

Cranbury Public Library Foundation, Inc. By-Laws

ARTICLE I

Name

The name of the Corporation shall be the Cranbury Public Library Foundation, Inc., a NJ nonprofit corporation, hereinafter referred to as the "Corporation".

ARTICLE II

Offices and Registered Agent

The principal office of the Corporation in the State of New Jersey shall be located in the city of Cranbury, County of Middlesex. The Corporation may have such other offices as the Board of Directors may designate or as the affairs of the Corporation may require from time to time.

The Corporation shall have and continuously maintain a registered office and a registered agent in the State of New Jersey, as required by the State of New Jersey Nonprofit Corporation Act. The registered agent shall be either an individual resident of the State or a corporation authorized to transact business in the State.

ARTICLE III

Purposes and Powers

The purpose and objects of the Corporation shall be to operate exclusively for charitable, scientific, and educational purposes as a nonprofit corporation, with its activities so conducted and for such purposes as the making of distributions to organizations that qualify as exempt organizations under Section 501c of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

The Corporation exists to provide financial support so that the Cranbury community receives the most complete public library services, products, and programs available now and in the future.

The Corporation shall be entitled to exercise all the powers specified in the Articles of Incorporation of the Corporation, subject to the following limitations:

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and expenses incurred, and to make payment and distributions in furtherance of the purposes of the Corporation set forth above;

No 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 any political campaign on behalf of any candidate for public office;

Notwithstanding any other provision of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501c of the Internal Revenue Code of 1986 (or the corresponding future provisions) or by a corporation described in Section 509 (a) (3) of the Internal Revenue Code of 1986 (or the corresponding future provisions).

ARTICLE IV

Members

The Corporation shall have no members.

ARTICLE V

Board of Directors

Section 1. General Powers The business and affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall further have sole power and authority, by a vote of a majority of directors then in office, to (1) amend or restate the Articles of Incorporation of the Corporation, (2)

approve the merger or consolidation of the Corporation with any other corporation, (3) authorize the dissolution of the Corporation, and/or (4) approve the sale, lease, exchange or other disposition of all, or substantially all, of the property or assets of the Corporation.

Section 2a. Number All directors of the Corporation must be residents of New Jersey State, consisting of not less than five (5) nor more than twenty (20). Within this range, the number of directors shall be determined by the current board as it sees fit and necessary for good governance. One director shall be a director by reason of his/her serving in the following capacity: the President of the Library Board of Trustees of the Cranbury Public Library; and one of the directors shall be a director by reason of his/her serving in the following capacity: Director of the Cranbury Public Library.

Section 2b. Tenure New directors shall be elected by the Board at the annual meeting to serve for one three-year term. A director may be re-elected to serve a second three-year term, but can serve no more than two consecutive terms. A period of one year must lapse before a former director, who had served two consecutive terms, may be re-elected for a new three-year term. The President of the Cranbury Public Library Board of Trustees and the Director of the Cranbury Public Library are eligible to serve as directors for as long as they hold their respective positions. One-third of the directors shall be elected by the Board each year so that director terms are staggered.

Section 2c. Qualifications An honorary category of director emeritus may be provided. A director emeritus shall be entitled to attend meetings but shall not vote and shall not be responsible for the acts of the Board of Directors while serving as an honorary director emeritus.

Section 3. Removal from Office Any director may be removed from office at any time on a vote of two-thirds of any directors then in office, at any general meeting or special meeting called for the purposes of such removal.

Section 4. Annual and General Meetings The annual meeting of the Board of Directors shall be held each year at 7:30 pm on the second Monday in January or such other date as may be designated by the Board. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next business day. The Board of Directors may provide, by resolution, the time and place for holding of additional general meetings without other notice than such resolution. A director may participate in any meeting by conference telephone call and may vote and be considered as present at a meeting for all corporate purposes.

Section 5. Special Meetings Special meetings of the Board of Directors may be called by the president when deemed necessary. Meetings may be at places or via conference call. At least 48 hours notice is required to call a special meeting and such notice to also state the reason for which the special meeting is called.

Section 6. Minutes Minutes of all board meetings shall be accurately kept by the secretary of the board and shall be submitted for approval at the next Board of Directors meeting.

Section 7. Notices Written notice of meetings stating the place or conference calling information, and the date and hour, shall be given to members under the direction of the board's secretary. Such notice shall be mailed, emailed or faxed at least two (2) days prior to any such meeting. Notice may be waived by a director.

