

# BYLAWS OF THE NORTH CAROLINA SERTOMA ENDOWMENT FUND, INC.

## ARTICLE I – MEETINGS

**Section 1. Board Meetings:** The Board of Trustees of the North Carolina Endowment Fund, Inc. as defined by Article V of these bylaws (hereinafter identified as the “Board”) shall meet annually to act on grant applications and methods of investing the funds (principal and contingency) of the North Carolina Sertoma Endowment Fund, Inc. (hereinafter identified as the “Endowment Fund”).

**Section 2. Special Meetings:** Special meetings of the Board may be held at any time and at such places as may be fixed by the Board or as called for by the Chairman.

**Section 3: Meetings by Telephone.** Meetings of the Board may be held by means of telephone or similar equipment by which all persons participating in the meeting may hear each other. Participation in a meeting by telephone or similar communications equipment shall constitute presence in person at the meeting, except where a trustee participates in the meeting for the sole purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully convened or called.

## ARTICLE II – QUORUM

**Section 1. Board Quorum:** A majority of the total voting membership of the Board shall constitute a quorum for the transaction of business by the Board. The Chairman shall be considered in the quorum count.

**Section 2. Proxies:** Proxies shall not be recognized for any purpose.

## ARTICLE III – FEES AND DUES

**Section 1. Mandatory Dues or Fees:** There will be no mandatory fees or dues which shall be a condition precedent of membership in the Endowment Fund.

**Section 2. Voluntary Contributions:** All monies received by the Endowment Fund shall be considered a voluntary donation to the Fund unless otherwise designated.

## ARTICLE IV – FUNDS AND DISBURSEMENTS

**Section 1. Placement of Monies:** All monies received by the Endowment Fund shall be placed into the investment accounts and at no time can any of the principal be invaded.

**Section 2. Operating Fund:** Any monies specifically earmarked for operating expenses shall be kept in a separate account and shall be disbursed solely for expenses and shall be paid by check which shall be signed by the Treasurer or the Chairman.

## **ARTICLE V – ORGANIZATION OF THE BOARD OF TRUSTEES**

**Section 1A. Voting Members.** The Board shall be the governing body of the Endowment Fund and shall be comprised of:

- a) Nine representatives from across the Sertoma Clubs of North Carolina elected for three year staggered terms. In the event of reorganization of the Board, the elected trustees shall serve until his or her term expires.
- b) The duly elected Chairman, Vice Chairman and Secretary.
- c) The duly appointed Treasurer.

**Section 1B. Non-voting Members.** The Board may include as *ex officio* members:

- a) The regional director.
- b) A liaison to be appointed by the Camp Sertoma of North Carolina Committee.
- c) Any person appointed by the Board.

A liaison to be appointed by the Board may attend the Camp Sertoma of North Carolina meetings on behalf of the Endowment Fund.

**Section 2A. Chairman.** The Chairman of the Endowment Fund shall be an elected trustee and shall be elected by the Board for a one (1) year term and may succeed himself or herself for as many terms as shall be determined by the Board. If the Chairman is unable to complete his or her term, the Vice Chairman shall serve until a successor is elected by the Board of Trustees. The Chairman shall have the authority to appoint such committees as deemed necessary.

**Section 2B. Vice Chairman.** The Vice Chairman shall be an elected trustee and shall be elected by the Board for a one (1) year term. If the Vice Chairman is unable to complete his or her term, the Chairman shall appoint an Interim Vice Chairman to serve until the election at the next meeting of the Board.

**Section 2C. Secretary.** The Secretary shall be an elected trustee and shall be elected by the Board for a one (1) year term and may succeed himself or herself for as many terms as shall be determined by the Board. If the Secretary is unable to complete his or her term, the Chairman shall appoint an Interim Secretary to serve until the election at the next meeting of the Board.

**Section 2D. Treasurer:** The Treasurer shall be a sole and separate office and shall be appointed by the Board for a three (3) year term and may succeed himself or herself for as many terms as shall be determined by the Board. The Treasurer shall be a voting member of the Board and may serve in such position and hold the same powers as a duly elected Trustee. If the appointed Treasurer is unable to complete his or her term, the Chairman shall appoint an Interim Treasurer to serve until the election at the next meeting of the Board.

**Section 3. Trustee Vacancies:** If a vacancy occurs anytime during the fiscal year, the Chairman shall appoint an Interim Trustee. The Interim Trustee will serve until the completion of the term of the position vacated.

