

BYLAWS
OPTIMIST CLUB FOUNDATION OF DAVENPORT

ARTICLE 1-NAME

This corporation shall be known as the "Optimist Club Foundation of Davenport", (hereinafter referred to as the "Foundation" or "Corporation".)

ARTICLE II – PURPOSE

Section 1. To promote an active interest in good government and civic affairs.

Section 2. To inspire respect for law.

Section 3. To promote patriotism and work for international accord and friendship among all people.

Section 4. To aid and encourage the development of youth.

Section 5. To encourage the belief that the giving of one's self in service to others will advance the well being of humankind, community life, and the world.

Section 6. To further the charitable, educational and other civic purposes of the Optimist Club of Davenport, (hereinafter referred to as the "club".)

Section 7. To do or assist in the foregoing by receiving and disbursing or investing such funds to provide income for future disbursements. (See Article XIV of these bylaws titled "Financial Policy".)

ARTICLE III-LEGAL STATUS

Section 1. The Corporation, Foundation, is incorporated as a non-profit corporation under the laws of the State of Iowa.

Section 2. The Corporation is qualified as a Corporation exempt from Federal and State Income tax pursuant to section 501©3 of the Internal Revenue Code.

Section 3. The Corporation's 501©3 qualification also means that gifts, donations, requests, devices, etc., given to the foundation constitute deductible amounts for Federal and State income taxes by the donor to the extent allowed by law.

ARTICLE IV-RESTRICTIONS

Section 1. The corporation shall be operated so as not to be deemed a "Private Foundation" as defined either currently, or in any future, U.S. Tax Code or Regulations.

Section 2. No Substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation or intervening in any political campaign of any candidate for public office.

Section 3. No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its members, directors, officers, or other private parties.

- 3.1 Except that the Corporation is authorized and empowered to pay reasonable compensation for services rendered.
- Section 4. The Corporation shall not advertise, promote, or engage in such a manner as to compete with businesses organized for profit.
- Section 5. The Corporation shall do no acts that would jeopardize its tax-exempt status.

ARTICLE V-MEMBERSHIP

- Section 1. The members of the Corporation shall be all members in good standing of the Optimist Club of Davenport.
- Section 2. Each such member shall be entitled to one vote on any question or motion put before the membership.

ARTICLE VI-BOARD OF DIRECTORS

- Section 1. The Board of Directors shall consist of six(6) persons.
- Section 2. Each board member must be a member of the Foundation.
- Section 3. Board members shall be elected by the Foundation Membership.
- Section 4. Board members shall be elected for three(3) year terms.
- 4.1 Except-the first election of Directors after the adoption of these bylaws shall be:
- 4.1.1 Election of two(2) directors for a three(3) year term.
- 4.1.2 Election of two(2) directors for a two(2) year term.
- 4.1.3 Election of two(2) directors for a one(1) year term.
- 4.2 The first term for directors elected as per above shall be for the remainder of the fiscal year in which they are elected.
- Section 5. Board members shall hold office for their term of election or until their successors are elected.
- Section 6. Board members may be re-elected to serve consecutive terms.
- Section 7. The board shall be responsible for all foundation activities.

ARTICLE VII-OFFICERS

- Section 1. The Officers of the Corporation shall be a President, a Vice-President, a Secretary-Treasurer, and an Assistant Secretary-Treasurer.
- Section 2. The President shall:
- 2.1 Serve as Chief Executive Officer.
- 2.2 Preside at board meetings.
- 2.3 Preside at meetings of the membership.
- 2.4 Be an ex-official member of all committees.
- 2.5 Represent the Foundation in all relations with the Davenport Optimist Club.
- 2.6 Name such committees as may be deemed necessary or desirable by the board.

