



**Adopted as the Bylaws of the Foundation
December 3, 2003**

**Amended April 21, 2004
Amended August 18, 2004
Amended August 17, 2005
Amended September 20, 2006
Amended September 22, 2008
Amended June 14, 2012
Amended September 20, 2018**

**BYLAWS
OF THE
PINE TREE ISD EDUCATION FOUNDATION**

**ARTICLE I
NAME AND OFFICERS**

Section 1.01. Name. The name of the Corporation is Pine Tree Education Foundation.

Section 1.02. Registered Office. The Corporation will maintain a registered office and registered agent in Texas. The registered office of the Corporation in Texas shall be that set forth in the Articles of Incorporation, or in a resolution of the Directors filed with the Secretary of State changing the registered office

Section 1.03. Other Offices. The Corporation may have other offices, at such other places as the Board of Directors may determine that the business of the Corporation shall require.

**ARTICLE II
PURPOSE**

2.01 Purpose. The purpose of the Foundation is to promote and support the educational programs for both the students and staff personnel of Pine Tree Independent School District. The Foundation shall be organized and operated exclusively for charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1986. In furtherance of its purpose and not by way of limitation, the Foundation shall have the power to take, accept, hold, manage, and acquire, by bequest, devise, gift or purchase, money and any property, real, personal or mixed, whether tangible or intangible and to make expenditures to or for the benefit of charitable organizations within the meaning of Section 170 (b) (1) (A) (iv) of the Internal Revenue Code of 1986. The Foundation may transfer and convey, whether by grant, gift donation or sale, any such funds or property to or for the benefit of charitable organizations or directly for the charitable purpose of the Foundation. More specifically, the Foundation is organized and shall be operated to do any and all acts and things, and to exercise any and all powers conferred upon corporations formed under the Texas Non-Profit corporation Act, provided such powers, acts and things are not inconsistent with or prohibited by the purpose of the Foundation, the Articles of Incorporation, the Bylaws of the Foundation, or any law. The Foundation shall be operated exclusively for such purposes, and 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 such purposes, no part of its net earnings shall inure to the benefit of, or be distributable to, any director, officer or other private person. No part of the Foundation's activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and the Foundation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE III BOARD OF DIRECTORS

Section 3.01. Management of Corporation. The Board, with guidance from its voting members, will manage the corporate affairs.

Section 3.02. General Powers. The direction and management of the affairs of the Foundation and the control and disposition of its assets shall ultimately be vested in a Board of Directors who may exercise all such powers of the Foundation and do all such lawful acts and things as are permitted by law, the Articles of Incorporation or these Bylaws.

Section 3.03. Property. No director shall have any right, title or interest in or to the property of the Corporation.

Section 3.04. Number, Qualifications and Term of Office. The number of Directors shall be 25; however, the number of voting Directors may be increased or decreased to any odd number by amendment of these Bylaws. Directors to serve until the first annual meeting shall be appointed by the initial Directors named in the Articles of Incorporation. Thereafter, all Directors shall be appointed by those remaining duly qualified Directors. Each Director shall hold office until the annual meeting three (3) years following his or her election and until a successor is elected, or until his or her death, or until resignation, or until he or she is removed in the manner hereinafter provided. The initial appointed Directors shall draw lots for initial terms of office. The term of Directors and voting members shall be staggered over three (3) years meaning that the term of office for approximately one-third of the appointed Directors and voting members should expire each year. Appointed Directors and voting members may be re-elected to successive terms. There are no restrictions on the amount of successive terms a board member may serve. In addition to the regular members of the Board, the following positions shall be “ex officio” members of the Board with the right to attend meetings, receive notice thereof, and have all other privileges of regular board members except voting rights: the President of the Pine Tree Independent School District Board of Trustees (or his or her designee) and the Superintendent of Pine Tree Independent School District (or his or her designee). Other “ex officio” members may be appointed as determined by the Board. No more than three (3) school board members of Pine Tree Independent School District are eligible to serve as “ex officio” members of the Board. Persons, including representatives and directors of banks or trust companies who serve as investment advisors, custodians, or agents for or with respect to funds of or held for the benefit of this Foundation, shall never constitute more than one-half of the Directors of this Foundation.

