

BYLAWS
of
FRIENDS OF SOUTH HIGH FOUNDATION, INC.

ARTICLE 1
NAME, OFFICE, POLICIES

Section 1.1. Name: The name of this organization shall be “Friends of South High Foundation, Inc.” hereinafter referred to as the Foundation.

Section 1.2. Office: The registered office of the Foundation shall be as set forth in the Articles of Incorporation, or in the most recent amendment or restatement of such Articles of Incorporation, or in a certificate of change of registered office filed with the Secretary of State of Minnesota reflecting the adoption of a resolution by the Board of Directors changing such registered office.

Section 1.3. Policies and Practices: The Foundation shall be governed by the following policies and practices:

- a) The Foundation is organized exclusively for the charitable, scientific, literary, or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code and shall not carry on any other official activities not permitted under that Section of the federal tax code.
- b) No part of the net earnings of the Foundation shall inure to the benefit of or be distributable to its officers, directors, members, or other private persons except that the Foundation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these Bylaws.
- c) Upon the dissolution of the Foundation, after paying or adequately providing for the debts and obligations of the organization, the remaining assets shall be distributed as required under the law governing nonprofit corporations in the state of Minnesota.
- d) Whenever, under the provisions of these Bylaws, notice is required to be given to directors or Participating members, it shall be given by personal notice, directly or via electronic voice communication; in writing by US mail or courier by depositing it in a post office or letter box or private courier service receptacle within the State of Minnesota in a post-paid, sealed wrapper addressed to such director or member at his or her last known address; or by electronic mail to an Internet email address designated by the individual; and such notice or action shall be deemed to have been given at the time when thus deposited in the mailbox or courier receptacle or when transmitted. Notice to Supporting Members and the Community at large may also be given by posting in official Foundation

or school newsletters (printed or electronic) and posting on the Foundation's Internet web site. Responses to the Foundation shall be transmitted to the addresses provided by the Foundation.

- e) In all matters of procedure not otherwise specified, Robert's Rules of Order will be used as the governing rules for all meetings.

ARTICLE II MEMBERSHIP

Section 2.1. Member Classes: Membership shall be open to all interested persons who support the mission and principles of the Foundation. There shall be two classes of membership:

- a) Participating membership: Participating members shall have voting rights and shall be considered voting members.
- b) Supporting membership: Supporting members may, as they desire, participate in activities of the Foundation. Supporting members shall *not* have voting rights.

Section 2.2. Membership Terms: Supporting and participating members may join the organization at any time. Members may maintain their membership in each class as long as they satisfy the membership requirements as set forth in these Bylaws or by the Board of Directors.

Section 2.3. Termination of Membership: Members may resign their membership in each class by notification to the Membership Chair or Secretary. Members may be expelled or suspended from each class by action of the Board of Directors for failure to satisfy the requirements of their membership class. The member must be given 15 days prior written notification of the expulsion or suspension, and shall have an opportunity to be heard, orally or in writing, not less than five days prior to the effective date of the expulsion or suspension, to appeal that the proposed expulsion or suspension not take place.

Section 2.4. Dues: Dues, if any, for each class of membership shall be set by the Board of Directors.

Section 2.5. Requirements of Membership: To maintain a status of good standing in each membership class, members must satisfy the following requirements:

- a) Participating Members (voting members) must support the mission and principles of the Foundation, provide information to the Membership Chair for the member database and pay any dues set by the Board of Directors. Additionally, Participating members must volunteer time to serve on one or more of the standing committees or perform other functions or activities as authorized by the Board of Directors. Participating members are expected to attend membership meetings and assigned committee meetings or other authorized activities or perform authorized functions on a regular basis to remain a Participating member in good standing. Participating members who are absent for more than two

sequential meetings, events or activities without permission from the committee chair, activity chair or other person authorized to grant such waiver may have their Participating Membership revoked

- b) **Supporting Members (nonvoting members)** must express a desire to support the mission and principles of the Foundation, provide information to the Membership Chair for the member database, pay any dues set by the Board of Directors and fulfill any other requirements determined by the Board of Directors.

