

CONSTITUTION OF THE
VANDALIA-BUTLER FOUNDATION
FUND OF THE DAYTON FOUNDATION

ADOPTED NOVEMBER 8, 1990

REVISED MAY 20, 1999

REVISED APRIL 6, 2002

ARTICLE I
ORGANIZATION

Section 1.01 – Structure

- (a) The name of this organization shall be the Vandalia-Butler Foundation (The “Foundation”), which is organized as a non-profit unincorporated association under the laws of the State of Ohio.
- (b) The principal office of the Foundation shall be located in the Vandalia-Butler community.

Section 1.02 – Purpose

- (a) The purpose for which the Foundation is formed shall be to operate exclusively for charitable and educational purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1954, as amended, including the promotion and support of charitable, cultural, social, educational and recreational programs, agencies and institutions in the Vandalia-Butler community.
- (b) The Board of Trustees of the Foundation shall also act as the Advisory Committee to The Dayton Foundation with respect to the Vandalia-Butler Foundation Fund of The Dayton Foundation.

Section 1.03 – Restrictions

No part of the net earnings of the Foundation shall inure to the benefit of any private individual or entity. No substantial part of the activities of the Foundation shall be for carrying on propaganda, or otherwise attempting to influence legislation. The Foundation shall not participate in, or intervene in any political campaign on behalf of any candidate for public office.

Section 1.04 – Grant Policy

Vandalia-Butler Foundation grants are made for public charitable purposes that benefit citizens of the Vandalia-Butler community. The Vandalia-Butler Foundation seeks to respond to a wide variety of needs in the community.

Specific grant recommendations are made by the Board of Trustees. The size and number of grant awards are directly related to the amount of money available each year and the restrictions donors have placed upon the uses of certain funds.

Generally, grants are made to help launch new projects which represent a unique and unduplicated opportunity for the community, to support established organizations for

special purposes, and to generate matching funds. The Foundation particularly encourages proposals for projects which:

- Encourage more efficient use of community resources and promote coordination, cooperation and sharing among organizations and the elimination of duplicated services.
- Test or demonstrate new approaches and techniques in the solution of important community problems.
- Could not be accomplished with other sources of support.
- Promote volunteer participation and citizen involvement in community affairs.
- Strengthen non-profit agencies and institutions by reducing operating costs, increasing public financial support and/or improving internal management.

The Vandalia-Butler Foundation does not (except to carry out the expressed purpose of a donor) usually make grants:

- To provide the principal source of support to an organization or activity.
- To organizations located outside the Vandalia-Butler community.
- To establish or add to endowment funds.
- To individuals (except for scholarship purposes).
- To fund specific scientific, medical or academic research.
- To sectarian activities of religious organizations.
- To an organization operated for profit.

There are six categories of need which receive the major support of the Fund:

- (1) Arts and Humanities
- (2) Civic Affairs
- (3) Conservation and Environment
- (4) Education and Youth
- (5) Health
- (6) Social Services

ARTICLE II

MEMBERS

Section 2.01 – Class of Members

There shall be the following classes of membership in this Foundation:

- (a) A member is any person or organization that has contributed to this Foundation during the twelve months prior to the Annual Meeting.
- (b) Members who contribute \$50.00 or more per calendar year shall be designated as voting members entitled to a vote at membership meetings.

Section 2.02 – Meetings

An Annual Meeting of the members for the consideration of reports, election of Trustees and for such other business as may be brought before the meeting shall be held at such time on the third Thursday in March or on such other date as may be designated by the Board of Trustees.

Section 2.03 – Place of Meetings

Meetings of the members may be held at any place within or without the State of Ohio. If no designation is made, the place of the meeting shall be the principal office of the Foundation in the State of Ohio.

Section 2.04 – Notice of Meetings

Written notice of the time and place of each meeting shall be given to each member by personal delivery, or by mail, or by publication in a local newspaper at least ten (10) days before each meeting.

ARTICLE III

BOARD OF TRUSTEES

Section 3.01 – General Powers

The powers of the Foundation shall be exercised, its business and affairs conducted, and its property managed under the direction of the Board of Trustees.