Section 3.05. Election. Recommendations by the Board Governance Committee for new Directors must be submitted in writing to all members of the Board at least ten (10) days in advance of the meeting at which the selections are to be considered.

Section 3.06. Resignation. Any Director of the Foundation may resign at any time by giving written notice to the President, Executive Director, or to the Secretary of the Foundation. The resignation of any Director shall take effect at the time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.07. Vacancies. Any vacancy in the position of an appointed director caused by death, resignation, disqualification, removal, or any other cause, shall be filled by a majority vote of the Board of Directors and the Director so elected shall hold office for the remaining term of that Directorship and until his or her successor shall be duly elected and qualified by the remaining Directors. Any vacancy in the position of a permanent Director shall be filled by the same person filling the school district position.

Section 3.08. Place of Meeting. The Board of Directors may hold its meetings at such place or places, within the State of Texas, as it may choose.

Section 3.09. Annual Meeting. The annual meeting of the Foundation shall be held for the purpose of election of officers of the Foundation and any other business or transactions as shall come before the meeting. This meeting may be held at any time the Board may direct. However, the goal should be that this meeting is held in the month May. Notice of the annual meeting shall be given in writing by the Executive Director or Secretary to all Directors not less than ten (10) days prior to the meeting.

Section 3.10. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place, within the State of Texas, as the Board may determine by resolution adopted by a majority of the members of the Board of Directors. Notice of regular meetings shall be given by the Secretary not less than five (5) days prior to the meeting.

Section 3.11. Special Meetings Notice. Special meetings of the Board of Directors shall be held whenever called by the President or by 25% of the Directors. Notice of each such special meeting shall be sent electronically or by U.S. Mail to each Director at least five (5) days before the day on which the meeting is to be held, or to be delivered personally or by telephone, no later than two (2) days before the day on which the meeting is to be held, except as otherwise provided by these Bylaws. Each such notice shall state the time, place, and purpose of the meeting. Any meeting of the Board shall be a legal meeting without any notice thereof having been given, if all of the Directors of the Foundation then in office shall be present thereat (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 or convened) or waive such notice in writing before, at, or after such meeting.

Special 3.12. Quorum and Manner of Acting. Except as otherwise provided by statute or by these Bylaws, a minimum of 51% of the Directors must be present to constitute a quorum for the transaction of business at any meeting and the act of a majority of the

Directors present at any meeting at which a quorum is present shall be the act of the Foundation. In the absence of a quorum, a majority of the Directors present may adjourn any meeting, and reconvene once a quorum is assembled, without giving further notice.

Section 3.13. Meeting Attendance. It shall be the policy of the Foundation to require attendance at all Directors meetings. In the event a Director misses three (3) or more consecutive meetings, the Board of Directors may, if deemed appropriate, ask for the resignation of that Director. If the Director does not resign upon request, then the removal provisions of Section 3.14 must be followed if the Board, in its discretion, decides removal is appropriate. However, it shall also be the policy of the Foundation to attempt to accommodate the schedules of its Directors who demonstrate continuing interest in the affairs of the Foundation. It shall be at the discretion of the Board of Directors to invoke this provision.

Section 3.14. Removal of Directors. Any Director may be removed with or without cause at any time. Removal shall be by a vote of a majority of all Directors of the Foundation at a regular meeting or a special meeting of the Directors called for that purpose. Written notice stating the place, date, hour and the purpose of any special meeting called for the purpose of removing one or more Directors must be delivered to all Directors at least twenty (20) days prior to such meeting. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the Director at his or her address as it appears on the records of the Foundation, with postage thereon prepaid. The vacancy in the Board of Directors caused by any such removal shall be filled in the manner specified in Section 3.07 hereof.

Section 3.15. Proxies. Proxies shall not be allowed or used.

Section 3.16. Action of Board by Consent. Any action required by the Texas Non-Profit Corporation Act to be taken at a meeting of the Directors of the Foundation or any action that may be taken at a meeting of the Directors or of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of Directors or committee members, respectively, as would be necessary to take that action at a meeting at which all of the Directors or members of the committee were present and voted. Each written consent shall conform to the requirements of the Texas Non-Profit Corporation Act as it is amended from time to time.