- 2.6.1 Appoint a chairperson for each such committee.
- 2.6.2 Give each such Chairperson a charge, in writing, setting forth the duties, responsibilities and limitations of such committee.
- 2.7 Perform such other duties as are normally incumbent upon a President.
- Section 3. The Vice-President shall:
 - 3.1 Perform the duties of the President in the absence of such officer.
 - 3.2 Perform such other duties as may be assigned by the President &/or Board of Directors.
- Section 4. The Secretary/Treasurer shall have the following duties:
 - 4.1 Keep and maintain the minutes of all meetings of the Board of Directors.
 - 4.1.1 Furnish each Director with a copy of such minutes.
 - 4.2 Keep and maintain the Minutes of all meetings of the Membership.
 - 4.2.1 Furnish each Director with a copy of such minutes.
 - 4.3 Conduct such correspondence as may be required by the President or Board of Directors.
 - 4.4 Cause all necessary filings &/or reports as required by governmental authorities to be made.
 - 4.4.1 Such filings include tax returns.
 - 4.4.2 Keep records of such filings and reports.
 - 4.5 Keep and maintain books and records of all receipts and disbursements in the form and manner prescribed by the Board of Directors.
 - 4.6 Prepare quarterly and annual financial statements in the form prescribed by the Board of Directors.
 - 4.6.1 Furnish each director with a copy of each such report.
 - 4.7 Be the keeper of the Corporation's checkbook.
 - 4.8 Be the authorized agent for the acquisition, transfer, disposal or other necessary actions, as directed by the Board, regarding foundation investments.
 - 4.9 Keep records of such transactions.
 - 4.10 Perform such other duties as are normally incumbent on a Secretary/Treasurer.
- Section 5. The Assistant Secretary/Treasurer shall:
 - 5.1 Perform the duties of the Secretary/Treasurer in the absence of such officer.
 - 5.2 Perform such other duties as may be assigned by the President &/or the Board of Directors &/or the Secretary/Treasurer.

ARTICLE VIII-MEETINGS OF THE BOARD OF DIRECTORS

- Section 1. The Board of Directors shall hold regular quarterly meetings.
 - 1.1 The President shall decide such time and place with the concurrence of the Board.
- Section 2. Special meetings of the Board may be called by the President or, by the Secretary/Treasurer at the request of three(3) Board members.
- Section 3. The Board shall hold an annual meeting in October of each year.

- 3.1 At such meeting, the President, for the fiscal year just ended, shall give a written report summarizing the activities of the foundation for such prior year.
 - 3.1.1 Such report may also contain recommendations for future activities of the foundation.
 - 3.1.2 The newly elected Directors shall assume office at this meeting.
 - 3.1.3 The new Board of Directors shall then elect the Officers for the coming year.

Section 4. A majority vote of the Directors present at a meeting shall decide a question or motion.

- 4.1 In case of a tie, the item shall be submitted to the membership for a vote.

ARTICLE IX-MEMBERSHIP MEETINGS

Section 1. Meetings of the membership shall be held at least quarterly.

Section 2. Such meetings may be held in conjunction with but not concurrently with meetings of the club. (The Optimist Club of Davenport)

2.1 The Foundation and the Club are separate Corporations legally and tax wise.

2.1.1 The separate identities must be honored and maintained.

2.1.2 When such meetings are held in conjunction with each other, the meeting first held must be adjourned and the meeting of the other called to order.

2.1.3 Foundation business may not be conducted at a Club meeting and visa versa.

2.2 The purpose of forming the foundation was to achieve the favorable tax status thereof.

2.2.1 Failure to follow the necessary procedures could result in the loss of the tax status of the foundation.

Section 3. Such quarterly meetings may be held in conjunction with a business meeting of the Optimist Club of Davenport.

3.1 Notice of such meetings, including subjects to be discussed, should be given to the membership at least five(5) days prior to such meeting(s).

3.1.1 This shall not preclude other business being brought to the floor.

ARTICLE X-ELECTIONS

Section 1. At the annual meeting of the board of directors, held in October, the directors for the current year shall elect the Officers for the year.

1.1 Each officer shall hold office for the current year or until their successor is elected.

Section 2. At the April quarterly meeting of the Membership, the Secretary-Treasurer shall announce nominations for each expiring directorship. (See Article VI, section 4.)

2.1 At least one (1) name shall be submitted for each directorship available.

2.2 Such nominations shall also be communicated, in writing, to the full membership by May 31 and specifying the date on which the election shall be held.

Section 3. Election of Directors shall be held at the July Quarterly Membership Meeting.

