

JCREMC Community Fund Operation Round-Up®

BYLAWS

OF

JOHNSON COUNTY REMC

COMMUNITY FUND

NOVEMBER 22, 2022

Bylaws
Of
Johnson County REMC Community Fund

ARTICLE I

Name of Fund

The name of the Fund shall be the Johnson County REMC Community Fund (hereinafter referred to as the "Fund").

ARTICLE II

Purpose of Organization

The purpose of the Fund shall be to provide financial assistance for charitable causes and nonprofit organizations within the communities served by Johnson County REMC ("Eligible Purposes"). The fund is not intended to take the place of social service programs, and funds should not be disbursed for continuing situations caused by unwise spending and credit practices. Upon dissolution of the Fund, any remaining funds shall be distributed only for charitable purposes.

ARTICLE III

Funding

The Fund shall be funded by such rules and regulations as may be promulgated by the Board of Directors of Johnson County REMC and from any other source of funds available to the said Fund. The Fund shall be administered as a component fund of the Johnson County Community Foundation who will be paid a small fee taken from Fund proceeds for administrative services.

ARTICLE IV

Advisory Board

The Fund shall be overseen by an Advisory Board ("Advisory Board") consisting of nine (9) individual board members. The Advisory Board Members ("Members") shall be appointed by the Board of Directors of Johnson County REMC. The Members of the Advisory Board shall consist of designees from the seven (7) districts of Johnson County REMC, along with two (2) staff designees recommended by the CEO of Johnson County REMC and appointed by the Board

of Directors of Johnson County REMC. No more than two (2) Advisory Board Members shall be appointed by the Board of Directors of JCREMC from the same district and a minimum of five (5) districts of JCREMC must always be represented. Staff designee Members shall serve a one-year term unless reappointed by the CEO of Johnson County REMC and the Board of Directors of Johnson County REMC.

Initially, appointments for the district designees will consist of two (2) Members for a one-year term; two (2) Members for a two-year term, and three (3) Members for a three-year term. Thereafter, the length of successive terms, excluding staff designees, shall be for three (3) years so as to maintain staggered terms of three (3) years each.

Advisory Board Members shall be limited to four (4) full terms of three (3) years. In the case of an Advisory Board Member filling a partial term, they shall be allowed to fill four (4) full terms of their own at the conclusion of the partial term.

ARTICLE V

Qualifications for Advisory Board Membership

An Advisory Board Member of the Fund shall be at least eighteen (18) years of age, a permanent resident of the district from which they are chosen and an active member in good standing with Johnson County REMC or be an active Johnson County REMC employee. No person seeking or holding a seat on the Board of Directors of Johnson County REMC or a close relative (as defined in Johnson County REMC Board Policy No. 2-1(II)(A)(9)) of a current Director, shall be a Member of the Advisory Board. No person shall take or hold office as a Member who presently occupies a state or local government office.

ARTICLE VI

Selection of Advisory Board

The members of the Advisory Board shall be appointed by the Board of Directors of Johnson County REMC, which shall also fill any interim vacancies.

ARTICLE VII

Compensation for Advisory Board Members

No Member shall receive compensation for serving on the Advisory Board of the Fund. Such Members may, however, be reimbursed for mileage and out-of-pocket expenses incurred while on the business of the Fund when such business is sanctioned by the Advisory Board of the Fund. Such expenses shall be paid by Johnson County REMC, not the Fund.

ARTICLE VIII

Meetings of the Advisory Board

Regular Meeting: The Advisory Board of the Fund shall meet not less than semi-annually at a place designated by the Advisory Board. The Advisory Board may meet at such other times as they may deem at their discretion to be necessary.

Special Meeting: Special meetings of the Advisory Board may be called by the Chairman of the Advisory Board or by any three (3) Members. The Chairman or Members calling such meeting shall fix the time and place.

Notice of Member Meeting: Notice of the time and place of regular and special meetings of the Advisory Board shall be given to Members of the Advisory Board not less than five (5) days prior thereto, either personally, by mail, or by E-mail, at the discretion of the Secretary-Treasurer, and upon default in that duty by the Secretary-Treasurer, then by the Chairman or the Members calling for such meeting.