Section 2.6. Annual Meeting: Participating members (voting members) shall meet at an annual meeting held in May of each year at a time and place determined by the Board of Directors. Participating members are also requested to attend all open Board meetings to remain informed and to help influence the decisions of the Foundation and shall be afforded the right to participate or speak at the discretion of the Board Chair.

Section 2.7. Special Meetings: Special meetings of Participating members may be called by the Board of Directors at a time and place of the Board's choosing.

Section 2.8. Quorum: Unless otherwise provided by law or by these Bylaws, a quorum for a meeting of the Participating members, at which action is taken is one-third (1/3) of the Participating members on record at the time of the meeting.

Section 2.9. Voting: Except where a different portion or number is required by law or by these Bylaws, the Members may take action by the affirmative vote of a majority of the Participating members present at a duly held meeting.

Section 2.10. Proxy Voting: A Participating member may delegate one other voting member to act on the member's behalf by written proxy. A written proxy appointment is effective when received by the Membership Chair or Secretary, and is valid for the meeting described. Revocation of a proxy appointment is effective when the person who has appointed a proxy attends a meeting to vote in person, or when the person who has appointed a proxy signs and delivers a revocation of proxy appointment to the Membership Chair or Secretary.

ARTICLE III BOARD OF DIRECTORS

Section 3.1 Purpose: The Board of Directors shall direct and manage all of the business and affairs of the Foundation. It has ultimate responsibility and authority over all functions of the Foundation including, but not limited to, strategic and tactical direction, financial operations and transactions, satisfaction of legal requirements, committee operations and external relations.

Section 3.2 Composition: The Board shall consist of a minimum of four (4) and a maximum of eleven (11) directors. The Board shall be comprised of a Chair, a Vice Chair, a Treasurer/Finance Chair, and a Secretary/Communications Chair, and if there are enough Board members to fill these Chairs, a Fundraising Chair, a Grants and Scholarships Chair, and a Membership Chair. The Board may also include up to four (4) people appointed or elected at large.

Section 3.3. Election: The Chair, Vice Chair, Treasurer and Secretary shall be elected by majority vote of the Participating Members at the annual meeting. The Fundraising Chair, Grants and Scholarships Chair and Membership Chair shall be elected by the members of the Fundraising Committee, Grants and Scholarships Committee and Membership Committee respectively at their first monthly meeting after the annual meeting. Four at-large seats are also available to be filled by election by the Participating (voting) members at the annual meeting. Any at-large seats not filled by member election may filled at any time by the Board of Directors. Each director shall take office immediately upon election or appointment.

Section 3.4. Terms: Directors shall serve until the next duly held annual meeting of the Participating members.

Section 3.5. Vacancies: Vacancies on the Board of Directors may be filled by a vote of the majority of the remaining directors or by special election.

Section 3.6. Resignation: A director may resign at any time by giving written notice to the Secretary or Board Chair. The resignation is effective without acceptance when the notice is given, unless a later effective time is specified in the notice.

Section 3.7. Removal: Upon an affirmative vote of a majority of the directors, a director may be removed, with or without cause, at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose. Such removal is without prejudice to any contract rights, if any, which such director may have with the Foundation.

Section 3.8. Compensation: No compensation shall be paid to directors for their service as directors. Compensation may be paid to a director for services performed for the Foundation in another capacity, so long as the compensation is reviewed by the Board of Directors for reasonableness.

Section 3.9. Regular Meetings: The Board of Directors shall meet monthly during the academic year (with a December meeting being optional) and as often during the June, July and August as the Board Chair deems necessary for the Board to adequately perform its duties.

