

BY-LAWS OF THE BERNARDSVILLE LIBRARY FOUNDATION, INC.
As amended April 5, 2016

ARTICLE I.

The Bernardsville Library Foundation, Inc. (the “**Foundation**”) is a nonprofit corporation under the laws of the State of New Jersey.

ARTICLE II.

The Foundation’s principal purpose is the support of the Bernardsville Public Library (the “**Library**”). It shall establish and maintain its status as exempt under section 501 (c) (3) of the Internal Revenue Code or the corresponding section of any future federal tax code.

ARTICLE III.

Section 1. Board role and size: The Foundation shall be governed by a Board of Trustees (the “**Board**”), responsible for overall policy and direction of the Foundation. The Board may delegate responsibility for day-to-day operations to staff, if any, volunteers and Board committees. The Board shall have up to 22 voting members, but not fewer than 3 voting members. The Executive Director of the Bernardsville Public Library: a Trustee of the Bernardsville Public Library, designated by its President; and a Trustee of the Friends of the Bernardsville Library, designated by its President, shall have ex officio, non-voting seats on the Board.

The Board may elect from time to time Honorary Trustees as non-voting members of the Board who will offer to serve in that capacity to indicate their interest in the success of the Foundation and their willingness to lend the dignity of their lives’ accomplishments to the success of the Foundation. The term of such Trustees shall be three (3) years.

Section 2. Terms: All elected Trustees shall serve three year terms which shall initially be staggered. All shall be eligible for reelection for up to three consecutive terms, except Honorary Trustees who may, at the discretion of the Board, be extended for additional terms without limit.

Section 3. Meetings and notice: The Board shall meet at least quarterly, at a time and place in Bernardsville designated by its Chair. Each Board Member shall be given written notice at least two weeks in advance of a meeting. Board members shall notify the Chair or Secretary in advance if they are unable to attend a meeting so that it

can be determined in advance whether a quorum will be present to conduct Foundation business.

Section 4. *Board elections:* During the last quarter of each calendar year the Board shall elect Trustees to replace those whose terms will expire at the end of the year. This election shall take place during a regular meeting of the Trustees.

Section 5. *Election procedures:* New Trustees shall be elected by a majority of Trustees present at such a meeting, provided there is a quorum present. Trustees so elected take office on the first day of the next year.

Section 6. *Quorum:* A Board meeting must be attended by at least fifty percent of the voting Trustees in order for Board action to be taken.

Section 7. *Vacancies:* When a vacancy on the Board exists mid-term, the Board may elect a new Trustee to fill the unexpired term. When there are less than 22 voting Trustees on the Board, Trustees can be added to the Board at any time by election to a term ending on December 31st of a year less than 3 years after such election.

Section 8. *Termination:* An elected Trustee may be removed by a two-thirds vote of the remaining Trustees for cause. By majority vote, the Trustees may suspend a Trustee pending a final determination that cause exists for removal.

Section 9. *Special meetings:* A special meeting of the Board may be called by the Chair or at the request of one-third of the Trustees. Written notice of a special meeting shall be provided by the Secretary to each Trustee at least five days before the meeting.

Section 10. *Parliamentary authority:* Proceedings of all meetings shall be governed by Robert's Rules of Order, latest edition, in concert with these Bylaws. If there is a conflict, these Bylaws shall control. Proxies shall not be allowed.

Section 11. *Fiduciary responsibility:* The Board will assume and exercise fiduciary responsibility with respect to all funds held or administered by the Foundation.

Section 12. *Endowment and Reserve funds:* Gifts to the Foundation expressly designated by donors for endowment purposes will be held in the Bernardsville Library Foundation Endowment Fund (the "Endowment fund"). The Board will also maintain a Reserve fund, using unrestricted and undesignated gifts and proceeds of events. Both funds will be managed to generate revenue for long-term Library benefit.

The annual contribution to the Reserve fund will be determined by the Board at the end of each year, taking into account the operating expense needs of the Library, with a goal of adding not less than 5% of yearly revenue, excluding gifts to the Endowment

fund and restricted funds. Contributions to and withdrawals from the Reserve fund require a majority vote of the Trustees present at the meeting, assuming a quorum is present.

The Endowment fund is intended for long-term investment and only the income is normally withdrawn for Library operations. Should extraordinary circumstances require a partial withdrawal of Endowment fund principal, any such withdrawal would be required to be consistent with Section 4 of the Uniform Prudent Management of Institutional Funds Act, N.J.S.A. 15:18-28, or any successor statute, and approved by a two thirds (2/3) vote of the full Foundation Board.

Section 13. Restricted funds: From time to time, the Foundation may decide to accept funds that a donor has stated are to be used for a particular purpose. The Foundation may refuse such gifts if the purpose is inconsistent with the Foundation's purpose or the Library's principles. Such funds will be separately accounted for and restricted to such purpose only and may be subject to a permanent restriction, or if the donor has so stated, restricted only until the particular purpose has been accomplished.

ARTICLE IV.

Section 1. There shall be four officers: a Chair, a Vice-Chair, a Secretary, and a Treasurer, elected from among the Trustees at the first meeting of each fiscal year. Officers shall serve one year terms. A vacant office shall be filled for the unexpired term by election at a regular meeting of the Board after the vacancy occurs.

Section 2. The Chair shall convene and preside at Board meetings.

Section 3. The Secretary shall be responsible for keeping records of Board actions, including the taking of minutes at all meetings, sending out meeting announcements, distributing copies of minutes and the agenda to Trustees, and assuring the corporate records are maintained.

Section 4. The Treasurer shall make a report at each Board meeting. The Treasurer shall make financial records of the Foundation available to Trustees and the public as directed by the Board.

Section 5. The Vice-Chair shall perform all functions of the Chair in the Chair's absence or with the consent of the Chair, including, without limitation, convening and presiding over Board meetings in the absence of the Chair.

ARTICLE V.

Section 1. *Committee formation:* The Board may create committees as needed, such as fundraising, public relations, etc. The Chair shall appoint all committee members and Chairs except for finance.

Section 2. *Executive committee:* The officers shall serve as the Executive Committee. Except for the power to amend the Articles of Incorporation and Bylaws and the power to fill vacancies, the Executive Committee shall have all the powers and authority of the Board in the intervals between Board meetings but shall always be subject to the direction and control of the Board.

Section 3. *Finance committee:* The Treasurer is the Chair of the Finance Committee, which shall include the Chair and at least three other Trustees. The Finance Committee is responsible for developing and reviewing fiscal procedures and the annual budget. The Board must approve the budget and all expenditures shall be within budget unless Board approval is granted. The fiscal year shall be the calendar year. Annual reports are required to be submitted to the Board showing revenue, expenditures and pending revenue. The annual reports and tax returns required by Federal and New Jersey law are public documents and shall be made available to Trustees and the public.

Section 4. *Investment committee:* The Investment Committee shall include the Chair, the Treasurer and 3 to 5 additional members, who need not be Trustees, appointed by the Chair on an annual basis. It shall be responsible for investment of Foundation funds.

ARTICLE VI.

These bylaws may be amended when necessary at a meeting of the Board by a vote of a two-thirds majority of those in attendance. Proposed amendments must be proposed to the Board at the meeting prior to that at which they are voted on, and submitted to the Secretary to be sent out at least two weeks before the meeting at which the vote will take place.

CERTIFICATION: These by-laws were approved at the April 5, 2016 meeting of the Board of Trustees by a unanimous vote.

Donna Baier Stein

Donna Baier Stein, Secretary