



BY-LAWS

Adopted by the Board of Directors, Thursday January 24, 2008
Amended April 10, 2013
Amended January 20, 2015
Amended July 18, 2018
Amended June 19, 2019
Amended December 18, 2019
Amended August 19, 2020



ARTICLE I NAME

The name of the organization shall be the Great Valley School District Education Foundation (hereinafter referred to as the "Foundation")

ARTICLE II PURPOSE

SECTION 1 – Purpose: The Foundation garners community support and engagement for the Great Valley School District. The Foundation provides supplemental revenue to the Great Valley School District through private philanthropy, pursuant to Section 501C3 of the Internal Revenue Code.

SECTION 2 – Mission Statement: We exist to enrich the total student experience in the Great Valley School District as a community partner by funding special projects and programs.

SECTION 3 – Tax Exemption: The Foundation is organized exclusively for the charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1954, as amended, including for such purposes the making of distributions to organizations that qualify as exempt organizations under said Section or the corresponding provisions of any subsequent laws. The Foundation shall not carry on any other activities not permitted to be carried on by an organization exempt from Federal Income Tax under Section 501 deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue law).

SECTION 4 – Funding Mechanisms: The Foundation will secure resources from individuals, corporations, community organizations, and foundations to be distributed in accord with the mission and funding criteria established by the Foundation.

SECTION 5 – Distribution of Funds: No part of the net earnings of the Foundation shall inure to the benefit of, or be distributable to its directors, trustees, officers, or other private persons except that this organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes as set forth herein. No substantial part of the activities of the Foundation shall be directed toward an attempt to influence legislation and the Foundation shall not participate in any political campaign on behalf of any candidate for public office.



SECTION 6 – Dissolution of Foundation: Upon the dissolution of the Foundation by sale, liquidation, or otherwise, all remaining assets shall, after payment or provision for payment of all liabilities of the Foundation, be distributed exclusively to the GVSD, a qualified exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1954, as amended. However, if the Great Valley School District is not then in existence or no longer a qualified distributee, or unwilling or unable to accept the distribution, then the assets of this Foundation shall be distributed in accordance with the direction of the last seated Board of Directors.

ARTICLE III MEMBERSHIP

The Foundation shall have no members.

ARTICLE IV BOARD OF DIRECTORS

SECTION 1 – Powers and Duties: All corporate powers of the Foundation shall be exercised by or under the authority of the Board of Directors (hereinafter referred to as the “Board”).

SECTION 2 – Number of Directors: The number of Directors shall not be fewer than nine (9) nor more than twenty-one (21), one of which shall be the Director of Administrative Services if the position exists. There shall be a minimum of (2) Student Representatives of different graduating classes with one-year renewable terms. The Student Representatives shall be voting members. Ex-officio members are not counted in the number of Directors. Ex-officio members of the board shall be the Superintendent, the Business Manager, and a member of the School Board, the District’s Director of Communications, and a Teacher representative. In addition, ex-officio members may include an Alumni Association representative and such others as the Board deems appropriate. Ex-Officio members are non-voting members.

SECTION 3 – Manner of Selection and Term: Each Director, except the ex-officio Directors, shall serve a term of three (3) years. As nearly as possible, one-third of the directors shall be elected each year at the annual meeting by a majority vote of the Directors then in office. Nominations for Directors may be submitted by the Nominations Committee or by individual Directors.

SECTION 4 – Vacancies: Except as otherwise stated in these by-laws, any vacancy occurring among the members of the Board shall be filled by a majority vote of the Directors then in office. A Director elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor.



SECTION 5 – Quorum: A majority of the elected Directors shall constitute a quorum for the transaction of business at any meeting of the Board. Directors may vote by proxy.

SECTION 6 – Compensation: No Director shall receive, directly or indirectly, any compensation for his/her services as director.

