

EARLHAM FOUNDATION FUND, INC.

BY-LAWS

PREAMBLE

This corporation is organized to accept contributions to be used by the corporation to further the effectiveness of the Earlham School District.

ARTICLE I

NAME

The name of this corporation shall be the Earlham Foundation Fund, Inc. For the purpose of brevity or for use in a logotype the short-form "Earlham Foundation" shall be used.

ARTICLE II

MEMBERS

Section 1. MEMBERS. Membership of the corporation shall consist of the initial Board of Directors (hereinafter called "Directors"), those successor Directors elected to the Board of Directors, and all living persons, and entities donating at least five hundred dollars (\$500.00) to said corporation.

Section 2. ANNUAL MEETING. The annual meeting of the members shall be held in the month of January in each year at a time and place designated by the President, beginning with the year 1995, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the election of the Directors be not held on the day designated herein for any annual meeting of the members, or any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

Section 3. SPECIAL MEETINGS. Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President, or at the request of the Directors, or at the request of not less than one-tenth (1/10th) of the members of the corporation entitled to vote at the meeting.

Section 4. PLACE OF MEMBERS' MEETINGS. The President may designate any place, upon approval of the Directors, within the state of Iowa, as a place of meeting for an annual meeting or for any special meeting called by the President.

Section 5. NOTICE OF MEETING. Written or printed notice stating the place, day and hour of the meeting, and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than (50) days before the date of meeting, either personally or by mail, by or at the direction of the President, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the membership books of the corporation, with postage thereon prepaid.

Section 6. QUORUM. A majority of the members of the corporation entitled to vote, represented in person or by proxy, or 10 members, whichever is least, shall constitute a quorum at a meeting of the members.

Section 7. PROXIES. At all meetings of the members, a member may vote by proxy executed in writing by the member or by the duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the corporation before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

Section 8. VOTING OF MEMBERSHIP. Each member shall be entitled to one (1) vote upon each matter submitted to a vote at the meeting of the members.

Section 9. INFORMAL ACTION BY MEMBERS. Any action required to be taken at a meeting of the members, or any other action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting for the action so taken, shall be signed by a majority of the members entitled to vote with respect to the subject matter thereof.

Section 10. VOTING BY BALLOT. Voting by members on any question or in any election may be viva voce unless a presiding officer shall order or any member shall demand that voting be by ballot.

ARTICLE III

BOARD OF DIRECTORS

Section 1. GENERAL POWERS. The business affairs of this corporation shall be managed by its directors. The Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and authority may be general or confined to specific instances.

Section 2. NUMBER, TENURE AND QUALIFICATIONS. The number of Directors shall be seven (7). Each Director shall hold office until the term of office for which he has been elected or appointed expires. In the case of a vacancy, the Director may, as provided in Article III, Section 8, elect a person to fill the unexpired term. All terms of office shall be for a period of three (3) years, except at the onset of the corporation, the following shall apply:

three year term – two Directors

two year term – two Directors

one year term – two Directors

The ongoing Director's term expires at the appropriate annual meeting when his/her replacement is elected. The Superintendent of the Earlham Community School shall be the perpetual member of the Directors.

Section 3. REGULAR MEETINGS. Organization meeting of the Directors shall be held immediately after, and at the same place as the annual meeting of the members.

Section 4. SPECIAL MEETINGS. Special meetings of the Directors may be called by the President or any four (4) Directors. The person or persons authorized to call special meetings of the Directors may fix the time and place for holding the special meeting of the Directors called by him/her/them.

Section 5. NOTICE. Notice of any meeting of the Directors shall be given at least two (2) days previously thereto by telephone or by written notice delivered personally or mailed to each Director at his business or home address. Such written notice shall be deemed delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Any Director may waive notice of any meeting. The attendance of a Director at a 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 Directors need be specified in the notice or waiver of notice of such meeting.

Section 6. QUORUM. A majority (4) of the Directors present at the meeting shall constitute a quorum or the transaction of business of the Directors.

Section 7. MANNER OF ACTING. The acts of the Directors present at a meeting shall be the acts of the Directors.

Section 8. VACANCIES. Any vacancy occurring in the Directors may be filled by the affirmative vote of the majority of the remaining Directors though less than a quorum of the Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by the election at an annual meeting or at a special meeting of the members called for that purpose.

Section 9. COMPENSATION. By resolution of the Directors, a Director may be paid his/her expenses in the conducting business of the corporation. Directors shall not receive compensation for their normal duties as Directors.

Section 10. PRESUMPTION OF ASSENT. A Director who is present at a meeting of the Directors at which action on any corporate matter is taken, shall be presumed to have assented to the action taken unless his/her dissent shall be entered in the minutes of the meeting, or unless he/she shall file his/her written dissent to such actions with the person acting as the Secretary of the meeting before the adjournment thereof, or shall forward such dissent by mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 11. REMOVAL OF MEMBER. Any member may be removed from the corporation by a 75% vote of the membership if judged to be in the best interest of the corporation. Any donation made by said member will not be refunded.

Section 12. INFORMAL ACTION BY DIRECTORS. Any action required to be taken at a meeting of the Directors, or at any other action which may be taken at a meeting of the 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 the Directors entitled to vote with respect to the subject matter thereof. All Directors must be contacted before any action is taken.

Section 13. EXECUTIVE COMMITTEE. The Directors may appoint an executive committee to handle specified business.

ARTICLE IV

OFFICERS

Section 1. NUMBER. The officers of the corporation shall be a president, a vice president, a secretary, and a treasurer, each of whom are directors and shall be elected by the Directors. Such other officers, assistant officers and acting officers as may be deemed necessary, may be appointed by the Directors. Any two offices may be held by the same person.