Section 3.10. Special Meetings: Special meetings of the Board of Directors may be called at any time upon request of the Board Chair or any two (2) directors, provided that any such request shall specify the purpose or purposes for the meeting. The Chair shall set the date for the special meeting within three (3) working days of making or receiving such a request and shall give not less than five (5) nor more than thirty (30) days notice of the time, place and purpose of such special meeting.

Section 3.11. Meeting Location and Attendance: The Board of Directors may hold its meetings at such places as a majority of the directors then in office may from time to time appoint. Any number of directors shall be considered present and may participate in a board meeting from a remote location by any means of communication through which all directors participating remotely and all directors physically present at the meeting site, if any, may simultaneously hear each other during the meeting.

All directors are required to attend regular meetings and may not miss more than two sequential meetings without permission from the Chair to maintain their status as a director in good standing.

Meetings of the Board of Directors shall be open to Participating and Supporting members and the general public unless the Board votes to hold an executive session.

Section 3.12. Waiver of Notice: A director may waive notice of any meeting before, at, or after a meeting. Such waiver shall be filed with the Secretary, who shall enter it in the minutes or other records of that meeting. Appearance at a meeting by a director shall be deemed a waiver of notice, unless the appearance is solely for the purpose of asserting the impropriety of the meeting.

Section 3.13. Quorum: At all meetings of the Board of Directors, a majority of the directors then in office shall be necessary and sufficient to constitute a quorum for the transaction of business.

Section 3.14. Voting: Except where otherwise required by law, the Articles of Incorporation or these Bylaws, the affirmative vote of a majority of the directors present at a duly held meeting shall be sufficient for any action. Voting by proxy is not permitted.

Section 3.15. Action without Meeting: Any action required or permitted to be taken at a meeting of the Board of Directors may be taken by written action signed or transmitted by the number of directors that would be required to take the same action at a meeting of the board at which all directors were present. Such action may be transmitted by personal service, US Mail or electronic mail. Acknowledgement of electronic mail transmissions must be sent via return receipt or acknowledging message. When written action is taken by less than all the directors, all directors shall be notified of the written action.

ARTICLE IV OFFICERS

Section 4.1. Definition: The following positions on the Board of Directors shall be the officers for the Foundation:

Chair
Vice Chair
Treasurer
Secretary.

Section 4.2. Duties and Responsibilities.

- a) Chair: The Chair shall hold the role of President of the corporation and is responsible for all duties and obligations established by law. The Chair shall preside at all meetings of the Board of Directors and shall oversee the long-term goals and purposes and the ongoing operation of the Foundation. He or she will be the primary representative of the Foundation to other organizations. The Chair shall also perform such other duties as may be determined from time to time by the Board of Directors.

- b) Vice Chair: The Vice-Chair shall perform such duties as may be determined from time to time by the Board of Directors. The Vice-Chair shall be vested with all powers of and perform all the duties of the Chair in the Chair's absence or inability to act, but only so long as such absence or inability continues. The Vice Chair will become the Chair for the balance of the term if the Chair is not able to complete his or her term.
- c) Treasurer: The Treasurer shall be responsible for the handling of all the finances and investments of the Foundation. He or she shall have charge of the corporate treasury, receiving and keeping the monies of the corporation, and disbursing corporate funds as authorized, and shall have all of the powers and duties normally belonging to the Treasurer of a nonprofit corporation. The Treasurer shall chair the Finance Committee and oversee all its duties and responsibilities. The Treasurer shall also perform such other duties as may be determined from time to time by the Board of Directors.
- d) Secretary: The Secretary shall be responsible for all official records and communications of the Foundation. He or she shall give notices, prepare any necessary certified copies of corporate records, and perform such other duties as may be determined from time to time by the Board of Directors. The Secretary shall chair the Communications Committee and oversee all its duties and responsibilities. The Secretary shall also perform such other duties as may be determined from time to time by the Board of Directors.

Section 4.3 Resignation and Removal of Officers: An officer may resign or be removed in conformance with the procedures set forth in Sections 3.6 and 3.7, respectively, of these Bylaws.

