

CODE OF REGULATIONS
OF THE
CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS
PUBLIC SCHOOLS FOUNDATION

ARTICLE I. NAME

The name of the corporation is the Cleveland Heights-University Heights Public Schools Foundation (the "Foundation").

ARTICLE II. PURPOSE

The Foundation is organized and shall be operated exclusively for educational, charitable or scientific purposes by conducting or supporting activities for the benefit of the Cleveland Heights-University Heights School District (the "District"), including, but not limited to:

A. Conducting or supporting activities for the purpose of:

1. improving the quality of education in and increasing support for the District;
2. increasing community involvement with and support for the District; and
3. promoting innovation, excellence and equality in instruction, programs, and facilities of the District.

B. Accepting and expending funds in support of such activities, programs and facilities as hereinbefore set forth.

C. Doing all things necessary or appropriate in order to accomplish the foregoing purposes.

The Foundation shall at all times be operated solely in connection with the District.

Solely for the above purposes, the Foundation is empowered to exercise all rights and powers conferred by the laws of the State of Ohio upon nonprofit corporations, including, but without limitation thereof, to receive gifts, devises, bequests and contributions in any form, and to use, apply, invest, reinvest the principal and/or income therefrom or distribute the same for the above purposes.

ARTICLE III. MEMBERSHIP

Section 1. Number and Qualification. The Foundation shall have not less than ten (10) members. Membership shall be open to all individuals interested in promoting the purposes set forth in Article II above who shall pay the annual membership fee as determined by the Board of Trustees from time to time.

Section 2. Annual Meeting. The annual meeting of the Members shall take place within thirty (30) days following the close of the Foundation's fiscal year or at such other time as may be fixed by the Board of Trustees, or if it fails to do so, by the President. The annual meeting shall be held for the purpose of electing Trustees and to consider such other matters as may properly come before the meeting.

Section 3. Special Meetings. Special meetings of voting members may be called by any of the following:

(a) The chairman of the board, the president, or, in case of the president's absence, death, or disability, the vice-president authorized to exercise the authority of the president;

(b) The trustees by action at a meeting, or a majority of the trustees acting without a meeting;

(c) The lesser of (i) ten percent of the voting members, or (ii) twenty-five of such members.

Section 4. Notice of Meetings. A written or printed notice of every annual or special meeting of the Members, stating the time and place and purpose thereof, shall be given to each Member by mailing the same to his address appearing on the records of the Foundation not less than five days before the date of the meeting. If any meeting shall be adjourned to another time and/or place, no further notice as to such reconvened meeting need be given.

Section 5. Waiver of Notice. Any Member may waive in writing notice of any meeting of Members either before or after such meeting, and by attendance at any meeting, without protesting, shall be deemed to have waived notice thereof.

Section 6. Voting. Each Member shall have one vote on each matter at any meeting of the Foundation. Such voting rights may not be delegated by proxy or otherwise. The action taken by a majority present and constituting a quorum at a meeting shall control and shall be deemed and shall be valid as the vote or action of all the Members of the Corporation.

Section 7. Quorum. Ten Members shall constitute a quorum at any meeting of

Members. However, a majority of the Members present at any meeting, whether or not a quorum, may adjourn the meeting from time to time without notice other than announcement at the meeting.

Section 8. Action Without a Meeting. Any action which might be taken at any meeting of the Members may be taken without such meeting if authorized in a writing signed by all of the Members.

ARTICLE IV. BOARD OF TRUSTEES

Section 1. General Powers. The powers of the Foundation shall be exercised, its business and affairs conducted through, and its property managed under the direction of the Board of Trustees of the Foundation ("Board of Trustees"), except as otherwise provided by law, or by the Articles of Incorporation, or by the Code of Regulations in regard to action to be taken, authorized or approved by the Members

Section 2. Qualification of Trustees. Any member may, if elected, serve as a Trustee. The Board of Trustees shall reflect in its composition the racial, economic, religious, and cultural diversity of the District.

Section 3. Number of Trustees. The Board of Trustee shall consist of at least ten (10) and not more than twenty (20) Trustees with such number to be fixed by the Board of Trustees before its annual meeting or at a special meeting called for the purpose of electing Trustees. All Trustees shall be elected except that one Trustee shall be a member of the Cleveland Heights-University Heights Board of Education ("School Board") which shall appoint said Trustee (the "School Board Trustee").

The Superintendent of Schools and the Executive Director shall be ex-officio members of the Board of Trustees, without voting rights.

Section 4. Terms of Trustees. Trustees, other than the School Board Trustee, shall serve for three year terms. Their terms shall begin at the close of the meeting at which they are elected and they shall serve until their successors are elected.

