

BYLAWS
of
THE EVANSTON COMMUNITY FOUNDATION, INC.
as modified by the Board on November 9, 2016

ARTICLE 1
NAME AND LOCATION

The name of the corporation is The Evanston Community Foundation, Inc. It also uses the name Evanston Community Foundation and is hereinafter referred to in these Bylaws as the Foundation. The principal office of the Foundation is in Evanston, Illinois.

ARTICLE 2
PURPOSES AND MISSION

The purposes for which the Foundation is organized are set forth in Article Five of its Articles of Incorporation dated September 29, 1986.

The Foundation is a philanthropic organization dedicated to helping Evanston thrive now and forever as a vibrant, inclusive, and just community. The Evanston Community Foundation builds, connects, and distributes resources and knowledge through local organizations for the common good. Together we build endowments for current and future opportunities; foster private philanthropy; focus the impact of collective giving; find solutions to community challenges; and allocate grants.

ARTICLE 3
BOARD OF DIRECTORS

Section 3.1. General. The Board of Directors (the Board) shall have general responsibility for the affairs, business, property and assets of the Foundation. Each member of the Board owes a fiduciary duty to the Foundation in the discharge of duties for the Foundation.

Section 3.2. Composition. The number of directors shall be not fewer than 18 and not more than 23, as determined annually by the Board upon recommendation of the Governance Committee. Each director shall reside or work in or near or otherwise be closely identified with Evanston and have knowledge of the community and interest in its well-being. The Board shall be generally representative of the community.

Section 3.3 Terms. Directors shall be elected by a majority vote of the Board at the annual meeting from among the candidates nominated by the Governance Committee. Directors on the Board shall be divided into three classes with terms expiring in successive years, with each class consisting as nearly as may be possible of one-third of the directors. Directors shall hold office for a term of three years or until their successors are elected. Directors shall be eligible to serve up to three full consecutive three-year terms except that: (a) a director elected to fill a vacancy may be elected to serve up to

three full consecutive three-year terms in addition to the unexpired term of the vacancy to which elected and (b) upon election of a new Chair, the previous Chair shall become Past Chair and continue on the Board as Past Chair and as a director until the term of office of the new Chair expires.

Section 3.4. Vacancies. Any vacancy occurring in the Board or any new directorship created by an increase in the size of the Board shall be filled by the Board in the same manner as directors are elected at the annual meeting. A director elected to fill a vacancy shall serve out the unexpired term of the predecessor director.

Section 3.5. Regular Meetings. An annual meeting of the Board will be held each year at such time and place as the Board may determine for the purpose of electing directors and officers and for the transaction of such other business as may come before it. The Board shall hold other regular meetings at such time and place as it may determine from time to time, provided that the Board will meet not less often than six times each year, including the annual meeting.

Section 3.6. Special Meetings. The Chair may call special meetings of the Board and shall call a special meeting of the Board upon the request of any five directors. Notice of the time and place of any special meeting of the Board and the purpose of, or action proposed to be taken at, such meeting shall be given at least two days before the meeting.

Section 3.7. Telephonic Meetings. Directors or committee members may participate in and act at any meeting of the Board or a committee through the use of a conference telephone, internet protocol, or other communications technology by means of which all persons participating in the meeting can communicate effectively with each other.

Section 3.8. Quorum. A majority of the duly elected and acting directors constitutes a quorum for the transaction of business at any regular or special meeting.

Section 3.9. Action. The act of a majority of the directors present at a meeting at which a quorum is present shall constitute an act of the Board, unless otherwise required by law. Any action that may be taken at a meeting of the Board may be taken without a meeting, if a consent in writing setting forth the action taken is signed by all of the directors then in office. Consent in writing may be evidenced by facsimile or electronic mail.

Section 3.10. Compensation. Members of the Board serve without compensation, but they may be reimbursed for reasonable expenses incurred by them on behalf of the Foundation.

Section 3.11. Resignation and Removal. Any director may resign at any time by giving notice to the Chair or to the Secretary specifying the effective date of the resignation. A resignation need not be accepted to be effective. Directors may be removed, with or without cause, by the affirmative vote of a majority of the directors then in office who are present and voting at a regular or special meeting of the Board, provided that notice of the proposed removal was given to all directors at least twenty days before the meeting.

ARTICLE 4 OFFICERS

Section 4.1. Officers. The officers of the Foundation shall be the Chair of the Board (who may be called the Chair), one or more Vice Chairs as determined by the Board, a Treasurer, a Secretary and such other officers as may be elected by the Board. Officers whose authority and duties are not provided in these Bylaws shall have the authority and duties as determined by the Board. Any two or more offices may be held by the same person on a limited or temporary basis.

Section 4.2. Election and Terms. The officers of the Foundation shall be elected by the Board at the annual meeting. Vacancies may be filled and new offices created and filled at any meeting of the Board. Each officer shall hold office until the next annual meeting or until a successor is elected.