SECTION 7 – Vacancy on Board When Member Fails to Attend Meetings or meet obligations and duties:

- (a) If any Director shall neglect or refuse to attend three (3) successive regular meetings of the Board, unless detained by sickness, the remaining Board members may, by majority vote, declare the seat vacant and proceed to fill it in accordance with the by-laws.
- (b) If a Director's attendance at Board and committee meetings does not meet the standards set forth above, the Executive Committee may recommend that the Board declare the seat vacant.

ARTICLE V OFFICERS

SECTION 1 – Number and Qualifications: The Officers of the Foundation shall consist of a President, Vice-President, a Secretary, a Treasurer, and such other officers as the Board may from time to time appoint.

SECTION 2 – Election and Term of Office: Nominations for open officer positions shall be made no later than two meetings prior to the Annual Meeting. Nominations shall be made to the Governance Committee. All nominations shall be presented to the Board of Directors at the meeting one month prior to the Annual Meeting. Following the election of

Directors at the Annual Meeting, the Officers of the Foundation shall be elected. Vacancies may be filled at any meeting of the Board. Each

officer shall hold office for two years and until a successor shall have been duly elected and qualified.

SECTION 3 – President: Subject to the control of the Board, the President shall have general supervision of the affairs of the Foundation. The President shall preside at all meetings of the Board and shall have such other duties as may be prescribed by the Board. The President shall serve as an ex-officio member of all committees, with the exception of the Nominating Committee.



SECTION 4 – Vice-President: In the absence of the President, the Vice-President shall perform the duties of the President. The Vice-President shall have such other powers and duties as may be assigned by the Board.

SECTION 5 – Secretary: The Secretary shall be responsible for the minutes of all meetings of the Board of Directors. The Secretary shall have other such additional powers and duties as may be assigned by the Board.

SECTION 6 – Treasurer: The Treasurer shall be responsible for the accounting of all monies for the Foundation, including depositing and investing them in accordance with the policy adopted. The Treasurer shall have such additional powers and duties as may be assigned by the Board. The Treasurer may be bonded, at the expense of the Foundation, at the discretion of the Board. In the normal course of business, the Business Manager shall serve as the Treasurer.

ARTICLE VI DIRECTORS' AND OFFICERS' LIABILITY AND INDEMNIFICATION

SECTION 1 – Powers; Personal Liability:

(a) General Rule: Unless otherwise provided by statute, all powers vested by law in the Foundation shall be exercised by or under the authority of, and the business and affairs of the Foundation shall be managed under the direction of, the Board of Directors.

(b) Standard of Care; Justifiable Reliance: A director shall stand in fiduciary relation to the Foundation and shall perform his/her duties as director, including duties as a member of any committee of the board upon which the director may serve, in good faith, in a manner the director reasonably believes to be in the best interests of the Foundation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

(c) Personal Liability of Directors:

1. A director shall not be personally liable, as such, for monetary damages for any action taken, or any failure to take action, unless:
 - A. the director has breached or failed to perform the duties of his/her office under section 8363 of the Directors' Liability Act (relating to standard of care and justifiable reliance); and
 - B. the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.



2. The provisions of paragraph (1) shall not apply to the responsibility or liability of a director pursuant of any criminal statutes or the liability of a director for payment of taxes pursuant of local, State, or Federal law.

SECTION 2 – INDEMNIFICATION:

SECTION 2.1 – Scope of Indemnification:

a) General Rule: The Foundation shall indemnify any officer, Director, employee or representative of the Foundation who are acting on behalf of the Foundation in their responsibilities. The Foundation shall indemnify any officer, Director, employee or representative of The Foundation who was or is a party or is threatened otherwise by reason of the fact that such person is or was serving in an indemnified capacity, including, without limitation, liabilities resulting from any actual or alleged breach or neglect of duty, error, misstatement or misleading statement, negligence, gross negligence or act giving rise to strict or products liability, except:

(1) where such indemnification is expressly prohibited by applicable law;

(2) where the conduct of the indemnified representative has been finally determined pursuant to Section 2.6 or otherwise;

(a) to constitute willful misconduct or recklessness within the meaning of 15 PA C.S. 513(b) and 1746(b) and 42 PA C.S. 8365(b) or any superseding provision of law sufficient in the circumstances to bar indemnification against liabilities arising from conduct; or

(b) to be based upon or attributable to the receipt by the indemnified representative from the Foundation of a personal benefit to which the indemnified representative is not legally entitled; or to the extent such indemnification has been finally determined in a final adjudication pursuant to Section 2.6 to be otherwise unlawful.