ARTICLE IV OFFICERS

Section 4.01. Number. The officers of the Foundation shall be a President, five (5) Vice Presidents, a Secretary, a Treasurer, a Parliamentarian, , and an Executive Director who shall be responsible for the proper and efficient operation of affairs of the Foundation. The Foundation may also have any such other officers as may be appointed by the Board of Directors.

Section 4.02. Election, Term of Office and Qualification. All officers shall be elected annually by the Directors of the Foundation, except in the case of officers appointed in accordance with the provisions of Section 4.05. Each shall hold office for a period of one (1) year and until his or her successor shall have been duly elected and qualified, or until his or her death, or until he or she shall resign, or until he or she shall have been removed in the manner hereinafter provided. Officers shall be Directors.

Section 4.03. Resignation. Any officer may resign at any time by giving written notice of his or her resignation to the Board of Directors, to the President, or to the Secretary of the Foundation. Any such resignation shall take effect at the time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.04. Election and Removal. Election of an officer shall not, of itself, create contract rights. Any officer elected by the Board of Directors may be removed by the Board whenever in its judgment; the best interests of the Foundation would be served thereby. Such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4.05. Vacancies. A vacancy in any office because of death, resignation, removal or any other cause shall be filled for the unexpired portion of the term in the manner prescribed in these Bylaws for election or appointment to such office.

Section 4.06. President. The President shall not be an employee, trustee, agent or member of the Board of Trustees of the Pine Tree Independent School District. The President shall assume all duties normally associated with that office. The President shall be the chief executive officer of the Foundation and shall have general active management of the business of the Foundation. He or she, shall, when present, preside at all meetings of the Directors. He or she shall see that all orders and resolutions of the Board of Directors are carried into effect. He or she, with the proper signature of one other duly qualified officer of the Foundation, may execute and deliver in the name of the Foundation, any deeds, mortgages, bonds, contracts or other instruments pertaining to the business of the Foundation, including without limitation, any instruments necessary or appropriate to enable the Foundation to donate income or principal of the Foundation to or for the account of any organizations, causes and projects described in the Articles of Incorporation of the Foundation which the Foundation was organized to support. He or she shall perform such other duties as may from time to time be prescribed by the Board of Directors. All nominated and elected Presidents must have served at least one (1) year as a voting member prior to being nominated and elected as President.

Section 4.07. Vice-Presidents. Each Vice President, if any, shall be elected by the Board of Directors, shall have such powers and shall perform such duties as may be specified in the Bylaws or prescribed by the Board of Directors or by the President. In the event of absence, disability, or resignation of the President, the Vice President of Administration shall succeed to their power and duties in the order designated by the Board of Directors, unless otherwise agreed by the Board Governance Committee.

Section 4.08. Vice-President for Administration. When the president is absent or cannot act, the Vice President for Administration will perform the president's duties. When acting in the President's place, the Vice President for Administration has all the powers of—and is subject to all the restrictions on—the President. The Vice President for Administration will chair the Administration Committee and will provide leadership in developing and recommending policies and procedures, goals, and banking and investment strategies to ensure the perpetuity of the Foundation's assets to the full Board. Responsibilities will also include providing leadership to develop a Five-Year Plan and the annual budget. The Vice President for Administration will perform other duties as assigned by the President or Board. The Vice-President for Administration will also fill a vacancy left by the President in accordance with Section 4.07.

Section 4.09. Vice President for Programs and Allocations. The Vice President for Programs and Allocations will chair the Programs and Allocations Committee which will study and make recommendations to the Board regarding the programs to be implemented by the Corporation, prepare and recommend to the Board the procedures to be adopted by the Board for grant applications and the forms to be utilized for grant and/or scholarships applications, review applications for grants and/or scholarships to be awarded by the Corporation, and make recommendations to the full Board as to recommended action to be taken with respect to the grant/and or scholarship applications. The Vice President for Programs and Allocations will provide leadership in developing and recommending policies and procedures, goals, and funding levels for programs to the full Board. When all of the above-named officers are absent, and cannot act, the Vice President named in this section will perform the President's duties.