A Trustee may be elected to succeed himself or herself, except that no person may be elected to serve more than two (2) consecutive terms as Trustee. Any person serving more than one-half of an unexpired term shall be credited with having served a full term.

A School Board Trustee shall serve no more than two one-year terms on the Board of Trustees, or until such person's term as a member of the School Board expires.

Section 5. Resignation, Removal, and Vacancies. A Trustee may resign at any time by submitting his or her letter of resignation to the Secretary of the Board of Trustees or any

officer of the Board of Trustees other than himself or herself.

A Trustee, other than the School Board Trustee, may be removed for any cause, deemed sufficient by the Board of Trustees, by the affirmative vote of two-thirds of the persons then serving as Trustees.

The School Board Trustee may be removed by the School Board by an affirmative vote of the majority of the School Board. In the event of a vacancy caused by the resignation or removal of the School Board Trustee, the School Board shall appoint a School Board Trustee to fill the vacancy.

Whenever any vacancies shall occur among the Trustees, the remaining Trustees shall constitute the Trustees of the Foundation until such vacancy is filled or until the number of Trustee is changed. The remaining Trustees may, by majority vote, fill any vacancy for the unexpired term.

Section 6. Annual Organization Meeting. The annual organization meeting of the board of Trustees shall take place immediately following the annual meeting of Members, or at such other time as may be fixed by the Board of Trustees, or, if it fails to do so, by the President. The annual organization meeting shall be held for the purpose of electing officers and such others business as may properly come before the meeting.

Section 7. Regular Meetings. Regular meetings of the Board of Trustees shall be held at least quarterly at such time and place as the President or the Board of Trustee shall determine.

Section 8. Special Meetings. Special meetings of the Board of Trustees may be held at any time upon call of the President or by any three Trustees. Notice of such meeting shall be received by each Trustee, voting and ex-officio, not less than forty-eight (48) hours prior to each meeting. Notice may be given by personal delivery, telephone, mail, fax or telegram. Unless otherwise specified in the notice, the business to be transacted at the special meeting shall be limited to that set forth in the notice of the meeting.

Section 9. Quorum and Voting Rights. Seven (7) Trustees shall constitute quorum for the transaction of business at any meeting of the Board of Trustees.

At any meeting of the Trustees, all questions and business shall be determined by a majority vote of those present and voting, except as the Articles of Incorporation or these regulations may otherwise provided.

All voting Trustees shall have equal voting rights and powers on the Board of Trustees. Such voting rights and powers may not be delegated by proxy or otherwise.

Any Trustee having a conflict of interest which could possibly cause such person to act

other than in the best interest of the Foundation shall disclose such conflict to the Board of Trustees, and, in such case, the Trustee shall not vote or use such Trustee's personal influence on the matter.

Section 10. Notice of Meetings and Waiver of Notice. Not less than five (5) days nor more than thirty (30) days prior to the date fixed for an annual organization or regular meeting, notice of the time and place of said meeting shall be received by each Trustee, voting and ex-officio, by personal delivery, telephone, mail, fax, or telegram.

Notice of special meetings shall be governed by Section 8 of this Article.

Any Trustee may waive notice of any meeting and, by attending any meeting without protesting the lack of proper notice, shall be deemed to have waived notice thereof.

ARTICLE V. COMMITTEES

Section 1. Board Committees. The Board of Trustees may provide for such standing or special committees as it deems desirable, including an Executive committee, and discontinue these committees at its pleasure. Each such committee shall consist of three or more Trustees elected by the Board. The Chair of each Board Committee shall be appointed by the President, with the approval of the Board of Trustees.

Committees shall have such powers and perform such duties or functions, not inconsistent with law, as may be delegated to them by the Board of Trustees. A majority of the members shall constitute a quorum. Board Committees shall keep full records and accounts of their proceedings and transactions. Any action by a Board Committee shall be reported to the Board of Trustees at its next meeting after such action. Actions taken by committees shall be subject to control, revision and alteration by the Board, provided that no rights of third persons shall be prejudicially affected. Vacancies in such committees shall be filled by the Board of Trustees.

The Executive Committee shall be composed of the officers of the Board of Trustees and such other Trustees as may be designated by the Board of Trustees. The Executive Committee shall assist the President in setting the time and place of meetings and in planning the agenda of meetings. The Executive Committee shall have the power to transact the business of the foundation between meetings of the Board of Trustees, provided it shall take no action contrary to the expressed policies of the Board of Trustees.