Partial Payment: If an indemnified representative is entitled to indemnification in respect of portion, but not all, of any liabilities to which such person may be subject, the Foundation shall indemnify such indemnified representative to the maximum extent for such portion of the liabilities.

Presumption: The termination of a proceeding by judgment, order, settlement, or conviction or upon plea of *nolo contendere* or its equivalent shall not of itself create a presumption that the indemnified representative is not entitled to indemnification.

SECTION 2.2 – Proceedings Initiated by Indemnified Representatives: Notwithstanding any other provision of this Article, the Foundation shall not indemnify under this Article an indemnified representative for any liability incurred in a proceeding initiated (which shall not be deemed to



include counter claims or affirmative defenses) or participated in as an intervener or amicus curia by the person seeking indemnification unless such initiation of or participation in the proceeding is authorized, either before or after its commencement, by the affirmative vote of a majority of the directors in office. This section does not apply to a reimbursement of expenses incurred in successfully prosecuting or defending an arbitration under Section 2.6 or otherwise successfully prosecuting or defending the right of an indemnified representative granted by or pursuant to this Article.

SECTION 2.3 – Advancing Expense: The Foundation shall pay the expenses (including attorneys’ fees and disbursement) incurred in good faith by an indemnified

representative in advance of the final disposition of a proceeding described in Section 2.1 of the initiation of or participation in which is authorized pursuant to Section 2.2 upon receipt of an undertaking by or on behalf of the indemnified representative to repay the amount if it is ultimately determined pursuant to Section 2.6 that such person is not entitled to be indemnified by the Foundation pursuant to this Article. The financial ability of an indemnified representative to repay an advance shall not be a prerequisite to the making of such advance.

SECTION 2.4 – Securing of Indemnified Obligations: To further effect, satisfy, or secure the indemnification obligations provided herein or otherwise, the Foundation may maintain insurance, obtain a letter of credit, act as a self-insurer, create a reserve, trust, escrow, cash collateral, or other fund or account, enter into indemnification agreements, pledge or grant a security interest in any assets or properties in such amounts, at such costs, and upon such other terms and conditions as the board of directors shall deem appropriate. Absent fraud, the determination of the board of directors with respect to such amounts, costs, terms and conditions shall be conclusive against security holders, officers, and directors and shall not be subject to voidability.

SECTION 2.5 – Payment of Indemnification: An indemnified representative shall be entitled to indemnification within thirty (30) days after a written request for indemnification has been delivered to the secretary of the Foundation.

SECTION 2.6 – Contribution: If the indemnification provided for in this Article or otherwise is unavailable for any reason in respect of any liability or portion thereof, the Foundation shall contribute to liabilities to which the indemnified representative may be subject in such proportion as is appropriate to reflect the intent of this Article or otherwise.

SECTION 2.7 – Mandatory Indemnification of Directors, Officers, Etc.: To the extent that an authorized representative of the Foundation has been



successful on the merits or otherwise in defense of any action or proceeding referred to in 15 PA C.S. 1741 or 1742 or in defense of any claim, issue, or matter therein, such person shall be indemnified against expenses (including attorneys' fees and disbursements) actually and reasonably incurred by such person in connection therewith.

SECTION 2.8 – Scope of Article: The rights granted by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification, contribution or advancement or expenses may be entitled under any statute, agreement, vote of shareholders, or disinterested directors or otherwise both as to action in an indemnified capacity and as to action in any other capacity. The indemnification, contribution, and advancement of expenses provided by or granted pursuant to this Article shall continue as to the person who ceased to be an indemnified representative in respect of matters arising prior to such time, and shall inure to the benefit of their heirs, executors, administrators, and personal representatives or such person.