Section 4.3. Resignation and Removal. Officers may resign by giving notice to the Chair or Secretary specifying the date of resignation. A resignation need not be accepted to be effective. Officers may be removed by the Board, with or without cause by the affirmative vote of a majority of the directors then in office who are present and voting at a regular or special meeting of the Board, provided that notice of the proposed removal was given to all directors at least twenty days before the meeting.

Section 4.4. Chair. The Chair is the chief volunteer leader of the Foundation, responsible for ensuring the effective action of the Board in governing the Foundation. The Chair shall preside at meetings of the Board, shall serve as a member of the Investment Council and shall be an ex-officio member of all other committees. The Chair may certify copies of records of proceedings of the Board.

Section 4.5. Vice Chair. The Vice Chair, or Vice Chairs in such order as determined by the Board, shall perform the duties of the Chair in the event of the absence, disability, resignation or death of the Chair, as well as such other duties as may be assigned by the Board.

Section 4.6. Treasurer. The Treasurer shall perform such duties as customarily pertain to the office of Treasurer and such other duties as may be assigned by the Board or the Chair. The Treasurer serves as a member of the Investment Council and Audit Committee.

Section 4.7. Secretary. The Secretary shall keep minutes of all meetings of the Board, give notices as provided in these Bylaws, attest the seal when affixed to documents and, in general, perform such duties as pertain to the office of secretary and such other duties as may be assigned by the Board or the Chair.

ARTICLE 5 COMMITTEES

Section 5.1. Committees. The Board shall appoint three standing committees designated Executive, Governance, and Audit. The Board may appoint such other committees as it

deems appropriate. Persons who are not directors may be appointed to serve on committees. Each standing committee shall have two or more directors, a majority of its members shall be directors, and all committee members shall serve at the pleasure of the Board. The Chair shall designate one member of each committee to serve as its chair.

Section 5.2. Procedure. A majority of the members of a standing committee shall constitute a quorum, and a majority of committee members present and voting at a meeting at which a quorum is present may act for the committee. Meetings of any committee may be called by the Chair, the chair of the committee, or any two members of the committee. The person or persons calling the meeting may fix the time and place of the meeting, provided that it is held in Evanston. Notice of the time and place of any committee meeting and the purpose of, or action proposed to be taken at, such meeting shall be given at least two days before the meeting.

Section 5.3. Executive Committee. The officers and such other directors as are elected by the Board shall serve as members of the Executive Committee. The Executive Committee may exercise such powers as may be delegated to it by the Board or in these Bylaws and, to the extent provided by law, the Executive Committee may exercise all of the powers of the Board during intervals between meetings of the Board. The Executive Committee shall keep full records of its proceedings and report all of its actions to the Board.

Section 5.4. Governance Committee. The Governance Committee shall nominate persons to be elected directors at the annual meeting and to fill vacancies, taking into account the needs of the Foundation, provisions of these Bylaws, and other policies and objectives of the Foundation. The Governance Committee shall also nominate directors to be elected officers of the Foundation, shall make recommendations regarding membership on the Leadership Network, and shall have such other responsibilities as may be delegated to it by the Board.

Section 5.5. Audit Committee. The Audit Committee shall meet not less often than twice each year. At least one member shall have financial expertise. It shall annually recommend to the Board the selection or retention of independent or outside auditors, who shall conduct a thorough audit of the Foundation. The Audit Committee shall work with the accounting staff and the auditors to facilitate the conduct of the audit, meet with the auditors, arrange for presentation of the auditors' report to the Board, and address any issues which are presented in the audit report. The Audit Committee shall also review internal controls, recommend accounting policies to the Board, and review and enforce the Foundation's conflict of interest policy and fraud reporting and whistleblower policy.

Section 5.7. Advisory Bodies. The Board may establish advisory bodies, which need not have any directors as members, to make recommendations to the Board, but such bodies may not act on behalf of the Foundation. The Chair shall designate one member of each such body to serve as its chair.

ARTICLE 6 INVESTMENT

Section 6.1. Responsibility for Foundation's Assets. The Board is responsible for supervising the management and investment of the Foundation's assets, principally including the Foundation's endowed funds.

Section 6.2. Investment Objective. The primary investment goal of the Foundation is to preserve, in perpetuity, the purchasing power of its assets and to provide a growing stream of income to cover expenses and fund grants and programs. The Foundation is indifferent as to whether this objective is met through current income or appreciation in value of assets. The focus is on total return. The Foundation expects, over time, to achieve an annual total return which exceeds budgeted spending plus an amount equal to inflation (increase in the Consumer Price Index) during the preceding year. Over a market cycle this objective will insure that the investment strategies, budgeted spending, and inflation expectations are coordinated sufficiently to preserve the purchasing power of the Foundation's assets. The Board may elect to allocate some of the endowment for current needs or special projects, having given due consideration of the objective of preserving its assets in perpetuity.