Section 3.02 – Terms of Office, Selection and Qualifications

- (a) Any voting member (except an organization or its designate) shall be entitled to be elected to the Board of Trustees.
- (b) Trustees shall be elected for a term of three years commencing with the May Trustees meeting. Newly elected Trustees are entitled and encouraged to attend the April meeting but will have no voting power. The terms of the Trustees shall be staggered so that at least two Trustees are elected each year, except one Trustee may be elected when the Board consists of five members. The Trustees, in the event of a vacancy during the term of a Trustee, may fill that vacancy for the balance of the unexpired term.
- (c) The Board of Trustees shall consist of no less than five or more than seven members.
- (c) No member of the Board of Trustees may hold elected office in the City of Vandalia, Butler Township, or any other unit of government with jurisdiction including said City or Township.
- (d) No member shall be elected to the Board of Trustees for any more than two (2) successive terms. This does not preclude a member from being re-elected after at least a two (2) year break in service as a Board member.

Section 3.03 Suspension/Leave of Absence

Suspension/Leave of Absence shall be imposed by a majority vote of the Board of Trustees. As a date, not more than twelve months from the date of Suspension/Leave of Absence, the Board of Trustees shall address the respective board member's status by majority vote.

Section 3.04 – Removal

Any member of the Board of Trustees may be removed by the Board of Trustees, with or without cause, at any time by the affirmative vote of a majority of the Board of Trustees.

Section 3.06 – Meetings

Regular meetings of the Board of Trustees shall be held on the third Thursday of each month at such times as the Board shall determine.

Section 3.07 – Place of Meeting

- (a) Meetings of the Board of Trustees may be held at any place within or without the State of Ohio. If no designation is made, the place of the meeting shall be the principal office of the Foundation.

- (b) The Board of Trustees shall serve as the Advisory Committee to the Vandalia-Butler Foundation Fund of The Dayton Foundation, having the duty and discretion to recommend distributions of income and principal of the Fund.
- (c) The Board of Trustees shall appoint and dissolve standing Committees wherein at least one member of the Board shall serve on the Committee. The actions of the Committee shall only be recommendations to the Board, which may or may not act thereon.
- (d) In addition to the foregoing, the Board of Trustees shall perform such other duties as may from time to time be delegated to it by this Constitution.

ARTICLE IV

OFFICERS OF BOARD OF TRUSTEES

Section 4.01 – Officers

The officers of the Foundation shall be a President, Vice President, Secretary and Treasurer and such other officers or assistant officers as shall from time to time be created by the Board of Trustees. The officers need not be Members of the Board of Trustees but shall be required to have the qualifications of a Board Member pursuant to Section 3.02 (a) and a Voting Member pursuant to Section 2.01 of this Constitution.

Section 4.02 – Appointment and Term of Office

- (a) The President shall appoint, no later than the April Board of Trustees meeting, a nominating committee for the election of officers. Nothing shall preclude nominations from the floor at the time of the election of officers.
- (b) The officers of the Board of Trustees shall be elected by the Board of Trustees at its May meeting and take office immediately.
- (c) The term of the President shall be for two years or until a successor has been elected and qualified. The term of all other officers shall be one year or until their successors are elected and qualified.

Section 4.03 – Resignation

- (a) Any officer may resign at any time by giving written notice to the Board of Trustees.
- (b) A resignation shall take effect at the time specified therein, and unless otherwise specified therein, shall become effective upon delivery. The acceptance of such resignation shall not be necessary to make it effective unless so specified in the resignation.

Section 4.04 – Removal

- (a) Any officer may be removed by the Board of Trustees, with or without cause, at any time by the affirmative vote of the majority of the Board of Trustees.
- (b) Any vacancy by reason of this section or the previous section may be filled by a majority of the Board of Trustees for the balance of the unexpired term.

Section 4.05 – Duties of Officers

- (a) The President is the chief executive officer and shall preside at all meetings of the members and all meetings of the Board of Trustees.
- (b) The Vice President shall, in the absence of the President, preside at all meetings of the members, and unless another person is designated by the Board of Trustees, all meetings of the Board of Trustees.
- (c) The President shall sign the communications and any other documents relating to the day to day business of the Foundation. The President and Secretary or Treasurer, only after authorization from the Board of Trustees, shall jointly sign any documents which either transfer assets or incur liability on behalf of the Foundation in amounts which exceed \$250.00.
- (d) The Treasurer shall maintain a petty cash fund for the purposes of paying incidental expenses related to the operation of the Foundation as stated in the Agreement with The Dayton Foundation. The Treasurer or President may sign withdrawals from the petty cash fund. The petty cash fund shall not exceed \$500.00 and shall be under the strict control of the Treasurer. This fund may be replenished upon submission of documentation acceptable to the President of The Dayton Foundation.
- (e) In the absence of an officer or for any other reason which the Board of Trustees may deem sufficient, the Board of Trustees may delegate the authorities and duties of any officer to any other officer.
- (f) In addition to the foregoing, each officer shall perform all duties as may from time to time be delegated to each of them by this Constitution or the Board of Trustees.