ARTICLE VII COMMITTEES

SECTION 1 – Committees: Except as otherwise stated in these by-laws, committees will be formed by consensus and the chair will be elected by the committee members. The President may appoint the members and designate the chair of standing and other committees as necessary. Committees shall serve at the pleasure of the Board under such rules and regulations as the Board may approve; committee members may include persons who are not members of the Board, but the chairperson of any committee must be a member of the Board. All action taken by committees shall be subject to ratification by the Board. The Chairperson of each committee shall make a report to the Board at each regular Board meeting.

SECTION 2 – Executive Committee: There shall be an Executive Committee composed of the Officers and selected Directors of the Foundation. The Executive Committee or appointed representatives shall be charged with the development and presentation of the annual budget to the Board of Directors. All action taken by the Executive Committee shall be subject to ratification by the Board.

SECTION 3 – Standing Committees: Standing committees shall include at least the following: Allocation, Communication and Outreach (Including Marketing, Alumni and Fund Development), Finance and Investment, Nominating, and Governance.

SECTION 4 – Other Committees: The Board may create additional committees as needed.



ARTICLE VIII MEETINGS

SECTION 1 – Annual Meeting: The annual meeting of the Board shall be held in the month of May at such time, date, and place as the Board shall determine.

SECTION 2 – Regular Meetings: Regular meetings will be held at least six (6) times per year. In addition to the annual meeting, regular meetings of the Board shall be at such time, date, and place, as the Board shall determine.

SECTION 3 – Executive Committee Meetings: Executive Committee meetings will be held six (6) or more times per year. The Executive Committee shall meet in advance of the Regular Board Meetings to build the agenda for the meeting. The Executive Committee may also meet at the call of the President or any two officers to conduct the affairs of the Foundation between meetings of the Board.

SECTION 4 – Committee Meetings: Committee meetings will be held as necessary at the determination of the chair of the committee.

SECTION 5 – Notice of Meetings:

- a. **Notice of the Annual Meeting:** Notice of the Annual Meeting shall be given to the Directors not more than thirty (30) days, nor less than ten (10) days before the meeting.
- b. **Notice of Regular Meetings:** Notice of Regular Meetings shall be given to the Directors a minimum of seven (7) days prior to the meeting.
- c. **Waiver of Notice:** Any Director may waive, in writing, the notice requirements contained in these by-laws. All waivers shall be made part of the minutes of the meeting.
- d. **Action in Lieu of a Meeting:** Any Board action required or permitted to be taken by the Board may be taken without a meeting, if two-thirds (2/3) of all Directors of the Board shall consent to such action in writing. Such written consent shall be made a part of the minutes of the proceedings. Such action by written consent shall have the same force and effect as the same vote of the Directors at a duly convened meeting.

SECTION 6 – Special Meetings: Special meetings will be held at the request of the President or any two Directors whenever there is business that must be acted upon before the next regularly scheduled meeting. Notice of special meetings shall be given to the Board of Directors no less than



three (3) days before the meeting. All other requirements of regular meetings shall be in effect for special meetings. No business may be transacted at a special meeting that was not contained in the notice of such meeting.

Article IX

Annual Report, Budget and Audits

SECTION 1 – Budgets: Upon recommendation of the Finance Committee, the Board shall adopt a budget for each fiscal year. The budget shall be presents to the Board for approval at the Annual Meeting in May.

SECTION 2 – Audits: The audit shall be conducted in accordance with industry standards and shall be in compliance with the Bureau of Charitable Organizations. The auditors' report shall be filed with the records of the Corporation and shall be accompanied by a management letter. A copy of the audit and management letter shall be presented to the Board at the meeting immediately following completion of the audit.

SECTION 3 - Annual Report: The Director of Administrative Services shall provide an Annual Report describing the activities of the Foundation in the preceding year. In addition, the report will summarize briefly the following:

- a. The assets and liabilities, including the trust funds of the Foundation as of the end of the fiscal year immediately preceding the date of the report.
- b. The principal changes in assets and liabilities, including trust funds, during the year immediately preceding the date of the report.
- c. The revenue of receipts of the Foundation, both unrestricted and restricted, to particular purposes of the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Foundation.
- d. The expenses or disbursements of the Foundation, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Foundation.
- e. Concurrently with the presentation of the report to the Board of Directors, a copy of the report shall be given to the GVSD Board and shall be available for the inspection of the general public.



