


Memorandum

To: The Foundation of The Rotary Club of Bonita Springs, Inc. Nancy Ross, President
Fr: Richard Garner on behalf of the By-Laws Review Committee, Ron Anderson, Donna Flammang, Nancy Ross and Richard Garner 
RE: Summary of key Revisions to Foundation By-Laws
Date: March 29, 2022

Attached is the most recent (proposed) revision to our Foundation By-Laws. Our By-Laws Review Committee, has reviewed and discussed extensively the document you now have.

This memo is to offer a very brief summary of key changes offered with no priority. The Committee choose to follow the format and template of other Rotary Foundations we felt provided better organization and ease of understanding. Overall we believe this document meets the necessary regulatory requirements and properly identifies our mission purposes and practices.

- The Foundation Trustee election process was amended to allow the President of The Rotary Club to select an Alternate Nominating Committee Chairman in certain circumstances
- A provision was made to seat the Sitting Club President as a Non-Voting Ex-Officio Trustee. Voting Trustees remain at 7
- Clarified Immediate Club Past President is offered a **nomination** for a 3 year term.
- Language was clarified regarding sitting Trustees who wish to be nominated for a second (back to back) term. The Trustee must be duly nominated and elected as all other candidates.
- Trustee Non-Compensation and Conflict of Interest policies were strengthened and clarified.
- Clarified Foundation assets do not invest or inure to the benefit of Trustee during or after serving.
- Established Gift Giving and Donation standards to identify financial documentation required and specific feedback from beneficiaries
- Established basic duties for Trustee due diligence in accepting public donations of cash and real property.
- Established the requirement of an annual Stewardship Report given by the President detailing specifics and results of funding during the period.
- Established a two signatory requirement for all expenditures or donations in excess of \$10,000.
- Clarified Trustees may ask for an Audit or Review of financial activities if desired.
- Emphasized bonding and insurance requirements for all outside agents and vendors and suggestion Rotarians as preferred business partners.

We welcome any discussion or comments.



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A Trustee who is present at a meeting of the Board of Trustees or any committee thereof, at which an action is taken, shall be presumed to have concurred in the action, unless his dissent thereto shall be entered in the minutes of the meeting or unless he shall submit his written dissent to the acting Secretary of the Board of Trustees promptly after the adjournment of the meeting. Such rights to dissent shall apply to a Trustee who voted in favor of such action. A trustee who is absent from a meeting of the Board or any committee thereof, at which such action is taken shall be presumed to have concurred in the action unless he shall deliver or send by registered airmail or certified mail his dissent thereto to the Secretary of the Board of Trustees, or shall cause such dissent to be filed in the minutes of the proceedings of the Board of Trustees within a reasonable time after learning of such action.

ARTICLE VI: MEETINGS OF BOARD OF TRUSTEES

The meetings of the Board shall be held in person, via Zoom, E-Conference or other electronic forum as determined by the President or at any place within the State of Florida as the Board of Trustees may from time to time determine.

The Board of Trustees annual organizational meeting shall be held in July of each year at such date time and place determined by the Board. Special meetings shall be held upon notice to the Trustees and may be called by the President of the Board upon written request of two Trustees. Such other meetings of the Board of Trustees shall be held monthly or at such time as may be specified by resolution, Provided the Board shall call at least four such regular meetings during the Rotary Foundation fiscal year.

A special meeting of the Board may be called at any time by the President or Two or more Trustees. Notice of any regular or special meeting of the Board shall be given at least five (5) days prior to, by personal notice, email or written notice, sent by any usual means of communication to each Trustee to the address shown by the records of The Rotary Club of Bonita Springs, Inc.

Attendance of a Trustee at a meeting shall constitute a waiver of notice of each meeting, except when a Trustee attends a meeting for the express purpose of objecting the transaction of any business because the meeting is not lawfully called or convened.

