

February 1992

BY-LAWS
OF
FRIENDS OF CHAPEL HILL PARKS AND RECREATION DEPARTMENT
DBA FRIENDS OF CHAPEL HILL PARKS, RECREATION, AND GREENWAYS

ARTICLE I
PURPOSES AND OBJECTIVES

The purpose of the corporation shall be to provide direct financial assistance to the Chapel Hill Parks and Recreation Department; to support establishment of parks, greenways and recreational facilities and open spaces in the Chapel Hill area; to encourage financial support for such facilities through memberships, gifts, endowments and memorials; and to promote programs to enhance the cultural and recreational life of the citizens of the Town of Chapel Hill through the auspices of the Chapel Hill Parks and Recreation Department.

ARTICLE II
OFFICES

Section 1. Principal Office. The principal office of the corporation shall be located at the permanent offices of the Chapel Hill Parks and Recreation Department.

Section 2. Registered Office. The registered office of the corporation may, but need not be, identical with the principal office.

ARTICLE III

BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the corporation shall be managed by the Board of Directors.

Section 2. Number, Term, and Qualification. There shall be nine (9) members of the Board of Directors. Two members shall be designated by the Chairperson of the Chapel Hill Parks and Recreation Commission. Such members preferably will be members of the said Chapel Hill Parks and Recreation Commission. One member shall be designated by the Chairperson of the Chapel Hill Greenways Commission. Such member preferably will be a member of the said Chapel Hill Greenways Commission.

The number of directors may be changed and fixed by resolution of the Board of Directors prior to the annual meeting at which the directors are to be elected, but no reduction of the number of directors shall of itself shorten the term of any incumbent director.

The original Board of Directors shall consist of four (4) members who shall hold office for three (3) years; three (3) who shall hold office for two (2) years; and two (2) who shall hold office for one (1) year. At the conclusion of the original terms, all shall hold office until the expiration of his or her term, or until his or her successor is elected and qualified. At the conclusion of the original terms, all terms shall be for three years. All members of the Friends of Chapel Hill Parks, Recreation, and Greenways are eligible to be a member of the Board of Directors.

Section 3. Election of Directors. Except as provided in Section 2 of Article III, Directors shall be elected at the annual meeting of the corporation. Those persons who receive the highest number of votes shall be deemed to have been elected.

Section 4. Removal. Directors may be removed from office by vote of two-thirds (2/3) of the membership of the existing Board of Directors.

Section 5. Vacancies. A vacancy occurring in the Board of Directors may be filled, within a reasonable time, by a majority of the remaining Directors, except for a vacancy in a position appointed by the Chairperson of the Chapel Hill Parks and Recreation Commission or the Chairperson of the Chapel Hill Greenways Commission. The Chairs of these Commissions will be asked to make, within a reasonable time, an appointment to fill the vacancy. A Director elected at the annual meeting to fill a vacancy shall be elected for a three year term. A Director elected prior to the annual meeting shall be elected for the

three year term plus any additional time between the time of appointment and the annual meeting.

Section 6. Compensation. The members of the Board of Directors may not be compensated for their services in fulfilling their duties to the corporation, except for reasonable expenses approved by the Board.

Section 7. Indemnification of Directors and Officers. Each present and former Director and officer of the corporation shall be indemnified by the corporation against expenses reasonably incurred by him or her in connection with threatened, pending, or completed action, suit or proceeding to which he or she may be made a party by reason of his or her having been an officer of Director of the corporation (whether or not he continues in that capacity at the time of incurring such expenses), except in disputes between himself and the corporation; and in those events he shall be entitled to indemnification should a court of competent jurisdiction find the corporation to be at fault. The foregoing right of indemnification shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of other rights to which any Director or officer may be entitled as a matter of law.

Section 8. Executive Committee. The Chairperson, Vice-Chairperson, Secretary, and Treasurer shall constitute an Executive Committee. The Executive Committee shall act on behalf of the corporation in any manner (except as provided in Article VII) when the Board of Directors is not in session, reporting to the Board of Directors for its ratification of their action at each regular or special meeting called for that purpose. Two (2) members shall constitute a quorum for the transaction of business. Meetings may be called by the Chairperson or by two (2) members.

Section 9. Standing Committees. The Chairperson may, subject to the approval, of the Board of Directors, form the following standing committees: (1) Membership, (2) Publicity, (3) Presentation, (4) Fund Raising, and (5) Nominations. Members of the Committees shall be appointed by the Chairperson, who shall also designate one committee member to chair the standing committee. The committee members shall be members of the corporation and at least one shall be a member of the Board of Directors.