Section 2. Nominating Committee. The Board of Trustees shall appoint a Nominating Committee of no fewer than 3 Trustees nor more than 7 Trustees which shall nominate at least one candidate for each vacancy on the Board of Trustees. The report of the Nominating Committee shall be included with the notice of the annual meeting of members.

At the meeting to elect Trustees, additional nominations for each vacancy may be made from the floor. At all elections of Trustees, the candidates receiving the greatest number of votes shall be elected.

Section 3. Other Committees and Advisory Groups. The Board of Trustees may provide for such other committees and advisory groups, consisting in part of non-Trustees, as it deems desirable and discontinue these committees and groups at its pleasure. Each such committee and group shall be advisory to the Board and shall have such powers and perform such duties or functions, not inconsistent with law, as may be set forth for it by the Board of Trustees. Appointments to and the filling of vacancies on such committees and groups shall be the responsibility of the President, with the approval of the Board of Trustees. Such committees and groups shall be chaired by a Trustee appointed by the President with the approval of the Board of Trustees. Any action by any such committee or group shall be reported to the Board at its next meeting after such action. Actions taken by such committees or groups shall be subject to control, revision and alteration by the Board, provided that no rights of third persons shall be prejudicially affected.

ARTICLE VI. OFFICERS

Section 1. Designation and Election of Officers. At their annual organization meeting, the Board of Trustees shall elect, from its membership, a President, a Vice President, a Secretary, and a Treasurer.

Section 2. Terms of Office; Vacancies. The officers of the Board of Trustees shall assume duties upon election and shall hold office for one year until the next annual meeting of the Trustees and until their successors are elected, except in the case of resignation, death, or removal.

Any vacancy in any office may be filled by the Board of Trustees.

No Trustee shall be eligible to serve more than two consecutive terms in the same office. One who has served more than one-half of a term shall be credited with having served a full term.

Section 3. President. The President shall preside at all meetings of the Board of Trustees, and of the Executive Committee of the Board of Trustees and shall select the chairs of the committees as provided in Article IV. The President shall have such other powers and duties as may be prescribed by the Trustees.

Section 4. Vice President. The Vice President shall have the powers of the President during the absence or incapacity of the President or when there is a vacancy in the office of President, and shall have such other powers and duties as may be prescribed by the Trustees.

Section 5. Secretary. The Secretary shall keep, or cause to be kept under the Secretary's supervision, the minutes of all meetings of the Board of Trustees and of the Executive Committee of the Board of Trustees. The Secretary shall see that notices of all meetings of the Board of Trustees are given as required. The Secretary shall have such other powers and duties as may be prescribed by the Trustees.

Section 6. Treasurer. The Treasurer shall have charge of all funds and property belonging to the Foundation and shall do with them as ordered by the Trustees. The Treasurer shall keep or cause to be kept, accurate financial accounts and hold the same open for inspection and examination by the Trustees. The Treasurer shall prepare or cause to be prepared a full report concerning the finances of the Foundation to be presented at each annual organization meeting of the Board of Trustees and such interim reports as the Trustees may direct. The Treasurer shall have such other powers and duties as may be prescribed by the Trustees.

ARTICLE VII. EXECUTIVE DIRECTOR

The Executive Director, subject to the direction of the Board of Trustees, shall have general supervision over the daily operation of the Foundation. He or she shall assist in the development, implementation, and administration of the Foundation's programs and shall perform such other duties as may be determined by the Board of Trustees.

ARTICLE VIII. FINANCIAL ADMINISTRATION

Section 1. Fiscal Year. The fiscal year of the Foundation shall begin on ~~January 1~~ and end the following ~~December 31~~. AUGUST 1
JULY 31 Amended by Board - 2007

Section 2. Audit. There shall be an independent audit of the books of the Treasurer annually; said audit shall be initiated within four weeks of the end of the fiscal year.

Section 3. Donations and Gifts. The Foundation shall serve its purpose by being the repository of funds donated for the benefit of the District and distributing the income or the principal thereof to fund programs and activities consistent with said purpose.

The Foundation may also accept and administer funds currently administered by the District and may accept real or personal property to be used by the District or disposed of for the benefit of the District.

No acceptance of a gift shall be construed to be testimonial or endorsement by the Foundation or the District of a product or a commercial enterprise. No gift shall be accepted that can be so construed.

The Board of Trustees shall establish guidelines and procedures for the collection of funds and their distribution in furtherance of the purpose of the Foundation or the policies of the School Board.

Section 4. Compensation of Trustees. No Trustee shall receive, directly or indirectly, any compensation for services as a Trustee. The Board of Trustees may authorize reimbursement of reasonable expenses incurred by Trustees in connection with carrying out the activities of the Foundation.

