

**BY-LAWS
of
Waukegan Parks Foundation**

**Article 1
Purposes**

The Waukegan Parks Foundation (the "Foundation") is organized exclusively for charitable and educational purposes under Section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code. This shall include (a) developing financial support for the Waukegan Park District (the "Park District") by receiving gifts, bequests and endowments; (b) promoting use of the Park District's resources and services; (c) increasing public recreational, educational and conservation programs of the Park District; (d) acquiring, holding and conveying land for the future development of public parks and outdoor recreational areas; (e) engaging community activities in health, wellness and environmental stewardship; and (f) furthering any and all of the purposes set forth herein by other means, which shall be for the sole benefit of the Park District, a unit of local government which qualifies as an exempt organization under the Internal Revenue Code.

**Article 2
Members**

There shall be no members of the organization.

**Article 3
Board of Directors**

SECTION 1. GENERAL POWERS. The affairs of the Foundation shall be managed by its Board of Directors ("Foundation's Board of Directors" or "Board of Directors") in such a manner as may be prescribed or permitted from time to time by law or by these By-laws.

SECTION 2. ELECTION/TERMS OF OFFICE. The Foundation's Board of Directors shall be comprised of not less than three (3) members and not more than eleven (11) members and, with the exception of the initial Board of Directors, each Board member is to serve a three (3) year term. The terms of one-third of the members of the Board of Directors shall expire each year. The staggered terms shall be determined by a majority vote of the Board of Directors. Each Director shall hold office until his or her successor shall have been elected and qualified. Directors may not serve more than two (2) consecutive three (3) year terms; provided, however, that in the event an individual fills the vacancy of an unexpired term, such individual may not be reelected to serve a term which would result in service of more than five (5) consecutive years. No current member of the Waukegan Park District Board of Park Commissioners (the "Park District's Board") or Park District staff is eligible to serve on the Foundation's Board except in an Ex-Officio capacity as outlined in the following Section 3.

SECTION 3. EX-OFFICIO BOARD MEMBERS. In addition to the Foundation's Board of not less than three (3) members and not more than eleven (11) members, the following shall hold non-voting Ex-Officio seats on the Foundation's Board: a) one Waukegan Park District Park Board Commissioner appointed by

the Park District's Board; b) the Park District's current Executive Director; c) the Park District's current Superintendent of Finance; and d) one other Park District staff member designated by the Executive Director. The Park Board Commissioner and the Park District staff member appointed to serve as Ex-Officio Board members shall each serve a term of one (1) year and shall each hold office until his or her successors shall have been duly appointed and qualified as set forth in this Section 3. In the event a vacancy exists for the Park Board Commissioner's or the Park District's staff Ex-Officio seat, the vacancy shall be filled by appointment in the same manner as set forth herein for the initial appointment. A Park Board Commissioner may be replaced as an Ex-Officio member of the Foundation upon 3/5 vote of the Park District's Board. A Park District staff member may be replaced as an Ex-Officio member of the Foundation by the Park District's Executive Director.

SECTION 4. REGULAR MEETINGS. A regular meeting of the Board of Directors shall be held at such a place and time as the Board of Directors shall determine by resolution, but no less frequently than three times per year.

SECTION 5. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by, or at the request of, the President or any three (3) Directors or, if the Board only has three (3) Directors, by any two (2) Directors. The person or persons authorized to call special meetings of the Board may, upon at least forty-eight (48) hours prior written notice as provided in Section 6, fix the place and time for holding any special meeting of the Board called by them.

SECTION 6. NOTICE. Notice of the regular meeting need not be given; the resolution required for such meeting shall constitute appropriate notice. Notice of any special meeting shall be given at least forty-eight (48) hours prior thereto by written notice delivered personally or sent by mail or by email to each Director at his/her address as shown by the records of the Foundation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed with postage thereon prepaid. If notice is given by email, such notice shall be deemed to be delivered on the date and time of the email transmission. A Director may waive notice of a meeting, except where a Director attends a meeting for the sole and express purpose for objecting to the transaction of business because the meeting is not lawfully called or convened. The purpose of any regular or special meeting of the Board must be specified in the notice or waiver or notice of such meeting.

SECTION 7. QUORUM. A majority of members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If less than a majority is present at a meeting, a majority of Directors present may adjourn the meeting from time to time without further notice. A majority of the quorum can transact business. A Director may attend a Board of Directors meeting, and be considered present for the purpose of establishing a quorum at said meeting, by means of a video or audio conference if he or she is prevented from physically attending because of: (a) personal illness or disability; (b) employment purposes; (c) the business of the Board; (d) a family or other emergency; or (e) for any other reason as approved by the Board. A Board member who wishes to attend a Board meeting by means of a video or audio conference shall notify the Secretary of the Board as far in advance of the meeting as practical, unless advance notice is impractical.

SECTION 8. COMPENSATION. Directors shall not receive compensation for their services as a Director except for reimbursement of their actual expenses incurred for such services.

SECTION 9. VACANCIES. Vacancies on the Board of Directors (other than Ex-Officio vacancies) shall be filled by a new Director elected by a majority of the remaining members of the Board of Directors to complete the then unexpired portion of such term.