3.1 The Secretary/Treasurer shall read names of the nominees for each directorship.

3.2 The President shall ask for nominations from the floor.

3.3 Separate balloting shall be conducted for each office the first year. (see Article VI, section 4.)

3.4 A majority of votes cast shall be required to elect.

3.5 If the number of nominees shall be the same as the number of directorships to be filled, the President may request a unanimous ballot.

3.6 If the number of nominees exceeds the number of directorships available, the nominees receiving the highest number of votes shall be elected.

3.6.1 If 3.6 were the case, the President shall appoint a teller and a secret written ballot taken.

Section 4. Each director shall hold office for his/her term of election or until a successor is elected. (See Article VI.)

ARTICLE XI-SPECIAL ELECTIONS

Section 1. A vacancy in the ranks of Directors &/or officers may occur due to death, resignation, removal from office or other reason(s).

Section 2. Such vacancy(s) shall be filled by following procedures as specified in Article X except as to timing.

Section 3. Such elected persons shall serve for the remainder of the Director or Officer they are replacing or until a successor is elected.

Section 4. The power to elect or appoint also contains the power to remove.

ARTICLE XII-COMMITTEES

Section 1. The board shall name special committees as they shall consider necessary or desirable.

Section 2. The foundation shall have the following standing committees.

2.1 Nominating.

2.2 Bylaws and Parliamentary Procedures.

2.3 Finance.

2.4 Audit

Section 3. The President shall, with board approval, appoint a chairperson for each committee and may appoint the membership of such committees.

Section 4. The President shall give a charge, in writing, with the concurrence of the board, to each Committee Chairperson, setting forth the duties, responsibilities, and restrictions for each committee.

Section 5. By September 15, each chairperson shall give the President a report of the Committee's activities for their current term of existence.

5.1 Such report may also contain suggestions for the future.

ARTICLE XIII-AMENDMENTS

Section 1. Any suggested Amendment(s) to these Bylaws must be presented, in writing, to the Board with specified wording and full rationale for making such amendment.

1.1 The Board shall refer such proposed amendment(s) to the Bylaws committee within fifteen(15) days after receipt.

1.1.1 The Bylaws committee shall review such proposed amendments and give it's report &/or recommendations to the Board within fifteen(15) days after receipt.

Section 2. The board shall review such proposed amendment(s) in light of the Bylaws Committee report.

Section 3. After review, if the Board believes such proposed amendment(s) need changes or are not appropriate, then:

3.1 The Board shall direct the Bylaws Committee to contact the proposer.

3.2 If the proposer agrees to the suggested change(s), the bylaws committee shall submit the changed proposal to the board.

3.3 If the proposer does not agree, then the original proposal shall be returned to the Board.

3.4 The above steps must be done within a reasonable period of time. (At least by the next quarterly meeting.)

3.5 If the proposed agrees that the proposal(s) should be dropped. Then the Bylaws Committee shall report such to the Board and the matter shall be dropped.

3.6 If the original, or amended proposal(s) is returned to the Board then the board shall:

3.6.1 Adopt a recommendation on such proposal, with rationale thereof, to be communicated to the membership.

3.6.2 The Proposal(s) and the recommendation of the board shall be read to the membership at the next membership meeting by an officer designated by the board.

3.6.3 At the next membership meeting following such reading, a vote on such proposal(s) shall be taken.

3.6.4 A quorum, (one-fourth[1/4] of the total membership,) must be present.

3.6.5 A vote of one-half(1/2) of such membership present shall be required for the adoption of such amendment(s).

3.6.6 If such proposal(s) do not pass, such proposals shall be dropped.

3.6.7 If such proposal(s) were adopted then the President shall refer such to the Bylaws Committee to effect such change(s) in the Bylaws.

ARTICLE XIV-FINANCIAL POLICY

Section 1. This article shall set forth the rules and guidelines for the management of the Foundation's assets.

1.1 The term "assets" shall include all properties, be they tangible or intangible, owned by the foundation.

Section 2. The aim of the Foundation is twofold:

2.1 To accumulate, hold and invest monies, referred to as "principal" for the purpose of earning income &/or principal growth. (See section 6 this article).

2.2 To use the income earned for the purposes of the Foundation. (Income may also be invested short term if not currently needed.)