ARTICLE V

INDEMNIFICATION AND INSURANCE

Section 5.01 – Indemnification and Insurance

- (a) To the fullest extent not prohibited by applicable law, the Foundation shall indemnify each person who, by reason of being or having been a member of the Board of

Trustees, and any other person as deemed (including attorney fees, judgments, fines, penalties, amounts paid in settlement, and other disbursements) actually and reasonably incurred by or imposed upon each person in connection with any action, suit, investigation or proceeding (or claim or other matter therein), whether civil, criminal, administrative or otherwise in nature, with respect by reason of being or at any time having been a trustee, officer, employee or other agent of or in a similar capacity with the Foundation, or by reason of being or at any time having been, at the direction or request of the Foundation, a director, trustee, officer, administrator, manager, employee, member, advisor or other agent of or fiduciary for any other corporation, partnership, trust, venture or other entity or enterprise including any employee benefit plan.

- (b) The Dayton Foundation currently indemnifies the Board members, Officers and Employees in civil and criminal penalties to the same extent as provided in Paragraph 11 of the Resolution and Declaration of Trust creating The Dayton Foundation, eleventh edition, December 1990, as it may be amended.
- (c) Each request or case of or on behalf of any person who is or may be entitled to indemnification for reason other than by having or having been a member of the Board of Trustees or officer of the Foundation shall be reviewed by the Board of Trustees and indemnification of such person shall be authorized by the Board of Trustees only if it is determined by the Board of Trustees that indemnification is proper in the specific case, and, notwithstanding anything to the contrary in this Constitution, no person shall be indemnified to the extent, if any, it is determined by the Board of Trustees or by written opinion of legal counsel designated by the Board of Trustees for such purposes that indemnification is contrary to applicable law.

Section 5.02 – Insurance

The Foundation may, as the Board of Trustees may direct, purchase and maintain such insurance on behalf of any person who is or at any time has been a trustee, officer, employee or other agent of or in a similar capacity with the Foundation, or who is or at any time has been, at the direction or request of the Foundation, a director, trustee, officer, administrator, manager, employee, member, advisor or other agent of or fiduciary for any other corporation, partnership, trust venture or other entity or enterprise including any employee benefit plan against any liability asserted against or incurred by such person.

ARTICLE VI
MISCELLANEOUS

Section 6.01 - Amendment

These by-laws may be amended from time to time by the Board of Trustees of the Foundation by a vote of two-thirds of the then acting Trustees with the approval of the President of The Dayton Foundation.

Section 6.01 – Dissolution

Upon dissolution of the Vandalia-Butler Foundation any assets remaining shall be conveyed to The Dayton Foundation. If said Dayton Foundation does not exist upon the Vandalia-Butler Foundation’s dissolution, any assets remaining shall be conveyed to such organization or organizations as shall be selected by the affirmative vote of a majority of the Board of Trustees, provided, however, such organization or organizations shall be exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code of 1954 or successor legislation.

Section 6.03 – Donor’s Intent

It is anticipated that confusion may arise with the general public as to the distinction between the Vandalia-Butler Foundation and The Vandalia-Butler Foundation Fund of The Dayton Foundation. Therefore, it is the position of the Vandalia-Butler Foundation that any gifts, devises or bequests directed to the Vandalia-Butler Foundation will be considered to have been intended for the Vandalia-Butler Foundation Fund and will accordingly be accepted by the Vandalia-Butler Foundation Fund of The Dayton Foundation.

APPROVAL OF PRESIDENT OF DAYTON FOUNDATION

The undersigned hereby approves this revised Constitution as set forth herein, May 20, 1999.

(signature on file)
Michael M. Parks, President
The Dayton Foundation