Section 10. Special Committees. The Chairperson may at any time, appoint other committees on any subject for which there are no standing committees, or terminate any standing committee, which does not serve any purpose. Each special committee shall consist of at least two (2) Directors.

Section 11. Committee Quorum. A majority of any committee of the corporation shall constitute a quorum for the transaction of business, unless any committee shall by majority vote of its entire membership decide otherwise.

ARTICLE IV

MEETINGS OF THE DIRECTORS

Section 1. Regular Meetings. Two regular meetings of the Board of Directors shall be held, in March and November at such place and time designated by a majority of the Board of Directors.

Section 2. Annual Meetings. The November meeting of the Board of Directors will be held in conjunction with the Annual Meeting of the members of the corporation.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by, or at the request of, the Chairperson or by a majority of the Board of Directors.

Section 4. Notice of Meetings. The Secretary of the Board of Directors, or his appointee, shall notify the members of the Board of Directors of meetings of the Board at least one week before the meeting.

Persons calling for a special meeting of the Board of Directors shall notify the members of the Board of Directors at least seven (7) days before the meeting by any usual means of communication. The purpose for which the meeting is called need not be specified.

Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called.

Section 5. Quorum. A majority of the Directors of the corporation shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 6. Manner of Acting. The act of a majority of the Directors at a meeting at which a quorum is present shall be the act of the Board of Directors. The vote of a majority of the Board of Directors shall be required to adopt a resolution constituting an Executive Committee and to adopt, amend, or repeal a By-law.

ARTICLE V

OFFICERS

Section 1. Number. The corporation shall have a Chairperson, Vice-Chairperson, Secretary, and Treasurer. Any two (2) or more offices may be held

by the same person, except the offices of Chairperson and Secretary. However, no officer may act in more than one capacity where the action of two (2) or more offices is required.

Section 2. Election and Term. The officers of the corporation shall be elected by the Board of Directors. Such elections shall be held in November at the annual meeting of the Board of Directors. Each officer shall hold office for a term of one (1) year, or until his resignation, removal, retirement, disqualification, or until his successor is elected and qualified, unless otherwise specified by the Board of Directors. The Board of Directors may fill any vacancy in any office occurring for whatever reason.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board with or without cause, except that in the case of the Chairperson who shall not be removed by less than a three-fourths (3/4) majority of the then-existing Board of Directors.

Section 4. Chairperson. The Chairperson shall be the chief executive officer of the corporation and shall preside at all meetings of the members and the Board of Directors. Subject to the direction and control of the Board of Directors and the Executive Committee, if created, he shall have general charge and authority over the business of the corporation. He shall make reports of the business of the corporation for the current fiscal year to the Directors at each annual meeting. He shall sign with any other proper officer any deeds, mortgages, bonds, contracts, or other instrument which may be lawfully executed on behalf of the corporation, except where the signing and execution thereof shall be delegated by the Board of Directors to some other officer or agent. In general he shall perform all duties as may be prescribed by appointment of various committees from the membership in order to carry out the business of the corporation as approved by the Board of Directors.

Section 5. Vice-Chairperson. The Vice-Chairperson shall perform the duties of the Chairperson in the Chairpersons absence or during his inability to act.

Section 6. Secretary. The Secretary shall record the acts and proceedings of all meetings of the members and Directors; give notices required by these by-laws; have charge of the corporate records and of the corporate seal; sign such documents as required and if required, affix the corporate seal to any documents requiring it. The Secretary shall perform such duties assigned by the Chairperson, the Executive Committee, or the Board of Directors.

Section 7. Treasurer. The Treasurer shall have custody of all funds and securities of the corporation and shall receive, deposit, or disburse the same under the direction of the Board of Directors or the Executive Committee.

The Board of Directors or the Executive Committee shall designate a depository for such funds and securities and designate those persons upon whose signature or authority such funds and securities may be disbursed or transferred. The Treasurer shall keep accurate accounts of the finances of the corporation in books especially provided for that purpose and he shall prepare a true statement of its assets and liabilities as of the close of each fiscal year within four (4) months after the end of the fiscal year. The Treasurer shall perform all duties incident to his office and such other duties as assigned by the Chairperson, the Board of Directors, or the Executive Committee.

ARTICLE VI

MEMBERS

Section 1. This corporation shall be a non-profit corporation organized and existing under the laws of the State of North Carolina, being governed by a Board of Directors as set forth in Article III of the by-laws, and shall be without voting members.

Section 2. Any person interested in the purpose and activities of the corporation shall be eligible for membership.