ARTICLE V COMMITTEES

Section 5.1. Standing Committees: The Foundation shall have five (5) standing committees having the authority of the Board in the management of the business of the Foundation to the extent determined by the Board. The standing committees shall be:

1. Fundraising
2. Finance
3. Grants and Scholarships
4. Communications
5. Membership

The standing committees shall be comprised of a chair, a vice chair, optional subcommittee chairs and members. Committee members are appointed from among the Participating Members by the Board of Directors or its delegate.

Section 5.2. Ad Hoc Committees: The Chair of the Board may establish, from time to time, ad hoc committees to perform various activities or functions that may be necessary for the business of the Foundation. The Chair of the Board shall determine the scope of

authority, duration, meeting schedule and membership of ad hoc committees with the provision that no authority normally vested in the Board of Directors may be delegated to the ad hoc committee without the approval of the Board.

Section 5.3. Fundraising Committee: This standing committee shall be responsible for directing or performing all activities necessary to raise funds in order to increase the Foundation's asset base and in order to promote, sponsor and carry out the plans of the Foundation. The Fundraising Chair shall be the chair of this committee. The committee chair, with approval of the Chair of the Board, may establish any number of ad-hoc subcommittees to best divide the various activities of the committee.

Section 5.4. Finance Committee: This standing committee shall oversee all activities having to do with the management and handling of funds and assets of the Foundation. It shall perform all financial planning and tracking functions for the Foundation. The Treasurer shall be the chair of the Finance Committee. The Treasurer, with the approval of the Board of Directors, may engage and authorize compensation of professionals to perform some of the functions of the committee. There shall be two (2) standing subcommittees and any number of ad-hoc subcommittees that may be established by the committee chair with approval of the Chair of the Board. Standing subcommittees shall be:

- a) Investments: whose duties are:
 - 1. to make recommendations to the Board of Directors on strategies and plans to most effectively invest the Foundation's various restricted and unrestricted assets,
 - 2. to manage the Foundation's assets in suitable investment vehicles according to strategies and plans established by the Board of Directors.
- b) Budget and Accounts: whose duties are:
 - 1. to prepare an annual budget and track quarterly performance against that budget and to provide income statements, balance sheets and other financial reports needed by the Board, Officers, members or committees so they may effectively perform their functions for the Foundation,
 - 2. to manage the accounting books of the Foundation, to execute the deposit and disbursement of funds as directed and authorized by the Board of Directors, and to track all restricted assets to assure that they are applied according to their designation or restriction,
 - 3. to assure that all governmental reporting requirements, including but not limited to, tax returns, nonprofit/tax-exempt reporting requirements and any compensation and payroll reports are met.

Section 5.5. Grants and Scholarships Committee: This standing committee shall hear all requests for Foundation funding of scholarships to students of South High School, or grant requests from South High School, or other deserving recipients, and make funding recommendations to the Board of Directors in accordance with the mission, guidelines, and procedures established by the Board. The Grants and Scholarships Chair shall be the

chair of this committee. The committee chair, with approval of the Chair of the Board, may establish any number of ad-hoc subcommittees to best divide the various activities of the committee.

Section 5.6. Communications Committee: This standing committee shall oversee all general communications, Foundation publications, general publicity, public relations and liaison functions with other organizations. It is responsible for maintaining and preserving all records and databases of the Foundation, composing, publishing and distributing any materials, in print or electronic form, and communicating with other critical South High organizations. There shall be two (2) standing subcommittees and any number of ad-hoc subcommittees that may be established by the committee chair with approval by the Chair of the Board. Standing subcommittees shall be:

- a) Publicity: whose duties are to make arrangements for the publishing and mailing of newsletters, the construction and maintenance of the Foundation web site, to work with the Membership subcommittee on any materials that might be needed to hand out at class reunions, to publicize alumni events that may occur throughout the year, to publish any brochures as needed and to send out Foundation news releases.
- b) Liaison: whose duties are to maintain liaison positions between the Foundation and other key organizations. Each person serving in such roles shall act as a Foundation spokesperson to their respective organization and as a source of information for the Foundation. The Foundation will maintain liaison positions with:
 1. People United for South High (PUSH) which is the South High Parent-Teacher Association (PTA),
 2. the South High Site Based Management Committee,
 3. any other organization the Board of Directors deems in the Foundation's interest.