Section 8. Presumption of Assent A director of the Corporation, who is present at a meeting of the Board of Directors at which action on any matter is taken, shall be presumed to have assented to the action taken unless a dissent shall be entered in the minutes of the meeting or unless the director shall file a written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 9. Quorum A quorum shall consist of a majority of directors fixed by Section 2a of this Article V

and shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than majority are present at a meeting, a majority of the directors present may adjourn the meeting without further notice.

Section 10. Manner of Acting The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors for corporate purposes with the exception that a majority of the directors who have been elected and qualified are required to amend these bylaws or the articles of incorporation.

Section 11. Nominating A Nominating Committee shall be elected and its chair designated by the Board, and shall consist of a number of members as determined by the Board. It shall be the function of this committee to submit to the Board at each annual meeting or at any other meeting at which Board action is required, a written report of its selection of nominees for all positions which are to be filled by vote of the Board. Nomination by this committee shall not prevent nominations being made from the floor.

Section 12. Vacancies Any vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the directors then in office. Any director so elected shall serve for the unexpired term of a predecessor in office or the full term of a newly created directorship.

Section. 13. Action by Directors without a meeting Any required action taken by the directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the directors entitled to vote.

Section 14. Other Committees Excepting the Nominating Committee, the president of the Board of Directors may appoint other committees and the respective chairs as the president deems desirable to assist in his/her duties.

Section 15. Committee Action Committees may only make recommendations to the Board. No Board Actions may be taken by Committees.

ARTICLE VI

Officers

Section 1. Number All officers of the Corporation shall be directors of the Corporation. The officers shall be a president, a vice president, a secretary and a treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the office of president.

Section 2. Election and Term of Office The officers of the Corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at each annual meeting. If the election of officers shall not be held at such meeting, such election shall be held as soon possible. Each officer having been duly elected and qualified, shall fulfill his/her term of office of three years until the officer shall resign or shall have been removed in the manner hereinafter provided.

Section 3. Removal Any officer or agent elected or appointed by the Board of Directors may be removed by a vote of two thirds (2/3rd) of the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby.

Section 4. Vacancies A vacancy in any office because of death, resignation, removal, disqualification or otherwise may 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 for the Corporation and, subject to the direction of the Board of Directors, shall in general supervise and direct all of the affairs of the Corporation. The president shall, when present, preside at all meetings of the Board of Directors. The president may sign, with the secretary or any other proper officer of the Corporation thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the

signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed. In general the president shall perform all duties incident to the office of president, and such other duties as may be prescribed by the Board of Directors.

Section 6. Vice President In the absence of the president or in the event of death, inability or refusal to act, the vice president shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president, and shall also perform such other duties as may be assigned by the president or by the Board of Directors.

Section 7. Secretary The secretary shall: (a) keep the minutes of the Board of Directors' meetings in one or more books provided for that purpose, (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law, (c) be custodian of all corporation records, (d) keep a register of the post office addresses, email addresses, and phone and fax numbers of each director which shall be furnished to the secretary by such director, and (e) in general perform all duties incident to the office of secretary and such other duties as may be assigned to him by the president or by the Board of Directors.

Section 8. Treasurer The treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with provisions of these Bylaws, (b) assure that all audit recommendations are reviewed and acted upon as appropriate, and (c) in general perform all of the duties incident to the office of treasurer and such other duties as may be assigned by the president or the Board of Directors.

Section 9. Remuneration No salary shall be paid to directors for their service, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of such Board; provided, that nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefore.

ARTICLE VII

Indemnification

Section 1. Authority Unless otherwise prohibited by law (N.J.S.A. 15A:3-4 attached hereto as appendix A, a copy of the provisions of N.J.S.A. 15A:3-4 as it exists as of March 20, 2010) , the Corporation shall indemnify any director or officer or any former director or officer, and shall by resolution of the Board of Directors, indemnify any employee, against any and all expenses and liabilities incurred by him or her in connection with any claim, action, suit, or proceeding to which he or she is made a party by reason of being a director, officer, or employee. However, there shall be no indemnification in relation to matters as to which he or she shall be adjudged to be guilty of a criminal offense or liable to the Corporation for damages arising out of his or her own gross negligence in the performance of a duty to the Corporation.

Section 2. Conditions Amounts paid in indemnification of expenses and liabilities may include, but shall not be limited to, counsel fees and other fees; costs and disbursements; and judgments, fines, and penalties against, and amounts paid in settlement by, such director, officer or employees. The Corporation may advance expenses or, where appropriate, may itself undertake the defense of any director, officer or employee. However, such director, officer, or employee shall repay such expenses if it should be ultimately determined that he or she is not entitled to indemnification under this Article.