Section 6.3. Investment Council. The Board shall establish an Investment Council which shall be responsible for implementing the Board's direction for the prudent investment of funds held by the Foundation. It shall report both to the Board and to the Executive Committee and shall recommend to the Board policies relating to the investment of funds. The Investment Council shall supervise the investment and re-investment of funds; recommend investment objectives and asset allocation targets; select and make investments in accordance with the policies and directions of the Board; and evaluate investment performance of the Foundation and particular investments.

Section 6.4. Membership of the Investment Council. The Investment Council shall consist of the Chair, the immediate Past-Chair, one or more of the Vice-Chair(s), and the Treasurer of the Foundation, if they are able to serve. The President and the chief financial staff member of the Foundation shall be *ex officio* members of the Investment Council. The Chair shall appoint, subject to approval by the Board, other members of the Investment Council. These additional members may, but need not be, Directors. In appointing members of the Investment Council, the Chair and the Board shall strive to appoint members with the skills needed to perform the function of the Investment Council and to assist the Board with its oversight of the investment function. To participate as a member of the Investment Council, a person who is not a Director must accept the Conflict of Interest Policies of the Foundation and further agree to assume a fiduciary duty of care and duty of loyalty to the Foundation with respect to that person's

service on the Investment Council.

Section 6.5. Additional Duties of the Investment Council and the Board. The Investment Council will provide advance notice of its meetings to the Board and will provide regular reports of its meetings, decisions, investment returns, and other actions both to the Executive Committee and to the Board. At least annually, the Investment Council will report to the Board regarding its recommendations for the Foundation's Investment and Spending Policy. Any changes in the recommended Spending Objective must be made by a vote of the Board. Any material deviation from the Investment and Spending Policy, including the recommended asset allocation, must be timely reported to the Board and any proposed material change in the asset allocation must be approved by the Board.

Section 6.6. Meetings and Service. Members of the Investment Council may participate in and act at any meeting of the Council through the use of a conference telephone, internet protocol, or other communications technology by means of which all persons participating in the meeting can communicate effectively with each other. Members of the Investment Council serve without compensation but they may be reimbursed for reasonable expenses incurred by them on behalf of the Foundation.

ARTICLE 7 CONTRACTS AND FUNDS

Section 7.1. Contracts. The Board may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name and on behalf of the Foundation and such authority may be general or confined to specific instances.

Section 7.2. Checks. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Foundation shall be signed by such officer or agent and in such manner as may be determined by the Board. In the absence of any determination, any instrument may be signed by any Foundation Officer.

Section 7.3. Deposits. All funds will be deposited to the credit of the Foundation in such banks, trust companies, or other depositories as determined by the Board or the Investment Council.

Section 7.4. Financial Controls. The Foundation and its financial staff shall establish appropriate financial controls to safeguard the assets of the Foundation. The Audit Committee shall review those controls and report on issues regarding financial control to the Board on a periodic basis.

ARTICLE 8 MISCELLANEOUS

Section 8.1. Gifts. Gifts shall be accepted and separate or named funds shall be established in accordance with gift acceptance policies adopted by the Board.

Section 8.2. Distributions. The Board shall approve grants from restricted and unrestricted funds and the Board or the Executive Committee shall approve grants from donor advised funds, in accordance with policies adopted by the Board. The Foundation may direct distributions to such persons, organizations, governments or governmental agencies as, in the opinion of the Board or the Executive Committee, are deemed appropriate and are generally consistent with the Foundation’s charitable purposes and mission. Administrative expenses may be incurred and paid in the ordinary course of business in accordance with a budget approved by the Board.

Section 8.3. Books and Records. The Foundation shall keep accurate and complete books and records of account(s) and minutes of proceedings of its Board and Executive Committee. A copy of the annual audited financial statements and the Form 990 filed with the Internal Revenue Service shall be kept on file and shall be available to the public during normal business hours in the principal office of the Foundation.

Section 8.4. Fiscal Year. The fiscal year of the Foundation is the calendar year.

Section 8.5. Seal. The seal of the Foundation is in the form of a circle and includes the words “Evanston Community Foundation, Inc.” and “Corporate Seal, Illinois.”

Section 8.6. Members. The Foundation does not have members.

Section 8.7. Notice and Waiver of Notice. Any notice required to be given may be given (A) orally (1) in person, (2) by telephone or (3) by a voice mail message or (B) in writing at the address furnished to the Foundation by (4) depositing a copy of it in the United States mail, postage prepaid, (5) by facsimile, or (6) by electronic mail. Any notice required to be given may be waived by the person entitled to the notice in the same manner as the giving of a notice. Attendance at a meeting constitutes a waiver of notice of that meeting unless the person attends for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

Section 8.8. Parliamentary Procedure. The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the Foundation in all cases to which they are applicable and not inconsistent with these Bylaws or Illinois law.

ARTICLE 9 AMENDMENTS

A majority of the directors in office may alter, amend, or repeal these Bylaws and may adopt new Bylaws at any regular meeting or any special meeting of the Board called for that purpose, provided that the proposed change was submitted to the Board at least twenty days before the meeting.