**Section 4. Removal for Cause:** Any Officer or Trustee may be removed for misfeasance, malfeasance or nonfeasance in the following manner:

- Notice of consideration for removal with reasons must be given to said Officer or Trustee in writing, at least thirty (30) days prior to the meeting where the removal issue is placed on the agenda.
- Notice must be given to all members of the Board that this issue will be on the agenda of the specific meeting.
- The Officer or Trustee shall have the right to appear before the Board if he or she so desires to be heard.

No removal hearing or determination shall take place except at a Board meeting and shall not be placed on the agenda of any special or called meeting.

- In order for the Board to remove an Officer or Trustee, there must be a two-third (2/3) vote of all members present.
- Nothing herein shall restrain the Board from suspending the said Officer or Trustee until it can be placed on the agenda for removal.

**Section 5. Election of Trustees.** The Chairman shall appoint a committee to assemble a list of candidates to serve on the Board of Trustees in accordance with the bylaws. Persons currently serving on the Board can be nominated. The Committee is not required to find more than one person for any open position. No person should be nominated without his or her consent. The persons who are nominated are then submitted via mail or email to the Sertoma Clubs of North Carolina for election. Each club is entitled to a single vote. Ballots should be sent to the clubs at least ninety (90) days prior to annual meeting, with instructions that the subject ballot should be return within thirty (30) days from date sent.

#### **ARTICLE VI – ANNUAL REPORT:**

The Board shall prepare a written report, including complete financial statement, for mailing or emailing to the clubs of North Carolina.

#### **ARTICLE VII – PRINCIPAL OF THE ENDOWMENT FUND**

**Section 1. Invasion of the Corpus.** The undesignated principal (Corpus) of the Endowment Fund shall not be invaded at any time.

**Section 2. Designation of Donation.** A donation or gift to the Endowment Fund may be designated as stipulated by the Donor(s) only at the time such gift or donation is given.

#### **ARTICLE VIII – METHOD OF OBTAINING GRANTS:**

**Section 1. Eligibility and Criteria.** Any Sertoma Club within North Carolina may petition for funds furnished by the Board. Applications for grants must be completed, approved and submitted by the Board of Directors of the requesting Sertoma Club or duly authorized representative of a Sertoma Organization, setting forth in detail the reasons for the request and specifically setting forth the reasons why the requesting Club or organization is making application for financial help. In making grants, the Endowment Fund shall consider the merit of the project, the impact on the community, the fund raising for the project, as well as other criteria in making decisions about the grant. The requesting Club must be in good standing with Sertoma, Inc. on all levels and a contributor to the NC Sertoma Endowment Fund at a level of at least \$100 during the year in which the grant application is made.

**Section 2. Grants Committee.** The Chairman of the Board shall appoint a grants committee composed of two trustees and the treasurer as an ex officio member. The Chairman of the Board shall also appoint one of the members of the committee to serve as chairman of the committee. The grants committee shall: (1) evaluate every request for a grant, (2) make a report to the Board regarding the grant request and attach a copy of the grant request, and (3) make a recommendation as to whether the grant request should be allowed and to what extent. If the request is funded, the Board shall be informed as to the method and manner said grant was expended by the petitioning club or organization. The grants committee may recommend rules and regulations establishing procedures for applying for grants and establishing criteria for evaluating the merits of applications consistent with Section 1 of this Article. Any rules and regulations recommended by the committee may be approved by the Board.

**Section 3. Action Upon Grant Applications:** The Board shall act upon grant applications. All applications must be postmarked and mailed to the treasurer by December 1 for action by the Board at its next meeting.

#### **ARTICLE IX – FISCAL YEAR**

The fiscal year of the Endowment Fund shall begin annually on July 1 and end on June 30. The terms of officers and trustees shall coincide with the fiscal year.

#### **ARTICLE X – AMENDMENTS**

These bylaws may be amended at a meeting of the Board by a two-thirds (2/3) vote of all members present. A copy of the proposed amendment shall be mailed or emailed to each member of the Board at least ten days prior to the meeting and a quorum shall be present at the meeting. Any changes or modifications to the proposed amendment that are made during the meeting shall not require advance notice. The effective date of any amendment shall be established by the Board.

## ARTICLE XI – DONATIONS

All funds received by the Endowment Fund not designated otherwise, shall become a part of the undesignated principal of the Endowment Fund and the income from said undesignated principal shall be used for speech and hearing related sponsorships, Camp Sertoma, or any other worthy causes that may be deemed to be appropriate by the Board. Designated funds shall become a separate restricted part of the Endowment Fund principal and the income from said separate principal shall be used as stipulated by the donor(s). Any individual, Sertoma Club, or Private Corporate Donor shall consider said donation to be tax deductible or exempt, so long as the Endowment Fund maintains its tax-free status, and shall constitute a Voluntary Trust Fund with no requirements on any individual member or any club to participate.