ARTICLE IX

Quorum

A majority of the Advisory Board shall, unless otherwise designated in the Bylaws, constitute a quorum. In the event that less than a majority of the Advisory Board is present at any meeting, the majority of those Members present may adjourn the meeting and designate a place and time for the next meeting, under which circumstances the Secretary-Treasurer shall notify the absent Members of the place and time of the meeting. An act of the majority of the Advisory Board present at any meeting at which a quorum is present, and unless otherwise provide in the By-laws, shall be the act of the Advisory Board of the Fund.

ARTICLE X

Removal of a Member of Board

Any Member of the Advisory Board of the Fund shall automatically cease to be a Member of said Board if such Member misses two (2) successive regular meetings as outlined in Article VIII of the Bylaws. Any Member of the Advisory Board of the Fund may otherwise be removed from the Board by a 2/3 vote of the entire Advisory Board of the Fund.

ARTICLE XI

Officers of the Board

The officers of the Fund shall be a Chairperson, Vice Chairperson, Secretary -Treasurer, and such other Officers as may be determined by the Advisory Board from time to time. For the purposes of these Bylaws, the above Officers shall constitute the Executive Officers of the Fund.

ARTICLE XII

Election of Officers and Term of Office

The officers shall be elected annually by secret ballot of the Advisory Board at a meeting of Members held on an annual basis after the initial organizational meeting. The terms of office shall be for one (1) year; however, officers may be re-elected to consecutive terms of office. The Chairman shall be limited to five (5) consecutive terms of office and must wait one full term before being re-elected Chairman. No such restriction shall apply to any other office.

ARTICLE XIII

Ex-officio Members of Advisory Board

The CEO of Johnson County REMC, or its designee, shall be a non-voting ex-officio Member of the Advisory Board of the Fund. The Advisory Board may from time to time have other such non-voting ex-officio Members as it may in its discretion determine as necessary or prudent.

ARTICLE XIV

Policies, Rules, and Regulations

The Advisory Board of the Fund shall have the power to make and adopt such rules and regulations, not inconsistent with law or these By-laws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Fund. These policies, rules, and regulations shall be published and readily available to all potential Fund applicants.

ARTICLE XV

Duties of Executive Officers

Chairperson: The Chairperson shall be the principal Executive Officer of the Fund presiding at all meetings of the Advisory Board and in general perform all duties incidental to

the office of Chairperson and such other duties as may be prescribed by the Advisory Board from time to time.

Vice Chairperson: In the absence of the Chairperson, or in the event of his inability or refusal to act, the Vice Chairperson shall perform the duties of the Chairperson, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chairperson. The Vice Chairperson shall also perform such other duties as may be prescribed by the Advisory Board from time to time.

Secretary-Treasurer: The Secretary-Treasurer shall be responsible for keeping the minutes of meetings of the Advisory Board; be responsible for seeing that all notices are duly given in accordance with these By-laws or as required by law; have general oversight of the books of the Fund; be responsible for the keeping on file at all times a complete copy of the By-laws of the Fund containing all amendments thereto; have oversight of all funds and securities of the Fund; be responsible for maintaining the receipt of and the issuance of receipts for monies due and payable in the name of the Fund in such bank or banks as shall be selected in accordance with the provisions of these By-laws; and such other duties as from time to time may be assigned to them by the Advisory Board.

ARTICLE XVI

Check Signing

Any checks issued by the Fund, for any purpose shall be recommended by the Advisory Board and distributed by the Johnson County Community Foundation or an entity designated by the Advisory Board as having check signing authority.

ARTICLE XVII

Disbursement of Funds

Except as otherwise provided in these Bylaws, the Advisory Board of the Fund shall have the full and sole responsibility for recommending the disbursement of all monies of the Fund in accordance with these Bylaws, Internal Revenue Code, Operation RoundUp® Bylaws, and the policies as adopted by the Advisory Board.

Prior to the consideration by the Advisory Board of the Fund of any disbursement, Member(s) of the Advisory Board shall disclose and explain any personal and/or business interest, connection, kinship, or other association they may have with the applicant, group, corporation, or other entity under consideration for funding by the Fund. Such Member shall, if requested by the chairman or any two (2) Members of the Advisory Board, excuse himself or herself from the meeting and not participate in the discussion of or voting on the recommended disbursement.

If no request is made that the interested Member be excused from the meeting, then and in that event, said Member may participate in the discussion of the recommended disbursement but shall not vote on the disbursement. The recommended disbursement must be approved by a unanimous vote of all remaining Members of the Fund.