Section 3. The foundation may also receive monies or assets as donations, gifts, etc.

3.1 Such receipts may be designated by the giver to be used as an addition to Principal or to be available for distribution.

3.1.1 In the absence of such designation the board shall decide the destination of such receipt.

3.2 If such receipt is designated "available for distribution" and:

3.2.1 Such receipt is also designated to be expended for a particular purpose and:

3.2.2 Such charitable purpose is within the scope and purposes of the foundation, then:

3.2.3 The board shall honor such request and expend such receipt(s) only for the purpose specified.

3.2.4 If such determination cannot be honored by the Foundation:

3.2.4.1 The Donor shall be contacted and:

3.2.4.2 The Donor may change such request to one the Foundation can honor or:

3.2.4.3 If such request is not changed as necessary, then such gift shall be returned to the donor.

3.3 If a gift, etc., is in a form other than cash or marketable securities, then the board shall rule on accepting or refusing such gift.

3.4 The basis of gifts on the Foundations books shall be:

3.4.1 Cash-specific dollar amount.

3.4.2 Marketable securities-market value on date of transfer to foundation.

3.4.3 Other-cash received upon sale by the Foundation.

Section 4. The board shall give authority to the Secretary/Treasurer, and the Assistant Secretary/Treasurer, for the management of foundation assets such as:

4.1 Expenditure of funds.

4.2 Purchase, sale, transfers, voting, etc. of investments.

4.2.1 The above acts shall be done only at the express authorization of the Board of Directors.

Section 5. The Finance Committee shall have the responsibility of recommending activities regarding investments to the board.

5.1 Individual members may also make such recommendations to the Board.

Section 6. The investment aims of the Foundation shall be:

6.1 Safety of principal.

6.2 Income

6.3 Growth of principal.

Section 7. In line with the above, eighty(80) percent of the Foundation's investments shall be in high quality accounts or securities such as:

7.1 Money market accounts or certificate(s) of deposit in banking institutions covered by FDIC.

7.2 U.S. Government Bonds.

7.3 U.S. Corporation bonds rated "A" or better.

7.4 U.S. Corporation stocks rated "A" or better.

7.5 Common stock of large capitalization U.S. Corporations considered "blue chip".

7.6 No load mutual funds rated highly by "Morningstar" or the like.

7.6.1 Recommended that Mutual Fund purchases be within a "family" of funds since transfers may be made at no cost.

Section 8. Twenty(20) percent of the investments may be invested for growth (capital appreciation), purposes.

8.1 These investments need not meet the criteria in Section 7 above.

8.2 They should not include highly speculative investments.

8.3 They should not include IPO's.

Section 9. At the end of each fiscal year, the investments shall be reviewed.

9.1 If more than twenty(20) percent is invested in growth funds, (see Section 8 above), then:

9.1.1 A transfer shall be made to reduce the Section 8 investments down to within the twenty(20) percent allowed.

Section 10. The Principal of the Foundation shall remain inviolate and may not be invaded.

10.1 Exception to be investment losses.

Section 11. Capital gains and losses from investments shall be adjustments to Principal.

Section 12. Recommended that at least up to ten(10) percent of investment income each fiscal year be transferred to Principal for the purpose of Principal growth to provide future income growth.

Section 13. No more than ten(10)% of the Foundation's assets may be invested in any one security unless it is backed by the U.S. Government or FDIC insured.

ARTICLE XV-EXPENDITURES

Section 1. The President, in conjunction with the board, shall prepare a budget for the fiscal year of such President's term of office.

1.1 Such budget shall be prepared by October 31 of such fiscal year.

Section 2. Such budget shall be presented to the membership at a November meeting.

2.1 A simple majority voting in favor shall be sufficient for adoption of such budget.

Section 3. The adoption of such budget shall constitute approval for the specific expenditures as enumerated therein.

Section 4. Specific approval by the membership shall be obtained from the membership for any and all other disbursements except as follows:

- 4.1 Fees and commissions as ordinary and necessary for the purchase, sale, transfer, management and safekeeping of assets.
- 4.2 Expenditures of fifty(50) dollars or less for postage, stationery, copying, printing, office supplies and the like.
- 4.3 The board shall direct the Secretary/Treasurer to make such payments as authorized above in this article.