Section 5.7. Membership Committee: This standing committee shall solicit and recruit Supporting and Participating members for the Foundation, maintain current membership databases and lists, establish a system of communication with class reunion chairs and other alumni, act as a liaison with class reunion organizers to stimulate interest in the Foundation and its financial objectives, provide speakers to attend class reunions and speak on behalf of the Foundation, develop and implement alumni events such as the homecoming all-class reunion and perform any other duties related to membership and alumni that the Board of Directors may determine to be necessary.

Section 5.8. Meetings, Quorum, Voting: All standing committees shall meet monthly during the academic year (with a December meeting being optional) and as often during June, July and August as each Committee deems necessary to adequately perform its duties. A majority of the committee members in good standing in each committee shall constitute a quorum to conduct the business of each committee. A majority of the committee members present at a duly held committee meeting shall be sufficient to take action.

ARTICLE VI FINANCE

Section 6.1. Fiscal Year: The Foundation's fiscal year shall be July 1- June 30.

Section 6.2. Title to Property: Title to all property shall be held in the name of the Foundation.

Section 6.3. Receipts: Any revenue, contributions, grants, bequests or gifts made to the Foundation shall be accepted or collected only as authorized by the Board of Directors.

Section 6.4. Deposits: All funds of the Foundation shall be deposited to the credit of the Foundation under such conditions and in such banks as shall be designated by the Board of Directors. Unless otherwise specified by donor, all contributions shall be deposited and held by the Treasurer.

Section 6.5. Investment Management: The Board of Directors shall establish strategies and plans to most effectively invest and manage the Foundation's various restricted and unrestricted assets by a two-thirds (2/3) vote.

Section 6.6. Endowment Fund: Twenty-five percent (25%) of all unrestricted or undesignated income or revenue shall be placed in an Endowment Fund (the Fund). All invested funds and capital gains must remain in the Fund. Interest income generated by the income funds held in the Fund portfolio shall be withdrawn as it accrues and transferred to the Foundation's general fund.

Section 6.7. Restricted or Designated Gifts: The limitations and restrictions upon any grant, gift, donation, bequest or device shall be observed strictly unless it shall be determined by the Board of Directors that changes in conditions or other reasons shall have rendered the application of the gift, donation, bequest or device for the purpose provided illegal, unnecessary or impractical, or that the purposes of the gift, donation, bequest or device have been fulfilled or become impossible to be fulfilled. In such event, said funds shall be administered for such other purposes of the Foundation as will best carry out the intentions of the donor or testator and as may be sanctioned by law.

Section 6.8. Contracts and Orders for Payment: All contracts, checks and orders for the payment, receipt or deposit of money and access to securities of the corporation shall be executed as provided by the Board of Directors.

Section 6.9. Annual Budget: The annual budget of estimated income, estimated expense and any capital expense shall be approved by the Board of Directors. Any substantial deviation from the approved budget during the fiscal year must be explicitly approved by the Board of Directors.

Section 6.10. Summary Financial Report: A summary report of the financial condition of the Foundation shall be presented by the Treasurer at each regular meeting of the Board of Directors.

Section 6.11. Books and Records: The Board of Directors shall cause to be kept:

- a) records of all proceedings of the Board of Directors; and

- b) such other records and books of account as shall be necessary and appropriate to the conduct of the business of the Foundation.

ARTICLE VII INDEMNIFICATION

Section 7.1 General: The directors, officers, members and employees of this Foundation shall not be individually or personally liable for the debts or obligations of the Foundation and shall be indemnified by the Foundation against all financial loss, damages, costs and expenses reasonably incurred by or imposed upon them in connection with or resulting from any civil or criminal action, suit, proceeding, claim or investigation in which they may be involved by reason of any action taken or omitted by them in good faith as such director, officer or employee of the Foundation.

