donor consistent with the purposes and policies of the Foundation.

Section 7. Variance Powers Reserved to the Board. Notwithstanding any provisions in these Bylaws or in any instrument of transfer creating or adding to a fund of the Foundation, the Board shall have the power (a) to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations if in the sole judgment of the Board (without the necessity of the approval of any participating trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of Alpena County and the surrounding counties of Northeastern Michigan; (b) to replace any participating Trustee, custodian, or agent for the breach of fiduciary duty under Michigan Law; and (c) to replace any participating Trustee, custodian or agent for failure to produce a reasonable return of net income over a reasonable period of time, as determined by the Board.

Section 8. Supporting Organizations. In pursuit of the Foundation's charitable objectives, the Board shall have the authority to enter into relationships with other organizations described in Section 501(c)(3) of the Code, including organizations operated for the benefit of and to carry out the purposes of the Foundation, in which case the Foundation may exercise such supervision and control over any organizations as is necessary to qualify it as a supporting organization described in Section 509(a)(3) of the Code and the regulations thereunder.

ARTICLE VIII Grants and Disbursements

Section 1. Grants and Disbursements. The Board, not less frequently than yearly, shall: (a) determine all appropriations for grantmaking to be made from the Foundation's component funds pursuant to provisions of the Articles of Incorporation, these Bylaws, applicable state law, and the donor's directions if and to the extent applicable as provided herein, 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; and (b) determine all disbursements to be made for administrative expenses incurred by the Foundation.

Section 2. Grants Not Requiring Prior Board Approval. The Executive Director of the Foundation has the authority to make a grant from an agency fund, a designated fund, or a donor-advised fund without prior approval by the Board only if the grant (a) follows the criteria set forth in the applicable Fund Agreement; (b) is for the Foundation's charitable purposes; and (c) is consistent with the Foundation's spending rule or policy applicable to grants made from the particular component fund. Each such grant must be listed for ratification in the next quarterly staff report presented to the Board.

ARTICLE IX Indemnification

Section 1. Scope of Indemnity. The Foundation shall indemnify its Trustees and officers against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by them in connection with any actions or suits brought or threatened against them, including actions by or in the right of the corporation, by reason of the fact that such person was serving as a Trustee or officer of the Foundation, to the fullest extent permitted by the Michigan Nonprofit Corporation Act. The Foundation may indemnify persons who are not Trustees or officers only to the extent authorized by Board resolution or by contractual agreement authorized by the Board. A change in the Michigan Nonprofit Corporation Act, the Articles of Incorporation, or these bylaws that reduces the scope of indemnification does not apply to any action or omission that occurs before the change.

Section 2. Insurance. The Foundation may purchase and maintain insurance on behalf of any person who is or was a trustee, officer, employee, nondirector volunteer, or agent of this corporation or is or was serving at the corporation's request in any other enterprise against any liability incurred in such capacity.

ARTICLE XI

Books and Records


The Foundation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and its Executive and other Trustees' committees. The Foundation shall provide a method for public disclosure of its annual IRS Form 990 and such other documents and information as required by Federal, state, or local law.

ARTICLE XII

Amendments

These Bylaws may be altered or repealed, or new Bylaws may be adopted in lieu thereof by the affirmative vote of a majority of the Trustees then in office at any regular or special meeting of the Board, if a notice of the proposed alteration, repeal, or substitution be contained in the notice of such meeting.

These Bylaws were adopted by the Community Foundation for Northeast Michigan Board of Trustees at their regular meeting held on December 8, 2020.



Scott McLennan
Board President