Section 4.10. Vice-President for Development. The Vice President for Development will chair the Development Committee which will have the primary responsibility for developing a fund raising and endowment program for the purpose of raising funds for the purposes of the Corporation. The Vice President for Development will provide leadership in making recommendations regarding policies and procedures, goals and development activities to the full Board. When all of the above-named officers are absent, and cannot act, the Vice President named in this section will perform the President's duties.

Section 4.11. Vice-President for Marketing and Public Relations. The Vice President for Marketing and Public Relations will chair the Marketing and Public Relations Committee which will encourage and foster gifts, grants, devises and bequests to the Corporation and shall disseminate to the public information concerning the activities, goals, growth and programs of the Corporation, and will cause or endeavor to cause such information to be published in newspapers and other publications and media having a general circulation of coverage area in Any County and adjoining areas. The Vice President for Marketing and Public Relations will provide leadership in making recommendations for policies and procedures, goals and community relations strategies to the full Board. When all of the above-named officers are absent, and cannot act, the Vice President named in this section will perform the President's duties.

Section 4.12. Vice-President for Alumni Affairs. The Vice President for Alumni Affairs will chair the Alumni Affairs Committee which will facilitate interaction between the Foundation and alumni and encourage alumni involvement in the Foundation. The Vice-President for Alumni Affairs will also oversee the nominations and selections of alumni awards and coordinate events and fundraising from alumni while promoting Foundation goals.

Section 4.13. Secretary. The Secretary shall be elected by the Board of Directors. The secretary shall attend and keep correct minutes of all meetings of the Board of Directors, the Executive Committee, and other committees, if any, having any authority of the Board of Directors; keep and have charge and custody of, all books, records and documents belonging to the Foundation except such financial books and records as shall be in charge and custody of the Treasurer; give or cause to be given notices of all meetings required by the Bylaws or by law; and have charge of the seal of the Foundation, if any, and is authorized by the Bylaws to affix it to any instrument requiring the seal of the corporation and attest the same by his signature. The Secretary shall prepare and submit to the Board of Directors or the President such reports and such data as may be requested and the Secretary shall perform such other duties and have such other powers as from time to time may be assigned or delegated to the Secretary by the Board of Directors or the President. The Board of Directors may, from time to time, delegate to another officer or person (whether or not a Board member) any of the duties usually performed by the Secretary, and if such delegation is made, that person shall be designated Assistant Secretary and act pursuant to instructions of the Secretary and these Bylaws.

Section 4.14. Treasurer. The Treasurer shall cause to be kept accurate accounts of all funds of the Foundation received or disbursed. He or she shall direct and oversee the deposit all funds, drafts and checks in the name of, and to the credit of, the Foundation in such banks and depositories as the Board of Directors, by resolution, shall, from time to time designate. He or she shall have power to endorse for deposit all notes, checks and drafts received by the Foundation. He or she shall cause to be rendered to the President and the Directors, wherever required, an account of all his or her transactions as Treasurer and of the financial condition of the Foundation, and shall perform such other duties as may from time to time be prescribed by the board of Directors or by the President, and in general, shall perform all duties incident to the office of the Treasurer.

Section 4.15. Executive Director. The Executive Director of the Foundation shall be responsible to the Executive Committee of the Foundation. The Executive Committee shall supervise the activities of the Executive Director. The duties of the Executive Director shall include such duties and responsibilities in the management of the affairs of the Foundation as required by the Executive Committee. The Executive Director shall keep a permanent file of copies of all minutes, reports and data submitted by the Secretary and/or Treasurer of the Foundation. The Executive Committee may delegate in writing to the Executive Director authority to: (a) execute documents on behalf of the Foundation; (b) enter into cooperative agreements with other organizations; and (c) make

discretionary expenditures of Foundation funds for operations and fund raising activities of the Foundation.

Section 4.16. Other Officers. The Foundation may have such other officers and agents as may be deemed necessary by the Board of Directors, who shall be appointed in such manner, have such duties and hold their offices for such terms as may be determined by resolution of the Board of Directors.