At all meetings of the Board of Trustees, a majority of the total Trustees then in office shall constitute a quorum for the transaction of business. When a quorum is once present to organize the meeting, it is not broken by the subsequent withdrawal of any of those present and the meeting may not be adjourned despite the absence of a quorum. The vote of the majority of the Trustees at a meeting which a quorum is present shall be the act of the Board of Trustees, unless a vote of greater number is required for specific action as written elsewhere in these By-Laws.

Any Action required to be taken or which may be taken at any meeting of the Board may be taken without a meeting if consent in writing, setting forth the action to be taken, signed

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Pursuant to Florida Statutes 617.0206, the undersigned Florida non-profit Foundation adopted the following amendment to its by-laws as set forth in its entirety below;

ARTICLE I: NAME

The name of the Foundation is The Foundation of The Rotary Club of Bonita Springs, Inc.

ARTICLE II: Offices and Registered Agent

The mailing address of the Foundation is C/O The Rotary Club of Bonita Springs, P.O. Box 474 Bonita Springs, FL 34133. The principal office and street address of the Foundation shall be 2660 Country Club Drive Bonita Springs, FL 34134. Situated in Lee County, Florida. The Registered Agent at that address shall be the sitting Secretary, Treasurer, or other Officer as designated by the Board of Trustees.

ARTICLE III: Purpose

The Foundation is organized and is to be operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 as amended, or the corresponding provision of the future United States Internal Revenue Law (Code) including to do all acts and conduct all activities necessary, suitable, useful, proper and expedient in connection with and incidental to the purposes set forth herein or hereafter adopted by the Foundation Board of Trustees.

ARTICLE IV: Members

The Members of the Foundation shall consist of all members in good standing of the Rotary Club of Bonita Springs, Inc. (hereinafter referred to as the "Rotary Club").

ARTICLE V: Board of Trustees

The affairs of the Foundation shall be managed by a Board of Trustees (hereinafter collectively referred to as the "The Board or "Board of Trustees" each of whom shall be of legal age, bondable and bonded in an amount sufficient to protect the Foundation assets and as agreed to by the Board of Trustees.

The number of Trustees shall be seven (7) plus a Non-Voting Ex-Officio seat for the sitting Rotary Club President. This number may be changed by subsequent amendment to these By-Laws within the context and provisions of the Articles of the Foundation. Trustees shall serve until their terms expire or their successors are elected or appointed. All seven (7) Trustees shall have equal and full voting responsibilities as members of the Board.

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The procedure for appointments and elections to the Foundation Board of Trustees shall be as follows:

The Nominating Committee should be appointed by the President of The Rotary Club in April of each year in which the term of an elected Trustee expires. The nominating committee should include the Immediate Past President as Chairman and two members of the Rotary Club who are not members of the Club's Board or members of the Foundation Board of Trustees. Should the Immediate Past President intend to place his/her name forward as a candidate for an open Trustee seat, or is unavailable to serve, an alternate with substantial Rotary experience may be selected. The nominating committee shall seek candidates with substantial Rotary Club experience and give preference for nomination to past presidents, former Board Members and experienced Club members. Immediate Past Club Presidents will be offered a nomination for a three year term to the Foundation Board at the end of their Club leadership year.

At the three regular meetings of the Rotary Club preceding June 1 of each year the nominating committee shall actively solicit recommendations of active members of the club to be elected to serve as a Trustee for a three year term.

At the second regular meeting of the Club in June the nominating committee shall present the names of recommended active members of the Club for election to each open seat.

The presiding officer shall determine a quorum and invite further nominations from the floor. If there are additional nominations from the floor, a written ballot shall be distributed and the active member's receiving the greatest number of votes shall be declared elected as Trustee. If there are no additional nominations from the floor, the active members presented by the nominating committee shall be declared elected. All Trustees must be members of The Rotary Club and the Foundation and shall immediately cease to be a Trustee upon the cancellation or termination of The Club membership for any reason.

Trustees of The Foundation will serve three (3) year terms and if duly nominated and elected, may serve back to back three year terms.

Vacancies occurring in the Board of Trustees by death, resignation, refusal to serve, or otherwise, shall be filled for the unexpired term by the vote of a majority of the Rotary Club Board at any regular or special meeting.