SECTION 10. RESIGNATION AND REMOVAL. A Director may resign at any time upon written notice to the Board of Directors. A Director (other than an Ex-Officio Director) shall be removed upon a two-thirds vote of the Board of Directors.

SECTION 11. INFORMAL ACTION BY DIRECTORS. The authority of the Board of Directors may be exercised without a meeting if consent in writing, setting forth the action taken, is signed by all of the Directors entitled to vote. For purposes of this section, consent in writing may be made by email confirmation from each Director.

Article 4 Officers

SECTION 1. OFFICERS. The officers of the Foundation shall be a President, Vice President, Treasurer and a Secretary, and such other officers as may be elected or appointed by the Board of Directors, who are members of the Board of Directors and are elected by the Board of Directors. Ex-Officio members may not serve as officers of the Foundation's Board. The officers of the Foundation shall have the authority and perform the duties prescribed by the Board of Directors. If deemed necessary by the President, one person may hold any one or more offices.

SECTION 2. ELECTION/TERMS OF OFFICE. The officers of the Foundation shall be elected annually by the Board of Directors at the first regular meeting of the calendar year. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Vacancies may be filled at any meeting of the Board. Each officer shall hold office for one (1) year or until replaced.

SECTION 3. REMOVAL. The officers appointed by the Board of Directors may be removed by the Board by a majority vote whenever, in its judgment, the best interests of the Foundation would be served thereby.

SECTION 4. VACANCIES. Vacancies in any office because of death, resignation, removal, disqualification, or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term.

SECTION 5. PRESIDENT. The President shall be the principal executive officer of the Foundation and shall, in general, supervise and control all of the business of the Foundation. He/she shall preside at all meetings of the Board of Directors. He/she may sign, with the Secretary or any other proper officer of the Foundation authorized by the Board, any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board, or by these By-Laws, or Statute to some other officers or agents of the Foundation, and, in general, shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board from time to time. The President and the Secretary are expressly authorized and empowered to execute on behalf of the Foundation deeds conveying to the Waukegan Park District any land owned by the Foundation without the necessity of the

adoption of a Resolution authorizing such conveyance.

SECTION 6. VICE-PRESIDENT. In the absence of the President or in the event of his/her inability of refusal to act, the Vice-President shall perform the duties of the President and, when so acting, shall have all powers of and be subject to all restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned by the President or by the Board of Directors.

SECTION 7. TREASURER. The Treasurer shall have charge and custody and be responsible for all funds and securities of the Foundation; receive and give receipts for monies due and payable to the Foundation, and deposit all such monies in the name of the Foundation in such banks, trust companies or other deposits as shall be selected in accordance with the provisions of Article 6 of these By-Laws; and, in general, perform all duties incident to the office of the Treasurer and the such other duties as from time to time may be assigned by the President of the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his/her duties, payable to the Foundation in such a sum and with such a surety or sureties as the Board shall determine. The cost of the bond shall be paid by the Foundation.

SECTION 8. SECRETARY. The Secretary shall keep the minutes, records and attendance of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of the By-Laws or as required by law; be custodian of the Foundations minutes and records; keep a register of the post office addresses and email addresses of each Director which shall be furnished to the Secretary by such Directors; and in general perform all duties as from time to time may be assigned by the President or the Board of Directors.

Article 5
Committees

The Board of Directors may establish such committees as it deems necessary, giving the committees such authority as the Board determines to be appropriate.

Article 6
Funds

SECTION 1. CONTRACTS, CHECKS, DEPOSITS AND FUNDS. The Board of Directors may authorize any officer or agent of the Foundation, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of, and on behalf of, the Foundation and such authority may be general or confined to specific instances. Notwithstanding anything herein to the contrary, any contract or other expenditure that is Five Thousand Dollars and over (\$5,000) must be approved in writing in advance by the Board of Directors.

SECTION 2. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Foundation shall be signed by such officers or agents and in such manner as the Board of Directors shall determine, but in no event shall any check, draft or order for the payment of money, notes or other evidence of indebtedness issued in the name of the Foundation be signed with less than two (2) Officers of the Foundation. In the absence of such

determination, such instruments shall be signed by the Treasurer and countersigned by the President or Vice-President.

SECTION 3. DEPOSITS. All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in such banks, trust companies or other depositories as the Board of Directors may select.

SECTION 4. GIFTS. The Board of Directors may accept, on behalf of the Foundation, any contribution, gift, bequest or devise for a general purpose or for any special purpose within the scope of purposes of the Foundation as stated in Article 1. Restricted gifts to the Foundation may only be accepted with the consent of the Board of Directors. The Board of Directors reserves the right to refuse any gift given for purposes that it determines are too restrictive or inconsistent with the Foundation's plans or general purposes. Restricted gifts that have been accepted by the Foundation shall be held, invested, and expended by the Foundation in accordance with the applicable restrictions, to the extent allowed by law.

The Board of Directors shall request annually from the Park District a written statement of its programs and projects for which it desires funding from the Foundation. The statement will serve as a guideline, but shall not restrict the Foundation's authority or decisions to allocated unrestricted funds for any purpose consistent with the Foundation's mission. The Foundation shall request that the Park District provide at the Annual Meeting a written update on projects that were funded by the Foundation during the previous year.