Section 3. Insurance The Board of Directors may also authorize the purchase of insurance on behalf of any director, officer, employee, or other agent against liability incurred by him which arises out of such person's status as a director, officer, employee, or agent, whether or not the Corporation would have the power to indemnify the person against that liability under law.

ARTICLE VIII

Fiscal Provisions

Section 1. Books and Records All books and records of the Corporation shall be maintained in accordance with generally accepted accounting principles and shall be audited at the close of each fiscal year by a certified public accountant, whose report shall be disseminated to the Board of Directors upon completion.

Section 2. Checks, Drafts, etc. All checks, drafts and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall be determined by resolution of the Board of Directors.

Section 3. Depositories The monies of the Corporation shall be deposited in the name of the Corporation in such bank or banks or trust company or trust companies as the Board of Directors shall designate, and shall be drawn from such accounts only by check or order for payment of money signed by such persons and in such manner, as may be determined by resolution of the Board of Directors.

Section 4. Fiscal Year The fiscal year of the Corporation shall commence on January 1 of each year.

Section 5. Loans No loan shall be made by the Corporation to any officer.

Section 6. Conflict of Interest A Conflict of Interest Policy has been adopted by the Board (Appendix B attached hereto) to protect the interests of the Corporation when it is contemplating entering into a transaction or agreement that might benefit the private interest of a board member or officer of the Corporation. This policy is intended to supplement, but not replace, any applicable state laws governing conflicts of interest applicable to business and nonprofit corporations. Each director shall annually read the Conflict of Interest Policy and shall remit a signed statement attesting to his/her reading of the policy to the Secretary no later than February 1.

ARTICLE IX

Miscellaneous Provisions

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

Section 2. Confidentiality All directors of the corporation shall not disclose any confidential information related to the business of the corporation.

ARTICLE X

Seal

The Corporation shall not have a corporate seal.

ARTICLE XI

Dissolution

Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making the provisions for the payment of all liabilities of the Corporation, dispose of the assets of the Corporation to an organization affiliated with the Corporation in such proportions as the Board shall determine, provided that said organization shall at the time of such dissolution be qualified as exempt organization which are not private foundations under the provisions of Section 501(c)(3) and 509(a)(1) or (2) of the Internal Revenue Code of 1986 (or corresponding future provisions). If no such organization is in existence or so qualifies at such time, then all of the assets of the Corporation shall be distributed to one or more organizations selected by the Board of Directors which at the time qualify as exempt organizations which are not private foundations under Section 501(c)(3) and 509 (a)(1) or (2) of the Internal Revenue Code of 1986 (or corresponding future provisions). Any assets not so disposed of shall be disposed by the District Court of the county which the principal office of the Corporation then located, exclusively for the purposes of the Corporation, or to such organization or organizations as said court shall determine, which are organized and operated exclusively for the purposes of the Corporation.

ARTICLE XII

Amendments

These Bylaws and the Articles of Incorporation may be altered, amended or repealed, and new Bylaws or Amendments to the Articles of Incorporation adopted by a two-thirds (2/3rds) vote of the directors.

ARTICLE XIII

Rules of Order

The latest edition of Robert's Rules of Order shall, in the absence of provision to the contrary herein, be observed in governing the transactions of the business of the Board of Directors.

AMENDMENTS APPROVED AND ADOPTED THIS 9th DAY OF January, 2012

President, Patricia May Thomsson

Secretary, Kirstie Venanzi

ARTICLE V, Section 2a and ARTICLE VII, Section 1. Amended 1/9/12

Appendix A

New Jersey Statutes - Title 15A Corporations, Nonprofit - 15A:3-4 Indemnification of trustees, officers and employees

a. As used in this section:

(1) "Corporate agent" means any person who is or was a trustee, officer, employee or agent of the indemnifying corporation or of any constituent corporation absorbed by the indemnifying corporation in a consolidation or merger and any person who is or was a trustee, officer, employee or agent of any other enterprise, serving as such at the request of the indemnifying corporation, or of the constituent corporation, or the legal representative of the trustee, officer, employee or agent;

(2) "Other enterprise" means any domestic corporation, foreign corporation, or corporate business entity, other than the indemnifying corporation or any employee benefit plan or trust;

(3) "Expenses" means reasonable costs, disbursements and counsel fees;