ARTICLE XVI-DONATED SECURITIES RECEIVED

Section 1. Securities received from a donor may be exempted from the restrictions in Article XIV sections 8 and 9 under the following conditions:

- 1.1 If the donor recommends that the foundation not make an immediate sale of the securities.
- 1.2 If the board agrees to such request.
- 1.3 If the foundation may sell such securities at any time thereafter at its option.

Section 2. Donated assets, other than marketable securities, shall be sold at their fair market value.

- 2.1 The valuation of such asset on the books of the Foundation shall be the sale price received therefrom.

ARTICLE XVII-OWNERSHIP OF ASSETS

Section 1. All assets of the foundation shall be held in the name of the "Optimist Club Foundation of Davenport".

Section 2. The above shall not preclude investments being held by a financial institution in a "street name".

- 2.1 Such financial institution shall furnish documentation showing the actual ownership of such investments to be the foundation.

ARTICLE XVIII-ENDOWMENT FUNDS

Section 1. Separate funds-hereinafter referred to an "endowment funds"-may be established to provide income for a specific purpose.

Section 2. An endowment fund may be established by:

- 2.1 A majority vote of the membership to transfer monies &/or securities from the general fund to an identified specific endowment fund.
- 2.2 A gift specifically earmarked to be placed in a specific endowment fund.

Section 3. An endowment fund must begin with a minimum balance of a minimum of two-thousand dollars (\$2,000.00).

Section 4. The income of an endowment fund shall be expended only for the specified purpose of such endowment fund.

Section 5. Except as provided in section 9 of this article, the principal of an endowment fund may not be invaded or transferred to another fund.

Section 6. The accounting and investment policies of each fund shall be the same of hereinbefore set out for the general fund.

Section 7. The Foundation statements shall show the division of assets by funds.

Section 8. The establishment of any and all endowment funds must be approved by a majority vote of the membership.

Section 9. If an individual endowment fund arrives at a point when it no longer serves a viable purpose, then:

- 9.1 By a majority vote at a membership meeting, the assets remaining in such endowment fund may be transferred to the general fund or another existing specified endowment fund.

ARTICLE XIX-COMINGLING

Section 1. Monies of funds may be comingled for investment purposes.

Section 2. Income from comingled funds shall be allocated to the funds based on the percentage of invested monies of each fund at the end of each fiscal quarter.

Section 3. Capital gains and losses shall be allocated in the same manner as income. (Section 2 above).

ARTICLE XX-COMMITTEES

Section 1. Nominating Committee.

1.1 This committee shall furnish the President with a list of candidates for election as Directors.

1.1.1 This shall be done by April 1.

1.1.2 Consent of each nominee shall be first had.

1.2 There shall be at least one candidate for each Directorship expiring at the end of the current fiscal year. (see section 1.5 following.)

1.3 The committee shall give consideration to types of expertise needed on the Board when selecting candidates.

1.4 Areas of expertise needed on the board include, but are not limited to:

1.4.1 Finance

1.4.2 Legal

1.4.3 Accounting

1.5 For the first election of Board Members after adoption of these bylaws:

1.5.1 The nominating Committee shall nominate at least six(6) candidates.

1.5.2 At least two(2) candidates shall be nominated for:

1.5.2.1 Three(3) year terms.

1.5.2.2 Two(2) year terms.

1.5.2.3 One(1) year term.

1.5.3 The committee shall specify the term of years of Directorship for which each candidate is nominated.

Section 2. Bylaws and Parliamentary Procedure Committee

2.1 This committee must be familiar and knowledgeable with respect to:

2.1.1 These bylaws.

2.1.2 "Roberts Rules of order, as amended."

2.1.3 The articles of Incorporation for this corporation.

2.2 Committee responsibilities

2.2.1 Insure that the foundation activities are in accordance with these bylaws.

2.2.2 Insure that correct parliamentary procedures are followed at foundation meetings.

2.2.3 Insure that there is no conflict between these bylaws and the Articles of Incorporation.

2.2.4 Recommend amendments, as necessary or desirable, to these Bylaws &/or the articles.

2.2.5 Review all Bylaws amendments and recommend board action for same.

2.2.6 Be familiar with Article XIII of these bylaws.

2.2.7 Issue amended Bylaws as necessary.

Section 3. Finance Responsibilities.