## ARTICLE XII – DISBURSEMENT OF FUNDS

**Section 1. Disbursement:** It shall be the sole responsibility and discretion of the Board of the Endowment Fund as to the method and manner of disbursing funds available as set forth in the bylaws, to any eligible petitioner, with the first consideration being that it shall be for speech and hearing related sponsorships and/or Camp Sertoma or any other sponsorship properly petitioned as required by the bylaws, that the Board deems appropriate. Total funds available for grants and individual grant amounts shall be determined in the following manner:

A. The collective interests, dividends and capital gains (hereafter identified as ‘earnings’) from the undesignated principal shall not be cumulative, but shall be governed as follows: Any funds assigned for grants in the immediate prior year not used in the current year shall be added to the Corpus of the trust and shall become a part of the undesignated Corpus and shall not be considered for grants at any later date. Any earnings during the current fiscal year shall be used as a basis for determining grants in the following fiscal year, with this determined figure being dispersed in the following manner:

- Seventy-five percent (75%) shall be made available for grant requests.
- Twenty-five percent (25%) shall be deposited in the Contingency Fund until the maximum is attained as stipulated in Article XII, Section 6. If this allocation or a portion thereof is not required for the Contingency Fund, the excess amount shall be added to the amount available for grants.

B. Individual grant amounts shall be at the discretion of the Board, subject to the limitation in Section 6-A of this Article.

**Section 2. Designated Funds:** The earnings from designated principal shall be disbursed as stipulated by the donor(s).

**Section 3. Camp Sertoma Grant.** Prior to any grants being awarded to any requesting Sertoma Club or Sertoma Organization, a grant in the amount of Five Hundred Dollars (\$500), or a greater amount at the discretion of the Board, shall be granted to Camp Sertoma of North Carolina for camper scholarships.

**Section 4. Grant Applications.** Grant applications submitted during a fiscal year when funds for grants are not available shall be returned to the submitters and shall not be carried forward to the next fiscal year.

**Section 5. Limitation.** Sertoma Clubs and Sertoma Organizations shall be eligible for one (1) grant per fiscal year.

**Section 6. Contingency Fund:**

A. A contingency fund shall be established, to be utilized only in the event there is not at least One Thousand Dollars (\$1,000.00) of income available per grant requested up to a maximum of Five Thousand Dollars (\$5,000.00) with which grants may be made during each fiscal year.

B. This Contingency Fund shall be established with the maximum amount being Five Thousand Dollars (\$5,000.00). This amount shall be built and accumulated by taking twenty-five (25%) percent annually from earnings as defined in Article XII, Section 1.

C. This Contingency Fund shall be invested in an interest-bearing account.

D. Any earnings received from investing of the Contingency Fund shall become a part of the annually calculated earnings as if from the Corpus of the Trust, to be disposed of as outlined in Section One (1) and Section Three (3) of this Article.

E. In the event the Contingency Fund is ever needed and utilized, the full amount of the funds designated as the Contingency Fund, with a maximum being Five Thousand Dollars (\$5,000.00), shall become the determined figure, representing the undesignated calculated earnings from the prior fiscal year and shall be disbursed in the same manner and to the same extent as set forth in Sections One (1) and Three (3) of Article XII of these bylaws.

F. If any part or all of the designated Contingency Fund is used, then Section 6 (B) of Article XII shall be followed in order to replenish the Contingency Fund back to the maximum amount of Five Thousand Dollars (\$5,000.00), the procedure to be governed as set forth in Article XII of these bylaws.

**ARTICLE XIII - PARLIAMENTARY AUTHORITY**

**Section 1.** “Roberts Rules of Order,” as revised, shall be the parliamentary authority for all matters or procedures not specifically covered by these bylaws.

**Section 2.** The Chairman of the Board of the Endowment Fund shall appoint a parliamentarian to resolve all questions that may involve an interpretation of the bylaws or any other issue when called upon by the Chairman. A ruling by the Parliamentarian when requested by the Chairman shall be final and not debatable hereafter.

**Official Record**

Amended bylaws adopted **March 2, 2019** effective **July 1, 2019**.

By Chairman: \_\_\_\_\_  
James R. Womble

By Secretary: \_\_\_\_\_  
William Chapman