ARTICLE XVIII

Accumulation of Funds

Johnson County REMC shall transfer funds collected by it for the benefit of the Fund on a regular basis, but in no event less than quarterly. It shall transfer funds to the Johnson County Community Foundation no less than annually. The Fund may also solicit and accept contributions from other sources as deemed appropriate by the Advisory Board. The fee for Johnson County Community Foundation administrative services will be taken from funds transferred to the Fund by Johnson County REMC.

ARTICLE XIX

Investment of Funds

The Advisory Board of the Fund shall be responsible for oversight of the funds entrusted to it and shall see that the investment of said funds is done by the Johnson County Community Foundation in a manner that is reasonable and prudent and in keeping with these Bylaws and the policies of the Fund.

ARTICLE XX

Fiscal Year

The fiscal year of the Fund shall commence on the 1st day of January of each calendar year and end on the 31st day of December of each calendar year.

ARTICLE XXI

Accounting System & Reports

The Advisory Board of the Fund shall cause to be established and maintained a complete accounting system such that is in keeping with sound financial management, and furthermore, the Advisory Board of the Fund shall make reports to the Board of Directors of Johnson County REMC on the operation and expenditures of the Fund as may be necessary and prudent, but in no case less than annually. The Advisory Board of the Fund shall cause an annual review of the Fund financial statements for each fiscal year to be completed by the Board of Directors of

Johnson County REMC or a designee as appointed by the Board of Directors of Johnson County REMC.

ARTICLE XXII

Political Contributions

No amount of the Fund shall in any fashion be used to support any candidate for political office or party or any political purpose.

ARTICLE XXIII

Borrowing of Funds

The Fund shall not have the authority to borrow monies from any bank, savings and loan, or other institutions for any purpose.

ARTICLE XXIV

Emergency Expenditures

The Advisory Board of the Fund may by a unanimous vote of its quorum recommend expenditures for Eligible Purposes on an emergency basis, but otherwise in accordance with these Bylaws and policies adopted by the Advisory Board of the Fund. Emergencies are defined as immediate funds needed for disaster relief and similar circumstances. Such an emergency expenditure shall be fully disclosed by the Executive Officers at the next regularly called meeting of the Advisory Board, and in the next annual report to the Board of Directors of Johnson County REMC.

ARTICLE XXV

Amount of Expenditures

Subject to the budget provided by the Board of Directors of Johnson County REMC, the Advisory Board may authorize such expenditures that are reasonable and prudent for the business operation of the Fund including, but not limited to staff, equipment, supplies, facilities, consultants, accountants, and attorneys, to be paid by Johnson County REMC. The Advisory Board may authorize reasonable audits of Fund expenditures and all use of funds by Fund recipients.

Unless otherwise provided by these Bylaws and in keeping with the purpose of this Fund, the Advisory Board may recommend expenditures of funds from the Fund for Eligible Purposes by a majority vote of the Members present at a duly constituted meeting of the Advisory Board, subject to the following rules:

- a) Expenditures for a single application for funding shall be limited to five thousand dollars (\$5,000.00).
- b) Not more than ten thousand dollars (\$10,000.00), annually to any applicant, group, organization, charity or like organization.
- c) No group, organization, charity, or like organization shall receive money from the Fund for the same purpose for more than two (2) consecutive cycles. At least one (1) full cycle shall pass from the date of the second disbursement until the time of the next application.

ARTICLE XXVI

Expenditures Exceeding \$5,000

Notwithstanding any other provision of these Bylaws, the Advisory Board may, by a unanimous vote of the entire membership of the Advisory Board, recommend expenditures in the amount of up to ten thousand dollars (\$10,000) to any applicant, group, organization, charity, or similar organization, which such Members determine is in keeping with the purpose and spirit of the Fund and these By-laws.

ARTICLE XXVII

Retention of Funds

The Advisory Board of the Fund shall always preserve at least five hundred dollars (\$500.00) within the Fund, or such greater amount as the Members otherwise determine.

ARTICLE XXIII

Proxy Voting

There shall not exist proxy voting at any meeting of the Advisory Board of the Fund.

ARTICLE XXIX

Amendment of By-laws

These Bylaws may be altered, amended, or repealed by the Board of Directors of Johnson County REMC at any duly constituted meeting of such Board. The Advisory Board of the Fund may make advisory recommendations to the Johnson County REMC Board of Directors.

These Bylaws are hereby approved by the Board of Directors of Johnson County REMC this _____ day of _____, 2018.

Johnson County REMC Board of Directors

Stephen Watson, President

Jamie Meredith, Secretary/Treasurer