SECTION 5. AUDITS. The accounts of the Foundation shall be audited annually by an independent auditor appointed by the Board of Directors.

Article 7

Books and Records

The Foundation shall keep and collect a complete set of books and records of accounts and shall also keep minutes of the proceedings of the meetings of the Board of Directors and Committees having any authority of the Board of Directors. All books and records of the Foundation may be inspected by any Director or his agent or attorney, for any proper purpose at any reasonable time.

Article 8

Fiscal Year

The fiscal year of the Foundation shall be May 1 through April 30.

Article 9

Waiver of Notice

Except as otherwise provided herein, whenever any notice is required to be given under the provision of

the General Not-for-Profit Corporation Act of Illinois or under the provisions of the Articles of Incorporation or the By-Laws of the Foundation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Article 10
Amendments to By-Laws

These By-Laws may be amended or replaced and new By-Laws may be adopted by a favorable vote of 2/3 of the Board of Directors.

Article 11
Indemnification

SECTION 1. INDEMNIFICATION IN ACTIONS OTHER THAN BY OR IN THE RIGHT OF THE FOUNDATION.

The Foundation shall indemnify any Director and may indemnify any other person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a Director, officer, employee or agent of the Foundation, or is or was serving at the request of the Foundation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such a person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Foundation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, termination or any action, settlement order, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Foundation or, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his or her conduct was unlawful.

SECTION 2. INDEMNIFICATION IN ACTIONS BY OR IN THE RIGHT OF THE FOUNDATION.

The Foundation may indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Foundation to procure a judgment in its favor by reason of the fact that such person is or was an officer or agent of the Foundation or is or was serving at the request of the Foundation, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit, or proceedings, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Foundation, provided that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Foundation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall

deem proper.

SECTION 3. RIGHT TO PAYMENT OF EXPENSES. To the extent that a Director, officer, employee or agent of the Foundation shall prevail, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

SECTION 4. DETERMINATION OF CONDUCT. Any indemnification under Section 1 and Section 2 of this Article (unless ordered by a court) shall be made by the Foundation only as authorized in the specific case, upon a determination that indemnification of the Director, officer, employee, or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 and 2 of this Article. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

SECTION 5. PAYMENT OF EXPENSES IN ADVANCE. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Foundation in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Foundation as authorized in this Article.

SECTION 6. INDEMNIFICATION NOT EXCLUSIVE. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-laws, agreement, vote of disinterested Directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent, and shall inure to the benefit to the heirs, executors and administrators of such a person.

SECTION 7. INSURANCE. The Foundation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the corporation, or who is serving at the request of the Foundation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against or incurred by such person in such capacity, or arising out of his or her status as such, whether or not the Foundation would have the power to indemnify such liability under the provisions of this Article.

SECTION 8. REFERENCES TO FOUNDATION. For purposes of this Article, references to "the Foundation" shall include, in addition to the surviving Foundation, any merged Foundation (including any corporation having merged with the Foundation) absorbed in a merger, which if its separate existence had continued, would have had the power and authority to indemnify its Directors, officers or employee or agent of such merging corporation, or was serving at the request of such corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article with respect to such merging Foundation if its separate existence had

continued.

SECTION 9. OTHER REFERENCES. For purposes of this Article, references to “other enterprises” shall include employee benefit plans; references to “fines” shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to “serving at the request of the Foundation” shall include any service as a Director, officer, employee or agent of the Foundation which imposes duties on, or involves services by such Director, officer, employee benefit plan, its participants, or beneficiaries. A person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interests of the Foundation” as referred to in the Article.

Article 12 Dissolution

SECTION 1. DISSOLUTION. The Foundation may dissolve if its Board of Directors adopts by a two-thirds vote a resolution to dissolve and no debts of the corporation will remain unpaid. Written notice of the election to dissolve must be given to all Directors at least three days prior to the execution of the articles of dissolution. The dissolution action may be taken either at a Directors’ meeting or in lieu of a meeting, by written unanimous consent of all Directors.

SECTION 2. DISTRIBUTION OF ASSETS. Upon dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

Article 13 Other Provisions

SECTION 1. No part of the net earnings of the Foundation shall inure to the benefit of, or be distributable to its Directors, officers 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 above. No substantial part of the activities of the Foundation shall include disseminating propaganda, lobbying or otherwise attempting to influence legislation or public officials. The Foundation shall not participate in, or intervene in, (including publishing or distributing statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of the Foundation’s Articles of Incorporation or of these By-Laws, the Foundation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue code, or the corresponding provision of any future United States Internal Revenue law, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code and its regulations as they now exist or may hereafter be amended from time to time.

SECTION 2. The Foundation shall not discriminate in the provision of its services on any unlawful basis, including but not limited to race, religion, color, ethnicity, national origin, age, sex or sexual orientation,

disability or association with a person with a disability, veteran status, or citizenship status.

Adopted at _____, *Illinois:* *Date:* _____

Secretary

#591318