Section 7.2 Limitation on Indemnification: Such indemnification is subject to the condition that a majority of a quorum of the Board of directors comprised of those directors who are not parties to such action, suit, proceeding, claim or investigation or, if there is no such quorum of the entire Board of Directors, shall be of the opinion that the person(s) seeking indemnification exercised and used the same degree of care and skill as a prudent person would have exercised and used under the circumstances, or that such person(s) took or omitted such action in reliance upon advice of counsel for the Foundation or upon information furnished by an officer or employee of the Foundation and accepted in good faith by such person(s).

Section 7.3 Indemnification Inures to the Benefit of Others: The indemnification provided by this Article shall inure to the benefit of the heirs, executors and administrators of such person, shall not be exclusive of any other rights to which such party may be entitled by law or under any resolution adopted by the Board, and shall apply whether or not the claim against such person arises out of matters occurring before the adoption of this provision of the Bylaws.

Section 7.4. Insurance: The Foundation may provide, maintain, and pay for insurance on behalf of any person who could be indemnified pursuant to this Article.

ARTICLE VIII STANDARD OF CARE AND CONFLICTS OF INTEREST

Section 8.1. Standard of Care: It is the responsibility of each officer and director of this Foundation to discharge his or her duties as an officer or director in good faith, in a manner the person reasonably believes to be in the best interests of this Foundation, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

Section 8.2. Contracts: A contract or other transaction between this Foundation and one or more of its officers, directors, employees, members, or an organization of or in which one or more of this Foundation's officers, directors, employees or members are

directors, officers, or legal representatives have a material financial interest (further defined below), is permissible if:

- c) the contract or transaction is fair and reasonable in its benefit to the Foundation at the time it is authorized, approved, or ratified; or
- d) the material facts as to the contract or transaction and as to the officer's, director's or member's interest are fully disclosed or known to the Board of Directors, and the Board of Directors or a duly responsible committee authorizes, approves, or ratifies the contract or transaction in good faith, but any interested officer or director shall not be counted in determining the presence of a quorum and shall not vote.

Material financial interest: For the purpose of this section, an officer, director, employee or member has a material financial interest in each organization in which the officer, director, employee or member, or the spouse, parents, children and spouses of children, brothers and sisters and spouses of brothers and sisters of the officer, director, employee or member, or any combination of them has a material financial interest.

ARTICLE IX AMENDMENT

Section 9.1. Amendment of Bylaws: These bylaws may be amended by the affirmative vote of two thirds (2/3) of the directors then in office and a subsequent vote of two thirds (2/3) of the Participating members (voting members) in good standing present and voting at a duly held meeting.

CERTIFICATION

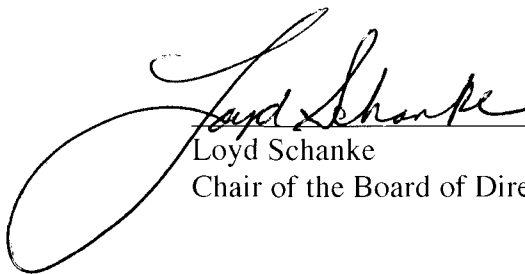
The undersigned do hereby certify:

- 1) that they are the duly elected and acting Chair of the Board of Directors and Secretary of Friends of South High Foundation, Inc., a Minnesota nonprofit corporation; and
- 2) that the foregoing Bylaws constitute the true and correct Bylaws of said corporation as amended at a meeting of the Board of Directors thereof

duly held on: September 13, 2005

IN WITNESS WHEREOF, we have hereunto subscribed by name

this 11 th day of October, 2005.


Loyd Schanke
Chair of the Board of Directors


Dennis Fazio
Secretary of the Foundation