Section 3. The Board of Directors shall set membership fees at the annual meeting. All Directors and members of the Board must be members paid in full.

Section 4. Dues. Dues shall be assessed for the twelve (12) months commencing January 1 and ending December 31. After June 30 in any year, dues for the year remaining shall be one-half the annual dues, but any amount paid in excess shall not apply against the next year's dues unless it covers the full amount of renewal for the same Class.

Section 5. Assessments. The members of this corporation shall not be liable for assessments.

Section 6. Annual Meeting. There shall be an annual meeting of the members of this corporation to hear the annual report of the corporation and to transact other business in accordance with the Decision of the Board of Directors. Unless otherwise determined by the Board of Directors, the annual meeting of members shall be held in November of each year and at a time and place to be designated by a majority of the Board of Directors. The Annual Meeting shall occur at the same time and place as the Annual Meeting of the Board of Directors. Notice of the annual meeting shall be given to all members of the Board of Directors and members of the corporation. Notice of the Annual

Meeting will be issued at least two weeks (14 days) before the meeting by any usual means of communication.

ARTICLE VII

POWERS RESERVED TO THE BOARD OF DIRECTORS

The Board of Directors of the corporation (as opposed to the officers, Executive Committee, or any other committee) shall have the sole authority to make the following decisions:

- (1) The dissolution, merger or consolidation of the corporation; the amendment of the charter of the corporation; or the sale, lease or exchange of all or substantially all of the property of the corporation.
- (2) The designation of any such committee or the filling of vacancies in the Board of Directors or in any such committee.
- (3) The amendment or repeal of the by-laws, or the adoptions of new by-laws.
- (4) The amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable.
- (5) The acquisition or leasing of any real property.
- (6) The expenditure of any funds, other than for general administrative and operating expenses.
- (7) The borrowing of any money on behalf of the corporation.

ARTICLE VIII

CONTRACTS, LOANS, DEPOSITS, AND MISCELLANEOUS PROVISIONS

Section 1. Contract. The Board of Directors or Executive Committee may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the corporation, and no evidences of indebtedness shall be issued in its name

unless authorized by resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks and Drafts. All checks, drafts or other orders for the payment of money issued in the name of the corporation shall be signed by such officers, agent or agents, the corporation in such manner as shall from time to time be determined by the Board of Directors or the Executive Committee.

Section 4. Deposits. All funds of the corporation, not otherwise employed, shall be deposited from time to time to the credit of the corporation in such depositories as the Board of Directors shall direct.

Section 5. Fiscal Year. Unless otherwise ordered by the Board of Directors, the fiscal year of the corporation shall be from January 1 to December 31 of each calendar year.

Section 6. Amendments. Except as otherwise provided herein, these by-laws may be amended or repealed and new by-laws may be adopted by the affirmative vote of a majority of the Directors then holding office at any regular or special meeting of the Board of Directors. Directors will be advised, in writing, of all proposed changes in the by-laws at least 7 days before they are brought to a vote at a meeting of the Board of Directors.

Section 7. Seal. The corporate seal of the corporation shall consist of two concentric circles between which is the name of the corporation and in the center of, which is inscribed "Seal."

ARTICLE IX

PROHIBITED ACTIVITIES

Other provisions of these by-laws notwithstanding, the corporation shall not engage in any act of self-dealing as defined in Section 4941, Subdivision (d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal excise law; nor retain any excessive business holdings as defined in Section 4943, Subdivision (c) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws; nor make any investment in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws; nor make any taxable expenditures as defined in Section 4945, Subdivision (d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws. The corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of

the Internal Revenue Code of 1954, or the corresponding provisions of any subsequent federal tax laws.

ARTICLE X

501 (c) (3) REQUIREMENTS

Section 1. Earnings. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its, members, Directors, officers, or other private persons, except that the corporation 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 the Articles hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of a candidate for public office.

Section 2. Exempt Functions. Notwithstanding any other provisions of these Articles, this corporation shall not carry on any other activities not permitted to be carried on by (a) corporation exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 or the corresponding provisions of any future United States Internal Revenue Law or (b) corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code of 1954 or any other corresponding provisions of any future United States Internal Revenue law.

Section 3. Dissolution. Upon the dissolution of the corporation, the Board of Directors shall, after paying and making provision for payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such asset not so disposed of shall be disposed of by the Superior Court of the county in which the principal office of the corporation is then located exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

AMENDMENTS:

Article 3, Sections 2, 5, and 8
Article 4, Section 1
Article 6, Section 3

November 19, 2009
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