

# **BY-LAWS OF LINCOLN LAND COMMUNITY COLLEGE FOUNDATION**

## **ARTICLE I NAME AND INCORPORATION**

### **Section 1.**

**Name.** The name of this organization shall be the "Lincoln Land Community College Foundation." It shall be hereinafter designated and referred to in these By-Laws as the "Foundation."

### **Section 2.**

**Nature.** The Foundation is a not-for-profit corporation, organized under the laws of the State of Illinois, and its purpose shall be wholly charitable and educational pursuant to Section 501(c)(3) of the Internal Revenue Code of 1954, as amended.

### **Section 3.**

**Offices.** The principal office of the Foundation shall be on the campus of Lincoln Land Community College District No. 526, Shepherd Road, Springfield, Illinois 62794-9256. Such Community College District is commonly known as Lincoln Land Community College and shall hereinafter be referred to as the "College."

### **Section 4.**

#### **Purpose.**

- A. To raise and receive charitable gifts and provide financial support to the educational programs and services at Lincoln Land Community College; to assist in increasing and enhancing the physical and cultural environment of the College; to broaden the educational opportunities and services for its students, alumni, and citizens of the District; and to provide funds to implement scholarships and various awards.
- B. To solicit, receive, hold and administer gifts for charitable and educational purposes; to act without profit as trustee of educational or charitable trusts and to otherwise act in a fiduciary capacity in order to carry out the objectives and goals of the Foundation; to administer gifts, grants or loans of money or property, real or personal, whether made by or for the benefit of public governmental bodies, state or national, and whether in the form of conventional express trusts or otherwise; invest and reinvest the funds held in trust; to become a party to contracts, trust agreements and instruments of any type or description, to negotiate negotiable obligations, and to buy, sell, lease, own, manage, convey, and mortgage real estate, to grant or acquire easements or other interests in land, and otherwise to deal in real estate; provided, however, that the Foundation must have approval of the Board of Trustees of the College before engaging in the sale or other conveyance of any interest in real estate. Where the terms and conditions imposed by the donors of any forms of gifts, devises or bequests make immediate transfer to the College right and proper, the Foundation shall receive absolutely and in full all right, title to and interest in such property, real and personal, transferred, assigned or conveyed by any and all persons whatsoever, whether such property be in the form of money, manuscript, works of art, or otherwise, for the use and benefit of the College, subject to said terms and conditions of said donors to the extent that it does not conflict with provisions of Section 501(c)(3) of the Internal Revenue Code and subject also to the right of the Board of Trustees to refuse such proffered gifts or bequests if conditions attached thereto be deemed unsatisfactory or unacceptable. The Foundation shall notify the Board of Trustees, through the College President, of the conditions attached to any such proffered gift prior to accepting said gift or bequests.

Whenever such gifts or bequests involve ongoing maintenance expenses, provisions for such maintenance shall be included in the gift unless this requirement is waived by the Board of Directors of the Foundation and the Board of Trustees.

- C. To deposit forthwith in the archives or library of the College whatever articles or manuscripts, having scientific or educational value, that are loaned or donated to the Foundation, subject to the approval of the Board of Trustees of the College.

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- D. To do such other acts and undertake such other enterprises as in the judgment of the Board of Directors of the Foundation shall tend to promote the interests and welfare of the College.
- E. To exercise any and all powers now or hereafter granted by the General Not-for-Profit Corporation Act of the State of Illinois which may be necessary or appropriate to effectuate any and all of the foregoing purposes.
- F. Upon the dissolution of the Foundation, the Board of Trustees shall, after paying or making provisions for the payment of all the liabilities of the Foundation, dispose of all the assets of the Foundation exclusively for the purposes of the Foundation 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 1986, (or the corresponding provision of any future United States Internal Revenue law), as the Board of Trustees shall determine. Any such assets not so disposed of shall be disposed of in the Circuit Court of the county in which the principal office of the Foundation 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.
- G. No part of the net earnings of the Foundation shall inure to the benefit of or be distributable to its members, trustees, officers or other private persons, except that the Foundation shall be authorized and empowered to pay reasonable compensation for services rendered, and to make payments and distributions in furtherance of the purposes set forth in Article III thereof. No substantial part of the activities of the Foundation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Foundation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the Foundation shall not carry on any other activities not permitted to be carried on by a Foundation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), or by a Foundation, contributions to which are deductible under Section 170(c)(2) in the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

**Section 5.**

**Role of Foundation Board And Relationship to The College Board of Trustees.**

The Foundation has been declared by the United States Department of Internal Revenue Services (IRS) as a 501(c)(3) not-for-profit charitable organization. It shall operate under a Memorandum of Understanding between Lincoln Land Community College and the Lincoln Land Community College Foundation. A copy of the Memorandum of Understanding is attached to these By-Laws and incorporated by reference herein.