Section 4.17. Election Procedure. Except for the initial Board of Directors, which will elect officers at the first meeting, the officers of the Foundation to be elected by the Board shall be elected at the Annual Business Meeting. The Board Governance Committee shall provide each Director with a list of proposed officers not less than thirty (30) days prior to the annual meeting. The slate of proposed officers shall be presented for vote at the annual meeting. A vote of the Board of Directors shall be required to elect officers.

Section 4.18. Parliamentarian. The position of parliamentarian may be filled by the immediate past President of the Foundation. The Parliamentarian shall ensure compliance with parliamentary procedure.

ARTICLE V COMMITTEES

Section 5.01 Standing Committees. The Directors may establish one or more Standing Committees and determine the duties and authority of any such committee. Standing committees of the Foundation shall be as follows:

- (a) **The Executive Committee** shall consist of the President, the five (5) Vice Presidents, Secretary, Treasurer, and Parliamentarian selected by majority vote of the Board of Directors. The Executive Director of the Foundation may also serve on the Executive Committee as a non-voting member. The Executive Committee shall be charged with the duties of managing the Foundation in the ordinary course of business, employment of personnel, and the general handling of the affairs of the Foundation and the carrying out of the purposes of the Foundation and the performance of such other duties as may be imposed upon it or authorized by the Board of Directors. In the ordinary course of business the Executive Committee shall have the power of the Board of Directors between meetings. Any action taken by the Executive Committee shall be submitted to the Board of Directors for ratification at its next meeting. The Executive Committee shall be subject to the control of and be responsible to the Board of Directors and shall keep minutes and make reports to the Board of Directors.
- (b) **The Programs and Allocations Committee** shall be chaired by the Vice President, Programs and Allocations and members of the Committee may include other members of the Board of Directors and

individuals from the community who have an interest and/or expertise in instruction. The purpose of the Programs and Allocations Committee is to develop, solicit and accept proposals for projects/programs that will augment and enrich education. It is also the committee's purpose to validate the need of proposals/applications, determine the dollars needed, prioritize the needs and recommend action to the Board of Directors. The Committee will provide the leadership for the coordination of all Foundation programs.

- (c) **The Board Governance Committee.** The Board Governance Committee shall be charged with the duty of making nominations to the Board of Directors for elective offices and for vacancies in the Board of Directors. Such nominations shall not preclude the right of additional nominations being made at any meeting of the Board where an election of an officer or a Director is being considered. The Board Governance Committee shall be appointed by the President and works to maintain a Board who is aware of its responsibilities.
- (d) **The Development Committee.** The Development Committee shall be chaired by the Vice President, Development and charged with the duty of conducting an annual drive to raise money for the support of the Foundation. The purpose of the Development Committee is to develop means for soliciting donations to support the Foundation's current programs, endowment, and investment plans according to the long-term and short-term goals established by the Board.
- (e) **The Administration Committee.** The Administration Committee shall be chaired by the Vice-President of Administration and Members of the committee will include the Chairman of the Finance/Investment Committee, Treasurer and other members of the Board of Directors. The purpose of the Administration Committee is to oversee the administration of the Foundation and to coordinate and/or develop policies and procedures, goals, the annual budget, a Five- Year Plan, and banking and investment strategies to ensure the perpetuity of the Foundation's assets.
- (f) **The Investment Committee.** The Investment Committee shall be appointed by the President. This committee will be responsible for investing the funds of the Corporation in a fiscally prudent manner and in compliance with the Corporations investment policy to insure the perpetuity of the Corporations.
- (g) **The Marketing and Public Relations Committee.** Members of the Committee may include other members of the Board and individuals from the community who have an interest and/or expertise in the development and implementation of public relations and marketing ideas or strategies for the Foundation. The purpose of the Marketing and Public Relations Committee is to promote the Foundation and to develop a plan for increasing interest in and awareness of the Foundation's programs and activities. The Marketing and

Public Relations Committee shall seek opportunities to promote and raise the awareness of the Foundation within the district and community.

- (h) **Alumni Affairs Committee.** The Alumni Affairs Committee shall be chaired by the Vice-President for Alumni Affairs. This committee shall be responsible for facilitating communication between the Foundation and alumni and shall be responsible for managing the nomination, selection, and presentation of distinguished alumni.