Section 2. ELECTION AND TERM OF OFFICE. The corporation's officers shall be elected by the Directors at their meeting following each annual meeting of the members. If the election of officers not be held at such meeting, such election shall be held as soon thereafter as convenient, but in no case later than fifteen(15) days. Each officer shall hold office until his/her successor shall have been duly elected and shall have qualified or until his/her death or until the Director resigns or has been removed in the manner hereinafter provided.

Section 3. REMOVAL. Any elected officer or appointee of the Directors may be removed by two-thirds (2/3) vote of the Directors whenever in its judgment the best interests of the corporation would be served thereby.

Section 4. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise may be filled by the Directors for the unexpired portion of the term.

Section 5. PRESIDENT. The President shall be the principal executive officer of the corporation and, subject to the control of the Directors, shall in general supervise and control all of the business and affairs of the corporation. He/she shall, when present, preside at all meetings of the members and the Directors. He/she shall in general perform all duties instant to the office of President and such other duties as from time to time may be prescribed by these By-Laws or by the Directors.

Section 6. VICE PRESIDENT. In the absence of the President or in the event his/her death, inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President; and in addition thereto, shall perform such other duties as may be assigned to him/her by the President or by the Directors or prescribed by these By-Laws.

Section 7. SECRETARY. The Secretary shall: (a) keep the minutes of the members and of the Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the corporate records; (d) keep a register of the post office address of each member; and (e) in general perform all duties instant to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Directors.

Section 8. TREASURER. If required by the Directors, the Treasurer (at corporation expense) shall give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Directors shall determine. He/she shall; (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) received and give receipts for money due and payable to the corporation from any source whatsoever, and deposit all such sums in the name of the corporation at such bank, trust companies or other depositories as shall be selected in accordance with the provisions of Article V, Section 4, of these By-Laws; and (c) in general perform all the duties instant to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Directors.

Section 9. ASSISTANT SECRETARIES AND ASSISTANT TREASURERS. The Assistant Treasurer, shall, if required by the Directors, give bonds (at corporation expense) for faithful discharge of their duties and with such sums and with such sureties as the Directors shall determine. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or by the Directors.

Section 10. OTHER ASSISTANTS AND ACTING OFFICERS. The Directors shall have the power to appoint any person to act as assistant to any officer, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally, and such assistant or acting officer so appointed by the Directors, shall have the power to perform all the duties of the office to which he/she is so appointed to be assistant, or as to which he/she is so appointed to act, except such power may be otherwise defined or restricted by the Directors.

ARTICLE V

DISPERSMENT OF FUNDS

The following guidelines are setup to give direction to the Board of Directors in dispersing funds collected by the foundation.

Section 1. GENERAL CONTRIBUTIONS TO THE FOUNDATION. Contributors may donate funds to the foundation for general use for the betterment of the school. The funds generated in one calendar year will be dispersed the following year. At least seventy-five percent (75%) of the funds will be invested in non-high risk accounts in order to develop a self perpetuating source of income. This income may then be used to provide for school improvement during the year the income becomes available. The other twenty-five (25%) collected during a calendar year may also be used the following year for school improvement and to pay administrative costs not to exceed five (5%) of total donated in the prior calendar year.

Section 2. SPECIAL PROJECTS AS IDENTIFIED BY CONTRIBUTORS. Contributors may contribute for special projects as determined by them. However, the contribution must be in sufficient amount to completely fund the project. School Board or Superintendent approval must be granted prior to contributions being made.

Section 3. SPECIAL PROJECTS AS IDENTIFIED BY THE FOUNDATION. The foundation may organize a fund raising campaign for a special project. It must be clearly communicated to contributors the purpose for which these funds will be spent. School Board or Superintendent approval must be granted prior to organizing the campaign.

Section 4. SCHOOL ACCEPTANCE OF PURCHASES. Any planned purchases for the school must be presented to the Earlham Board of Education or Superintendent for acceptance prior to making said purchase.

ARTICLE VI

WRITTEN INSTRUMENTS, LOANS, AND DEPOSITS

Section 1. WRITTEN INSTRUMENTS. Subject to the specific directions of the Directors, all deeds and mortgages made by the corporation and all other written contracts and agreements to which the corporation shall be a party shall be executed in its name by two Directors. The two Directors signing the checks shall be the President and Treasurer or any Director as designated by the Board of Directors.

Section 2. LOANS. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be in its name unless authorized by resolution of the Directors and signed by the President and attested to by the Secretary. Any Director as designated by the Board of Directors may act in place of the President or Secretary.

Section 3. CHECKS, DRAFTS, ETC. All checks, drafts, or other evidences of indebtedness issued in the name of the corporation shall be signed by the Treasurer or the President. Any Director as designated by the Board of Directors may act in place of the Treasurer. Each check, draft or other evidence of indebtedness for expenses in the normal course of business will be reported to the Directors at the next meeting and recorded in the minutes. Other checks, drafts, or other evidence of indebtedness must have prior approval by at least 4 Directors.

Section 4. DEPOSITS. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation at such bank, trust companies, or other depositories as the Directors may select.

ARTICLE VII

CALENDAR YEAR

The fiscal year of the corporation shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December in each year.

ARTICLE VIII

SEAL

The corporation shall have no seal.

ARTICLE IX

AMENDMENTS

These By-Laws may be altered, or repealed and new By-Laws may be adopted by the majority vote of a quorum members present at any regular or special meeting of the members.