The Club Board by a three fourths, (3/4ths) vote or Members of The Club by a three fourths (3/4ths) shall have the authority to remove any Trustee for good and sufficient cause, provided notice of the time and place of the meeting at which they propose to take such action shall first be given to all Trustees of the Foundation and provided the Trustee whom it is proposed to remove shall at such meeting be given an opportunity to be heard.

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by all of the Trustees is filed in the minutes of the proceedings. Such consent shall have the same effect as a unanimous vote.

Members of the Board, or any committee appointed by the Board of Trustees shall be deemed present at any meeting if a Zoom or e-conference telephone or similar communication equipment by means of which all persons participating in the meeting can communicate to each other is used.

ARTICLE VII: NON- COMPENSATION of Trustees - Conflict of Interest

Trustees shall not receive any compensation for their services as Trustee. The Board may authorize reimbursement of expenses incurred in the performance of their duties. Such authorization should be approved prior to the expenditure being made and shall be documented with proper receipts.

Annually all Trustees shall individually acknowledge and execute a Conflict of Interest Statement as provided by the Secretary of the Board. Such Conflict of Interest Statement should prohibit any Trustee from voting, consulting or participating in the vote of any business benefiting or perceived to benefit any Trustee. Any Conflicts of Interest should immediately be brought to the Board and acted on. Receipt of executed Conflicts of Interest Statements shall be recorded in the minutes at a regular meeting of Trustees.

ARTICLE VIII: Committees

The Board of Trustees by resolution may designate two or more of it's members to any committee. To the extent provided in said resolution or these By-Laws a side committee may exercise the powers of the Board of Trustees concerning the management of the business of the Corporation. Each member each such committee shall serve at the pleasure of the Board. The designation of any such committee and the delegation thereto to authority shall not relieve any Trustee of any responsibility imposed by law.

ARTICLE IX: Officers

The Officers of The Foundation shall be President, Vice President, Secretary and Treasurer and such other officers as may be appointed by these By-Laws. Each officer shall be elected annually by the Board at its annual meeting, to serve until the next ensuing annual meeting or until a successor shall have been duly elected or appointed. The Board may elect or appoint or by resolution provide for the appointment or other officers or agents. All Foundation Members and Officers must be Rotary Club Members .

The President shall be the Chief Executive Officer of the Foundation and shall have general and active management of the Board and preside at all meetings of the Board of Trustees. The Secretary shall have custody of and maintain all corporate records except for financial records. The Secretary shall record the Minutes of all meetings of the Board, deliver all notices of meetings, insure the Conflict of Interest Statement is distributed, executed and recorded in the minutes annually and perform such other duties as may be prescribed by the Board or the President.

The Treasurer shall have custody of all corporate funds and financial records. Shall keep full and accurate accounts of receipts and disbursements and shall render accounts thereof as

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the Board or the President may direct. It shall be the Treasurers responsibility to file or cause to be filed any Corporate filings with State of Federal regulatory or governmental agency as required. The Treasurer shall perform such other duties as may be prescribed by the Board or the President.

An Officer or agent elected or appointed by the Board may be removed by the Board whenever in it's judgement, the best interest of the Foundation will be served thereby.

ARTICLE X: Administration-Employing Outside Agents-Giving Standards and Funds

The business of the Foundation shall be managed and its corporate powers exercised by the Board of Trustees. Trustees shall hold, invest, manage and administer or expend the corpus or income of the Foundation assets for furtherance of any philanthropic, charitable, educational or other purpose consistent with the purpose of the Foundation as expressed in the Articles of Incorporation and consistent with the By-Laws of the Foundation.

In administering the property of the Corporation, the Board shall have the authority to sell, lease, transfer or exchange all or part of Foundation assets upon such terms and conditions as they may deem best, and to execute any proxies, powers of attorney or agreements that may be necessary as permitted by law.

The Board may select and employ suitable agents and attorneys, including a Trust Company to whom may be delegated revocable powers to manage and invest assets. All Foundation Members and Officers must be Rotarians. When Foundation business is delegated to outside agents care must be made to insure all agents and vendors are properly insured or bonded and licensed.