The standing committees, other than the Executive Committee, the Board Governance Committee and the Administration Committee, shall be composed of such numbers of members as may be determined by the Board of Directors, and shall be appointed by the President. The Executive Committee, the Board Governance Committee and the Administration Committee shall be composed exclusively of members of the Board of Directors. Membership of the remaining standing committees need not be composed entirely of the members of the Board of Directors.

Section 5.02. Special Committees. The Board of Directors may from time to time, authorize special committees to be appointed by the Board Governance Committee. The Board of Directors shall specify the number of persons composing such special committees. While the membership of the special committees need not be composed entirely of members of the Board of Directors, at least one of the member of each special committee shall be a member of the Board of Directors. Any member thereof, who is not a member of the Board, may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interest for the Corporation shall be served by such removal. A special committee may be appointed for any purpose that is in the best interest of the Corporation including, but not limited to, the appointment of advisory committees for any of the following purposes:

- (a) To advise and guide the Board of Directors and officers of the Corporation in the conduct of the Corporation in those areas in which the advisory committee members have particular competence.
- (b) To counsel the Board of Directors in matters concerning the charitable, educational, and scientific needs in the school district and community which this Corporation is formed to serve.
- (c) To counsel the Board and officers of the Corporation in the management of its fiscal affairs.
- (d) To assist in fund raising and public relations activities.

Section 5.03. Term of Office. Each member of a committee shall continue to serve on the committee until the next annual meeting of the Directors and until a successor is appointed. However, the term of a committee member may terminate earlier if a

committee member is terminated, dies, ceases to qualify, resigns, or is removed as a member. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy shall serve for the unexpired position of the previous committee member's term.

Section 5.04. Committee Meetings. Committee meetings shall be called and presided over by the Chairman of the Committee, or in his or her absence or disability, by the Vice Chairman, or in case of absence and/or disability of both the Chairman and Vice Chairman by any member thereof after reasonable notice to all of the committee members. Committees shall meet as often as necessary to properly discharge their duties. A simple majority of committee members present in person shall constitute a quorum for any committee meeting and a simple majority vote of those present and voting at any committee meeting at which a quorum is present shall constitute the action or report of the committee.

Section 5.05. Chair and Vice Chair. The Chairman and Vice Chairman of each committee shall be appointed by the President of the Foundation.

Section 5.06. Proxies. Proxies shall not be allowed or used by any committee member.

Section 5.07. Reference to Committees. While it shall not be required, it is recommended, when applicable, that matters be referred to appropriate committees for consideration and recommendations prior to Board action.

Section 5.08. Action in Lieu of Meeting. If all the members of a committee consent in writing to any action, such action shall be as valid as if authorized at a meeting of the committees. Such consent, setting forth the action so taken, shall be filed with the minutes of the proceedings at the next committee meeting.

ARTICLE VI EXECUTIVE DIRECTOR

Section 6.01. Executive Director. The Executive Director shall be the Chief Administrative Officer of the Foundation and shall be responsible to the President and to the Executive Committee of the Foundation. The Executive Committee shall supervise the activities of the Executive Director. The duties of the Executive Director shall include such duties and responsibilities in the management of the affairs of the Foundation as required by the Executive Committee. The Executive Committee may delegate in writing to the Executive Director authority to: (a) execute documents on behalf of the Foundation; (b) enter into cooperative agreements with other organizations; and (c) make discretionary expenditures of Foundation funds for operations and fund raising activities of the Foundation.

**ARTICLE VII
FISCAL AGENTS**

This Foundation may designate such fiscal agents, investment advisors and custodians as the Board of Directors may select by resolution. The Board of Directors may at any time, with or without cause, discontinue the use of the services of any such fiscal agent, investment advisor, or custodian.

**ARTICLE VIII
FIDUCIARY RESPONSIBILITY**

It shall be the policy of this Foundation that the Board of Directors shall assume and discharge fiduciary responsibility with respect to all funds and other assets held or administered by this Foundation.