3.1 Be knowledgeable of the cash position of the foundation.

3.2 Be knowledgeable of disbursements to be made and the timing thereof.

3.3 Recommend short-term investments with consideration of 3.1 and 3.2 above.

3.4 Recommend long term investments in line with cash available for such.

3.4.1 Long term investments will normally be investment of principal and not income.

3.5 Review all investments, at least quarterly, and recommend such changes, as they may deem necessary or desirable, to the board.

3.5.1 Such recommendations shall include the committee's rationale thereof.

3.6 Investment recommendations must conform to the Foundation's Investment Policy as specified in these bylaws. (see article XIV)

Section 4. Audit Committee responsibilities

4.1 This committee shall have two(2) members who shall not be members of the board.

4.2 They shall be familiar with these bylaws.

4.3 They shall, annually, conduct an examination of the books and records of the foundation.

4.4 By November 30 they shall give an audit report to the board which report shall be reported to the membership.

ARTICLE XXI-QUORUM

Section 1. The presence of four(4) directors shall constitute a quorum for the transaction of business at a board meeting.

Section 2. The presence of one-fourth (1/4) of the total membership shall constitute a quorum for the transaction of business at a membership meeting.

ARTICLE XXII-PROXIES

Proxies shall not be allowed.

ARTICLE XXIII-FISCAL YEAR

The foundation fiscal year shall be from October 1 to September 30 of the calendar year following.

ARTICLE XXIV-SEAL

This corporation shall have no seal.

ARTICLE XXV-ACCOUNTING

The financial records of this corporation shall be kept on the cash basis.

ARTICLE XXVI-BOND

The directors of the foundation shall furnish a bond at the expense of the foundation.

ARTICLE XXVII-AUDIT

The foundation shall have an annual audit conducted by the Audit Committee.

ARTICLE XXVIII-PARLIAMENTARY PROCEDURE

In the absence of specific rules and procedures contained herein, then "Robert's Rules of Order, as revised" shall govern the meetings and deliberations of this organization.

ARTICLE XXIX-ARTICLES OF INCORPORATION

If there be any conflict between these bylaws and the Articles of Incorporation of this Corporation, then the Articles of Incorporation shall take precedence.

ARTICLE XXX-RELATIONSHIP WITH "CLUB"

Section 1. The foundation is affiliated with the Optimist Club of Davenport, AKA the Davenport Noon Optimist Club via a common membership.

Section 2. Both Corporations have the same ultimate purposes.

Section 3. The foundation may work with the Davenport Optimist Club to further the foundation's purposes.

Section 4. The foundation may reimburse the Club for expenses incurred in raising monies for the foundation.

Section 5. The foundation shall not make any general donations to the club.

ARTICLE XXXI-RECORDS

Section 1. Foundation records shall be segregated and kept as follows:

1.1 Bank statements, deposit slips and cancelled checks	8 years
1.2 Invoices and vouchers for payments.	8 years
1.3 Insurance policies	4 years
1.4 Financial statements and audit reports	permanently
1.5 General ledgers and journals	permanently
1.6 Certificate of Incorporation & Charter	permanently
1.7 Minute books	permanently
1.8 Tax returns, (including supporting papers and correspondence), And other Governmental reports.	Permanently
1.9 Correspondence-general	2 years
1.10 Acquisition, disposition, transfer, etc. of investments	8 years

ARTICLE XXXII-GENERAL

Section 1. The foundation shall furnish such supplies as are necessary for the record keeping purposes of the Secretary/Treasurer.

Section 2. The foundation shall furnish each director with a 3 ring binder for the storage and keeping of copies of foundation minutes, financial statements, and what other records each director deems advisable.

2.1 Such binder, with the enclosed records, shall be passed on to a successor director.

Section 3. The foundation shall furnish each director with a copy of the current bylaws.

Section 4. The foundation shall furnish each director with a copy of "Roberts Rules of order, as amended".

4.1 Such copies shall be passed on to a successor director.

These amended Bylaws adopted this 28th day of JULY 1998
Signed *[Signature]*
Secretary/treasurer