(4) "Liabilities" means amounts paid or incurred in satisfaction of settlements, judgments, fines and penalties; and

(5) "Proceeding" means any pending, threatened or completed civil, criminal, administrative or arbitral action, suit or proceeding, and any appeal therein and any inquiry or investigation which could lead to the action, suit or proceeding.

b. Any corporation may indemnify a corporate agent against the agent's expenses and liabilities in connection with any proceeding involving the corporate agent because the agent is or was a corporate agent, other than a proceeding by or in the right of the corporation, if:

(1) the corporate agent acted in good faith and in a manner which the agent reasonably believed to be in or not opposed to the best interests of the corporation; and

(2) with respect to any criminal proceeding, the corporate agent had no reasonable cause to believe the conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the corporate agent did not meet the applicable standards of conduct set forth in paragraphs (1) and (2) of subsection b. of this section.

c. Any corporation may indemnify a corporate agent against the agent's expenses in connection with any proceeding by or in the right of the corporation to procure a judgment in its favor which involves the corporate agent by reason of being or having been the corporate agent, if the agent acted in good faith and in a manner which the agent reasonably believed to be in or not opposed to the best interests of the corporation. However, in the proceeding no indemnification shall be provided in respect of any claim, issue or matter as to which the corporate agent was liable to the corporation, unless and only to the extent that the Superior Court or the court in which the proceeding was brought shall determine upon application that despite the adjudication of liability, but in view of all circumstances of the case, the corporate agent is fairly and reasonably entitled to indemnity for those expenses as the Superior Court or the other court shall deem proper.

d. Any corporation shall indemnify a corporate agent against expenses to the extent that the corporate agent has been successful on the merits or otherwise in any proceeding referred to in subsections b. and c. of this section or in defense of any claim, issue or matter therein.

e. Any indemnification under subsection b. of this section and, unless ordered by a court, under subsection c. of this section, may be made by the corporation only as authorized in a specific case upon a determination that indemnification is proper in the circumstances because the corporate agent met the applicable standard of conduct set forth in subsection b. or c. Unless otherwise provided in the certificate of incorporation or bylaws, the determination shall be made:

(1) By the board of trustees or a committee thereof at a meeting at which is present a quorum determined without including trustees who were parties to or otherwise involved in the proceeding, acting by a majority vote of trustees who were not parties to or otherwise involved in the proceeding;

(2) If the quorum is not obtainable, or, even if obtainable and the quorum of the boards of trustees or committee by a majority vote of the disinterested trustees directs, by independent legal counsel, in a written opinion, the counsel to be designated by the board of trustees; or

(3) By the members, if the corporation has members and if the certificate of incorporation or bylaws or a resolution of the board of trustees directs.

f. Expenses incurred by a corporate agent in connection with the proceeding may be paid by the corporation in advance of the final disposition of the proceeding as authorized by the board of trustees upon receipt of an undertaking by or on behalf of the corporate agent to repay the amount unless it shall ultimately be determined that the agent is entitled to be indemnified as provided in this section.

g. (1) If a corporation upon application of a corporate agent has failed or refused to provide indemnification as required under subsection d. of this section or permitted under subsections b., c. and f. of this section, a corporate agent may apply to a court for an award of indemnification by the corporation, and the court:

(a) may award indemnification to the extent authorized under subsections b. and c. of this section and shall award indemnification to the extent required under subsection d. of this section, notwithstanding any contrary determination which may have been made under subsection e. of this section; and

(b) may allow reasonable expenses to the extent authorized by, and subject to the provisions of, subsection f. of this section, if the court shall find that the corporate agent has by the agent's pleadings or during the course of the proceeding raised genuine issues of fact or law.

(2) Application for indemnification may be made:

(a) in the civil action in which the expenses were or are to be incurred or other amounts were or are to be paid; or

(b) to the Superior Court in a separate proceeding.