**ARTICLE IX
POLICIES WITH RESPECT TO DISTRIBUTION OF PRINCIPAL, INCOME
AND RELATED MATTERS**

Section 9.01. Distribution Policy. Distributions shall fund programs and projects that are aligned with the mission, strategic plan and educational philosophy of the Pine Tree Independent School District.

Section 9.02. Annual Distributions. It shall be the policy of this Foundation to make annual distributions for one or more of the educational purposes for which it is organized, including administrative expenses and amounts paid to acquire an asset used (or held for use) directly in carrying out one or more of its purposes, in an amount determined by the Board of Directors to be appropriate. In such distribution of funds, no discrimination shall be made on account of the age, sex, color, religious affiliation, disability or national origin of the individuals or programs to be benefited thereby.

Section 9.03. No Self-Dealing. It shall be the policy of this Foundation not to engage in any act which would constitute "self-dealing" as defined in Section 4941(d) of the Internal Revenue Code of 1986, as now enacted or as hereafter amended.

Section 9.04. No Jeopardy Investments. It shall be the policy of the Foundation to assure that no funds, whether title thereto is vested in this Foundation or is vested in a trust for the benefit of the Foundation, are invested or reinvested in such a manner as to jeopardize the carrying out of any educational purposes for which this Foundation is organized.

The Foundation shall have the right to retain all or any part of any funds securities, or real or personal property acquired by it in whatever manner, and to invest, reinvest, sell, or exchange any such property held by it, according to the judgement and authorization of the Board of Directors or the Executive Committee without being restricted to the class of

investments which may hereafter be permitted by law, or any similar restriction; provided, however, that no action shall be taken by or in behalf of the Foundation and no action shall be forborne if such action or such forbearance is a prohibited transaction or would result in either imposition of penalty, excise taxes, or the denial of the tax exemption under the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

Section 9.05. Expenditure Responsibility. Through its Board of Directors, this Foundation shall exercise "expenditure responsibility" as defined in Section 4945 (h) (1) and (2) of the Internal Revenue Code of 1986, as now enacted or as hereafter amended, with respect to all grants and distribution.

Section 9.06. Reasonable Return. The Board of Directors shall take steps to assure that each Director, agent, or custodian of the unrestricted trusts or funds that are a component part of this Foundation, will administer them in accordance with accepted standards of fiduciary conduct to produce a reasonable (as determined by the Board of Directors) return of net income.

ARTICLE X BOOKS OF RECORD, AUDIT, FISCAL YEAR, BOND

Section 10.01. Books and Records. The Board of Directors of this Foundation shall cause to be kept:

- (a) records of all proceedings of the Board of Directors and Committees thereof;
- (b) all financial statements of this Foundation;
- (c) Articles of Incorporation and Bylaws of this Foundation and all amendments thereto; and
- (d) Such other records and books of account as shall be necessary and appropriate to the conduct of the corporate business.

Section 10.02. Audit and Publication. The Board of Directors shall cause the records and books of account of this Foundation to be audited at least once in each fiscal year in such a manner as may be deemed necessary or appropriate and also shall make such inquiry as the Board of Directors deems necessary or advisable into the condition of all trusts and funds held by any agent or custodian for the benefit of this Foundation. The Directors shall retain any such person or firm for such purposes as they may deem appropriate. Not later than six (6) months after the close of each fiscal year of this Foundation, the Board of Directors shall furnish to the Board of Trustees of the Pine Tree Independent School District, copies of the Foundation's financial statements for its immediately preceding fiscal year and may, if determined necessary or appropriate by the Board of Directors, cause such financial statements to be published in one or more local

newspapers having a general circulation and distribution, as may be selected by the Board of Directors.

Section 10.03. Fiscal Year. The fiscal year of the Foundation shall begin on September 1 and end on August 31 of each year.

Section 10.04. Bond. The Foundation shall obtain bond on such people and in such amounts as may from time to time be deemed necessary by the Board of Directors.

ARTICLE XI TRANSACTIONS OF THE CORPORATION

Section 11.01. Checks, Drafts, Etc. 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 officers of the Foundation and in such manner as may be determined by resolution of the Board of Directors, including but not limited to the Executive Director. Such instruments shall be signed by any two members of the Executive Committee of the Foundation. For operating accounts, checks in excess of five hundred dollars shall require the signatures of two (2) directors.