SECTION 4 – Fiscal Year: The fiscal year shall begin July 1 and end on June 30 of the following year.

ARTICLE X CONTRIBUTIONS, INVESTMENT, AND ALLOCATIONS

SECTION 1 – Contributions: The Foundation shall accept contributions from donors in accordance with policies to be established by the Foundation. Any designated gift, if accepted by the Foundation, shall be used only for the purposes for which it has been designated. The Board is empowered to reject any gifts that it deems inappropriate. The Foundation shall have the power, from time to time, to designate various funding divisions of contributions for the purpose of separately identifying and safeguarding the assets contributed by various donors to such divisions in order to insure the application of such assets and/or the income therefrom for the purposes for which such divisions are created and for which contributions are made.

Notwithstanding the foregoing, upon the unanimous vote of the Directors of the Foundation, a portion or all of the assets of any funding division may, at any time in the future, be transferred to another funding division, if it is determined that the original purposes of such funding division cannot be reasonably be carried out with the assets allocated thereto.

Among the funding divisions to be established by the Foundation shall be the General Fund, which shall be a general division for accumulation of assets contributed by donors to the Foundation without specific designation. By way of

example only, other funding divisions which might be established by the Foundation could include: a division for the funding of programs and equipment relating to computer technology; a division for funding of the purchase of musical instruments in support of the music program; a division for the funding of specified athletic programs and equipment relating to such programs; and, a division for capital improvements.

SECTION 2 – Investment of Assets: The Foundation shall invest contributions received from donors in accordance with policies to be established by the Foundation. The Foundation shall have the power to invest assets of the various funding divisions separately or in the aggregate, or in various combinations thereof, so long as the assets from each separate funding division and the income generated therefrom can be separately identified and segregated for allocation purposes. The Board may utilize the services of the GVSD or may appoint a financial institution or investment advisor for purposes of investing the assets held by the Foundation. Any such utilization of services or appointment may be terminated by the Foundation at any time with or without cause. Any such financial institution or investment advisor may appoint a representative to attend



meetings of the Board of Directors but shall have no vote at such meetings.

SECTION 3 – Allocations: The Foundation shall make distributions at least as frequently as annually, in support of its educational programs. In making distributions, the Foundation shall take into account the desires and goals, if expressed, by donors in making contributions to the Foundation; the needs of the GVSD; and the recommendations of the allocations committee, if established, of the Foundation.

ARTICLE XI MISCELLANEOUS

SECTION 1 – Rules: Robert’s Rules of Order (in its most recent edition at the date of its use) shall be the parliamentary authority for all matters of procedure not specifically covered by these by-laws or by other specific rules of procedure adopted by the Directors of the Foundation.

SECTION 2 – Report to Directors: The President shall furnish a written report annually to all Directors of the Foundation.

SECTION 3 – Amendments: These by-laws may be amended by the affirmative vote of two-thirds (2/3) of the Directors of the Foundation. No action shall be taken to amend any by-laws unless written notice of the proposed amendment(s) shall have been given at least ten (10) days prior to the meeting.

SECTION 4 – Dissolution: The Foundation may be dissolved at any time by a two-thirds (2/3) majority vote of the Directors of the Foundation in accordance with such procedures as they shall from time to time adopt.

SECTION 5 - Books and Records: The Foundation shall keep an original or duplicate record of the proceedings of the Directors, the original or a copy of its by-laws, including all amendments thereto to date, certified by the Secretary of the Foundation, and an original or a duplicate Board register, giving the names of the Directors, and showing their respective addresses. The

Foundation shall also keep appropriate, complete, and accurate books or records which shall be reviewed as appropriate.

SECTION 6 - Conflict of Interest: The Board shall adopt a conflict of interest policy.