(3) If the application is for indemnification arising out of a civil action, it shall set forth reasonable cause for the failure to make application for the relief in the action or proceeding in which the expenses were or are to be incurred or other amounts were or are to be paid. The application shall set forth the disposition of any previous application for indemnification and shall be made in the manner and form as may be required by the applicable rules of the court or, in the absence thereof, by direction of the court to which it is made. The application shall be upon notice to the corporation. The court may also direct that notice shall be given at the expense of the corporation to the members, if any, and all other persons as it may designate in the manner as it may require.

h. The indemnification and advancement of expenses provided by or granted pursuant to the other subsections of this section shall not exclude any other rights to which a corporate agent may be entitled under a certificate of incorporation, bylaw, agreement, or otherwise; provided that no indemnification shall be made to or on behalf of a corporate agent if a judgment or other final adjudication adverse to the

corporate agent establishes that his acts or omissions (1) were in breach of his duty of loyalty to the corporation or its members, (2) were not in good faith or involved a knowing violation of law, or (3) resulted in receipt by the corporate agent of an improper personal benefit.

i. Any corporation shall have the power to purchase and maintain insurance on behalf of any corporate agent against any expense incurred in any proceeding and any liabilities asserted by reason of the agent's being or having been a corporate agent, whether or not the corporation would have the power to indemnify the agent against those expenses and liabilities under the provisions of this section.

j. The powers granted by this section may be exercised by the corporation notwithstanding the absence of any provision in its certificate of incorporation or bylaws authorizing the exercise of these powers.

k. Except as required by subsection d. of this section, no indemnification shall be made or expenses advanced by a corporation under this section, and none shall be ordered by a court, if that action would be inconsistent with a provision of the certificate of incorporation, a bylaw, a resolution of the board or of the members, an agreement or other proper corporate action in effect at the time of the accrual of the alleged cause of action asserted in the proceeding, which prohibits, limits or otherwise conditions the exercise of indemnification powers by the corporation or the rights of indemnification to which a corporate agent may be entitled.

l. This section does not limit a corporation's power to pay or reimburse expenses incurred by a corporate agent in connection with the corporate agent's appearance as a witness in a proceeding at a time when the corporate agent has not been made a party to the proceeding.

L.1983, c.127, s.15A:3-4, eff. Oct. 1, 1983; amended 1989,c.260,s.2.

Sections: [Previous](#) [2-9](#) [2-10](#) [2-11](#) [2-12](#) [3-1](#) [3-2](#) [3-3](#) [3-4](#) [3-5](#) [3a-1](#) [3a-2](#) [3a-3](#) [3a-4](#) [3a-5](#) [4-1](#) [Next](#)
Last modified: March 29, 2010

Appendix B

Cranbury Public Library Foundation Conflict of Interest Policy

Members of the Board of Directors of the Cranbury Public Library Foundation ("Foundation") have the requirement of loyalty and fidelity. It is a responsibility of the Members to govern the Foundation affairs honestly and with fiscal prudence. Members should exercise their best care, skill and judgment for the benefit of the Foundation.

Members of the Board of Directors of the Cranbury Public Library Foundation are expected to avoid conflicts between their personal interests and the interests of the Foundation, to disclose any personal interest that may conflict with the interests of the Foundation, and to refrain from voting or otherwise influencing a decision of the Foundation on any matter in which such a conflict exists.

A conflict of interest shall exist when (A) any member of the Foundation Board of Directors is (I) an officer, director, trustee, employee, stockholder or partner in a closely-held, non-publicly traded corporation or other entity, or (II) an officer, director, trustee, partner, employee or holder of more than five percent (5%) of the issued and outstanding stock of a publicly traded corporation or other entity, and (B) such entity does, or proposes to do, business with the Foundation.

Any conflict of interest on the part of any member of the Board of Directors, or any member of the immediate family of a Board member occupying the same household, shall be disclosed by the Board member to the Board of Directors at least annually and made a matter of record. When any such interest becomes relevant to any subject requiring action of the Board of Directors, the director having a conflict shall call it to the attention of the President and, if the matter is being considered by a committee of the Board, to the attention also of the chair of such committee.

The director having such conflict shall not participate or use any personal influence in the discussion of the subject or make any recommendations regarding the subject. However, the director will briefly state the nature of the conflict and will be expected to answer pertinent questions from the other directors when the director's knowledge of the subject will assist the Board. The minutes of any meeting attended by the director at which the subject involving the conflict is discussed shall reflect that a disclosure was made and that the director refrained from discussion, except to the extent provided above, and did not vote on the subject.

The President annually, and at other times on request from any member of the Board, shall make available to the members of the Board copies of this "Conflict of Interest Policy" and forms for disclosing conflicts.

Any Board member may request a determination from the Board as to the existence of a conflict of interest. The Board's decision, by majority vote, shall bind the Board member and the Board.

All proposed nominees for Board membership shall be advised of this policy and must state their willingness to abide by it as a condition of being nominated.

Approved by the Cranbury Public Library Foundation Board of Directors: 11/16/09