Except as otherwise provided by the Board, contracts may be executed on behalf of the Foundation by the President and may be attested and the corporate seal affixed by the Secretary. The Board may authorize the execution of contracts by such other officers, or agents as may be designated by them.

The Board, by majority vote, may adopt such rules and regulations for the administration of the Foundation as in their opinion may be necessary or advisable to the extent that such rules and regulations not be illegal or contrary to the specifically expressed intention of a donor or testator, or contrary to the Articles of Incorporation or By-Laws of the Foundation or of Rotary International.

All funds of the Foundation not otherwise employed shall be deposited to the credit of the Foundation in such banks, trust companies, or other depositories as the Board may select, or as may be designated by any Officer or Agent of the Foundation to whom such power may be delegated by the Board. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Foundation shall be

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signed by such officer or agents in such manner as shall from time to time be determined by resolution of the Board.

Expenditures or donations greater than ten thousand dollars, (\$10,000.) shall require the signature of two authorized Officers and/or agent.

Upon the request of a majority of the Board of Trustees, the accounts of the Foundation shall be audited or reviewed by a reputable Certified Public Accountant, whose report shall be submitted to each member of the Board of Trustees.

Acceptance of Gifts and Due Dillgence:

The Foundation solicits and accepts gifts consistent with the furtherance of any philanthropic, charitable, educational or other purpose consistent with the Foundation's purpose and mission. Gifts, donations and contributions to The Foundation should, in general, be in the form of marketable securities or cash. On those occasions when considering less marketable gifts or contributions including real property, the Trustees first shall evaluate the suitability with the Foundation's mission, identify existing or potential risks , financial and otherwise, to the Foundation including acquisition costs, cost of ownership, maintenance costs, penalties or liquidation costs to determine suitability for Foundation purposes.

Gift Standards and Stewardship Report:

Consideration for granting gifts, contributions or grants by the Board of Trustees shall be governed by Article III of the By-Laws consistent with charitable or educational purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1986 as amended.

The Board of Trustees will require recipients of donations, grants or other assets to meet certain Gift Standards prior to receiving funding, that in the sole discretion of The Board insure funding is aligned with the purposes of The Foundation. Prospective recipients of funding in the amount of five thousand dollars (\$5,000.) or greater will demonstrate financial stability and capability by providing the two most recent years Federal Tax Returns, Past two Fiscal year-end Balance Sheet and Profit and Loss Statements and any interim financial information The Board deems pertinent or necessary to make an informed decision.

Within twelve months of receiving funding recipients will provide the Board with a report describing the benefits achieved by use of the funding and confirming funds were expended in the amount and for the purposes represented in the request.

Exceptions to these standards must be approved by The Board and recorded in the minutes. Gift Standards may be amended by The Trustees by Resolution as they deem appropriate.

The President of the Board shall at least annually, provide Members with a **Stewardship Report**, documenting recipients of funding during the period, amounts donated, purpose of funding and goals achieved as a result of funding. The Stewardship Report should be included in the minutes of the following regular Foundation meeting.

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ARTICLE XI: Notice and Time Requirement

In any case hereunder when notice to the Trustee is required or permitted, the notice shall be in writing, emailed or printed. When mailed, the notice shall be deemed to be delivered when deposited in the United States mail addressed to the Trustee at his address as it appears on the records of the Rotary Club. When delivered personally or by hand, the notice shall be deemed delivered when received.

ARTICLE XII: Seal

The Corporate Seal of the Foundation shall bear the words and figures: The Foundation of The Rotary Club of Bonita Springs, Inc., A Foundation Not For Profit. The Foundation seal shall be used under the direction of the Board.