Section 5. Bond. Any officer or employee, if required by the Trustees, shall give bond in any such sum and with such security as the Trustees may require for the faithful performance of his or her duties.

ARTICLE IX. INDEMNIFICATION

Section 1. Authorization.

(1) If any person who was or is a party or is threatened to be -made a party to any threatened, pending or completed civil, criminal, administrative or investigative action, suit or proceeding seeks indemnification from the Foundation against expenses (including attorneys' fees), and in the case of actions other than those by or in the right of the Foundation, judgments, fines and amounts paid in settlement, actually and reasonably incurred by such person in connection with such action, suit or proceeding by reason of the fact that such person is or was a trustee, officer, employee, agent or volunteer of the Foundation, or is or was serving at the request of the Foundation, as a trustee, director, officer, employee, agent or volunteer of another corporation (domestic or foreign, nonprofit or for profit), partnership, joint venture, trust, or other enterprise, then, unless such indemnification is ordered by a court, the Foundation shall determine or cause to be determined in the manner provided in Section 1702.12(E)(4) of the Ohio Revised Code whether or not indemnification is proper in the circumstances because the person claiming such indemnification has met the applicable standards of conduct set forth in divisions (E)(1) and (E)(2) of Section 1702.12 of the Ohio Revised Code and, to the extent that it is so determined that such indemnification is proper, the person claiming such indemnification shall be indemnified.

(2) Expenses, including attorneys, fees, incurred by a trustee, director, officer, employee, agent or volunteer in defending any action, suit or proceeding referred to in Paragraph (1) of this Section may be paid by the Foundation as they are incurred in advance of the final disposition of such action, suit or proceeding, as authorized by the trustees in the specific case upon receipt of an undertaking by or on behalf of the trustee, director, officer, employee, agent or volunteer to repay such amount if it ultimately is determined that such person is not entitled to be indemnified by the

Foundation as authorized in this Article.

(3) The indemnification authorized by Paragraph (1) of this Section shall not be deemed exclusive of, and shall be in addition to, any other rights granted to those seeking indemnification, pursuant to the articles, the regulations, any agreement, vote of disinterested trustees, or otherwise, both as to action in their official capacities and as to action in another capacity while holding their offices or positions, and shall continue as to a person who has ceased to be a trustee, director, officer, employee, agent or volunteer and shall inure to the benefit of the heirs, executors, and administrators of such person.

(4) For the purposes of this Article, the term "volunteer" is used as defined by Chapter 1702 of the Ohio Revised Code, as amended.

(5) The provisions of Section 1702.12(E)(5)(a)(i) applicable to automatic advance payment of expenses shall not apply to this Foundation.

Section 2. Insurance. The Foundation, to the extent permitted by Chapter 1702 of the Ohio Revised Code, may purchase and maintain insurance or furnish similar protection including, but not limited to, trust funds, letters of credit or self-insurance for or on behalf of any person who is or was a trustee, officer, employee, agent or volunteer of the Foundation, or was serving at the request of the Foundation as a trustee, director, officer, employee, agent or volunteer of another corporation (domestic or foreign, nonprofit or for profit), partnership, joint venture, trust or other enterprise.

Section 3. Limitation. Anything to the contrary notwithstanding, the Foundation shall not indemnify trustees or officers or other persons or entities, pay their expenses in advance or pay insurance premiums on their behalf if such indemnification payment, advance expense payment or payment of insurance premium shall constitute a violation of any provision of the Internal Revenue Code of 1986, as amended, applicable to a private foundation as defined in Section 509(a) of said Code (or the corresponding provisions of any applicable future United States internal revenue law).

ARTICLE X. NON-DISCRIMINATION POLICY

The Foundation affirms a policy of not discriminating on the basis of race, color, religion, national origin, age, sex, sexual preference, or handicap. The Foundation is committed to a policy of equal employment opportunity for all individuals.

ARTICLE XI. PROVISIONS IN ARTICLES OF INCORPORATION

If any provision of these Regulations shall be inconsistent with the Foundation's

Articles of Incorporation, as they may be amended from time to time, the Articles-of Incorporation,- as amended and in effect at the time of such inconsistency, shall govern.

ARTICLE XII. AMENDMENTS

These Regulations, except as noted otherwise, may be amended or new Regulations may be adopted in whole or in part, at any meeting of the Trustees by a two-thirds vote of those present and voting, provided that the subject matter or substance of the amendment or new Regulations shall have been submitted to the Trustees in writing prior to the meeting. Any amendment to Article II, "Purpose" or amendment affecting the appointment or service of the Trustee appointed by the School Board shall also require the approval of a majority of the School Board.