Section 11.02. Deposits. All funds of the Foundation not otherwise employed shall be deposited to the credit of the Foundation in such depositories as the Board of Directors, by resolution, may select.

Section 11.03. Contracts. The Board of Directors may authorize any officer or agent of the Foundation to enter into a contract to execute and deliver any instrument in the name of and on behalf of the Foundation.

Section 11.04. Gifts and Donations. The Board of Directors may accept on behalf of the Foundation any contribution, gift, bequest or devise for the general purpose or for a specific purpose of the Foundation. The Foundation is empowered to reject any gifts which it deems inappropriate. Any designated gift, if accepted by the Foundation, shall be used only for the purposes for which it was designated. Any gift or donation received by the Foundation which is not designated for a particular purpose shall be used by the Foundation in such manner as it deems best. Undesignated gifts may be merged by the Foundation with other undesignated gifts and used as a single fund. In addition, the Board of Directors may make on behalf of the Foundation any contribution or gift in furtherance of its general purposes or any special purpose of the Foundation, provided such contribution or gift is not prohibited by these Bylaws, Articles of Incorporation, or any law.

Section 11.05. Conflicts of Interest. The Foundation's affirmative policy shall be to require that all actual and potential conflicts be discussed promptly and disclosed fully to the Board of Directors and all other necessary parties. Any Director having a conflict on any matter shall neither participate in the deliberation nor vote on any such matter. The

Board of Directors may from time to time, establish such rules and regulations in furtherance of this policy, as deemed appropriate.

Section 11.06. Nonprofit Operation. The Foundation will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Foundation will be distributed to its Directors or officers without full consideration. No Director or officer of the Foundation has any vested right, interest or privilege in or to the assets, property, functions or activities of the Foundation.

ARTICLE XII WAIVER OF NOTICE

Whenever any notice is required to be given by these Bylaws or any of the corporate laws of the State of Texas, such notice may be waived in writing, signed by the person or persons entitled to said notice, whether before, at, or after the time stated, or before, at, or after the meeting. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the Director at his or her address as it appears on the records of the Foundation, with postage thereon prepaid.

ARTICLE XIII INDEMNIFICATION AND INSURANCE

Section 13.01. Indemnification and Representation. The Foundation shall indemnify and provide for the defense of any 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 (other than an action by or in the right of the Foundation) as a result of his or her actions or omissions within the scope of his or her official capacity for the Foundation as a Director, officer, employee, or agent of the Foundation, to the full extent permitted under Texas state law, as in effect from time to time.

Section 13.02. 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 Foundation, or who 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 other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of paragraph 13.01 of Article XIII of these Bylaws.

ARTICLE XIV AMENDMENTS

The Board of Directors may amend this Foundation's Articles of Incorporation and these Bylaws to include or omit any revision which could be lawfully included or omitted. Any number of amendments, or an entire revision or restatement of the Articles of

Incorporation or Bylaws, may be adopted at such meeting a quorum being present, upon receiving the affirmative vote of not less than two-thirds of the whole number of Directors. However, amendment of Article III (Purpose) of the Articles of Incorporation may be made only with the unanimous approval and resolution of all Directors.

**ARTICLE XV
MISCELLANEOUS PROVISIONS**

Section 15.01. Governing Law. The Bylaws of the Foundation shall be governed by and construed in accordance with the laws of the State of Texas.

Section 15.02. Severability. If any Bylaw provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provisions and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.

Section 15.03. Gender. Whenever the context requires, all words in the Bylaws in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural nouns shall include the singular.

Section 15.04. Diversification. It is the aim and intent of the Pine Tree ISD Education Foundation to reflect and embrace racial, religious and gender diversification within all levels of its governing body, staffing, grant recipient allocation and selection process including vendor selections and corporate sponsors.

The undersigned certifies that she is the Executive Director of the Pine Tree ISD Education Foundation and that the foregoing Bylaws were duly amended as the Bylaws of the Foundation, at a duly called meeting of the Board of Directors held on June 14, 2012.

Dated: _____, 2012

Secretary of the Foundation