ARTICLE XIII: Books and Records

The Foundation shall keep correct and complete books and records and accounts and shall keep minutes of the proceedings of it's Board and commitments of it's Trustees. Any books, records and minutes may be in written form or any other form capable of being converted into written form within a reasonable time

The Foundation shall maintain for a minimum of five (5) years following the fiscal year in which they were prepared, the accounting records prepared by the Treasurer of the Foundation including all filings with the State and Internal Revenue Service or an other Federal, State or Local governmental regulator, pursuant to the provisions of Article IX of these By-Laws. The Fiscal Year shall end on the last day of June of each calendar year. This is consistent at the Rotary International Fiscal Year.

ARTICLE XIV: Indemnifying Trustees, Officers and Employees

The Foundation shall indemnify and hold harmless to the fullest extent permitted by law any officer, trustee or employee or any former officer, trustee or employee and his heirs personal representatives, administrators, and other legal representatives from and against:

Any liability and all costs, charges and expenses that he sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him for or in respect of anything done or permitted by him in respect to the execution of the duties of his office; and
Any other liability and all costs, charges and expenses that he sustains or incurs in respect of the affairs of the Foundation.

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ARTICLE XV: Amendments

These By-Laws may be altered, amended or repealed by a two thirds (2/3rds) vote of the Board of Trustees at any regular meeting or at any special meeting called for that purpose, provided, however that notice of the proposed amendment, alteration or repeal call be given to each Trustee at least ten (10) days prior to the date of the meeting at which the By-Laws are to be altered, amended or repealed.

Article XVI: No Vesting

The members of the Foundation shall have no vested right, interest or privilege of, in, or to the assets, functions, affairs or contracts of the Foundation, nor shall the members have any such right privilege which may be transferrable or inheritable, or which shall continue when membership ceases.

Article XVII: Assets Upon Dissolution

In the event this Foundation is dissolved and ceases to exist for its stated purpose, the net assets shall be distributed and paid over absolutely to such entity the Foundation Board of Trustees may designate provided such entity performs substantially the same function as this Foundation and meets the requirements of Section 501(c)(3) of the Internal Revenue Code as amended.

Article XVIII: Restrictions

Notwithstanding any other provisions of these Articles the purposes for which this Foundation is organized and shall be operated, shall be those specified in Section 501(c)(3) of the Internal Revenue Code as amended.

This Foundation shall not carry on any other activities to permitted to be carried on by a Foundation exempt from federal income tax under Section 501(c)(3) of the Code or a Foundation, contributions to which are deductible under Section 170 (c)(2) of the Code as amended.

Article XIX: Tax Exempt Status

No part of the net earnings or property of the Foundation shall inure to the benefit of or be distributed to any member, other than any member which is exempt from

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Federal income tax under Section 501(c)(3) of the Code, Trustee, Officer, or other private persons, except that the Foundation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payment and distributions in furtherance of the purposes set forth in Article III hereof.

No part of the activities of the Foundation shall be carrying on of propaganda, or otherwise attempting to influence legislation, and the Foundation shall not participate nor intervene in (including publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

It is intended that the Foundation will continue to qualify as a public charity under Section 509(a)(1) of the Code: however, the following provisions shall be applicable if it is determined that the Foundation is to be treated by the Internal Revenue Service as a "private foundation". For such period as the Foundation shall be classified as a private foundation, notwithstanding anything herein to the contrary, in the event the Foundation is treated as a private foundation the foundation shall not take any action or omit to take any action or make any payment which would result in an avoidable tax liability under Section 4940 and 4945 of the Code, or which could result in the termination of the Foundation's status as a private foundation under Section 507 of the Code (except actions designed to cause the Foundation to be classified as a public charity).

Certificate

The undersigned hereby certifies that he/she is the duly elected and acting President of the Foundation named herein and that the foregoing is a true copy of the By-Laws of said Foundation duly adopted by action of the Trustees dated April , 2022. As amended June 3, 2002, June 1, 2006, May 19, 2014 and March 30, 2022. and hereby further certifies that such By-Laws have not been further amended or rescinded and remain in full force and effect at the date hereof. The date of adoption of these amendments is April , 2022 with approval by a two thirds (2/3) vote of the Foundation Board of Trustees.

The Foundation of The Rotary Club of Bonita Springs, Inc.

By:_____
Current President.

Date