**ARTICLE II  
BOARD OF DIRECTORS**

**Section 1.**

**General Powers and Duties.** The activities, property, and affairs of this Foundation shall be governed by the Board of Directors. The duties of the Board of Directors include (1) making meaningful financial contributions to the Foundation commensurate with their ability to give; (2) participate in one of the standing committees; (3) serve as liaison between the Foundation staff and the community; and (4) identify potential donors for the Foundation and make appropriate personal calls with the Executive Director or the President of the College.

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**Section 2.**

**Membership.** The voting members of the Board of Directors shall consist of at least 15, but not more than 20, individuals residing in District 526. A director must be a citizen of the United States, at least 18 years of age and a resident of District 526. Consideration should be given to have voting members of the Board of Directors from the College's regional areas in District 526. In addition, the President of the College and Executive Director of the Foundation are ex-officio, non-voting members of the Board and will act in an advisory and consulting capacity to the Board.

**Section 3.**

**Voting Rights.** Only the voting Directors are eligible to vote on matters that come before the Foundation, and each such Director shall be entitled to one non-cumulative vote.

**Section 4.**

**Terms of Office.** Directors shall serve for three (3) year terms and may serve two (2) consecutive 3-year terms. An individual shall not be a Director for at least one year prior to any re-appointment to the Board. Directors whose terms have not expired at each annual meeting shall elect the new members to the Board of Directors.

**Section 5.**

**Emeritus Directors.** The Board of Directors may by election, bestow upon past members of the Foundation Board of Directors who have distinguished themselves through meritorious service to the Foundation, the title of Director Emeritus, lifetime appointment. A Director Emeritus shall have the privilege of attending all meetings and discussions but shall not have the right to vote. Recipients of emeritus status must remain in good standing (see Section 6 and 7). Emeritus status shall not affect the number of stated directors, but shall be an honorary denotation and distinction only.

**Section 6.**

**Resignation.** A Director or Emeritus Director may resign at any time by delivering a written resignation to one of the Board officers. The resignation shall become effective on its acceptance by the Board of Directors provided; however, if the Board of Directors has not acted thereon within 10 days from the date of its delivery, the resignation shall, on the 10th day, be deemed accepted.

**Section 7.**

**Removal from Office for Cause.** A Director or Emeritus Director may be removed from office at any time by a majority vote of all other Directors. If a voting Director misses three consecutive meetings without just cause, the other Directors may declare a vacancy of such Director's office.

**Section 8.**

**Vacancies.** If any vacancy on the Board exists by reason of death, resignation, removal, or otherwise, a replacement shall be appointed by a majority vote of remaining Directors and such replacement shall serve out the term. The replacement Director shall then be eligible for election to a successive three-year term.

**Section 9.**

**Election of Board.** The Board of Directors shall appoint a Nominating Committee, consisting of at least three voting Directors who will recommend a slate of candidates to the Board.

**Section 10.**

**Quorum.** A majority of the elected Directors shall constitute a quorum for the transaction of business at any meeting of the Board.

**Section 11.**

**Meetings.** The annual meeting of the Board of Directors shall be held in December of each year. Regular meetings shall be held pursuant to a schedule adopted by the Board for the next ensuing year during each annual meeting. Special meetings of the Board of Directors may be called by or at the request of the Chairman or any three Directors. Meetings shall be held at a location determined by the Board of Directors.

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**Section 12.**

**Notice.** Notice of any special meeting of the Board shall be given at least three days prior to the meeting by written communication delivered personally or mailed to each Director at the address maintained by the Secretary to the Board of Directors. The general purpose of any special meeting must be included in the notice calling for such special meeting.

**Section 13.**

**Indemnification.**

- A. The Foundation shall indemnify any person who was or is a party or is threatened to be made a party to or witness in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was a director or officer of the Foundation against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by that person in connection with such action, suit or proceeding to the fullest extent and in the manner set forth in and permitted by the Illinois General Not For Profit Corporation Act and any other applicable law, as from time to time in effect. Such right of indemnification shall not be deemed exclusive of any other rights to which such director or officer may be entitled apart from the foregoing provisions. The foregoing provisions of this Article shall be deemed to be a contract between the Foundation and each director and officer who serves in such capacity at any time while this Article and the relevant law, if any, are in effect, and any repeal or modification thereof shall not affect any rights or obligations then existing, with respect to any state of facts then or theretofore existing, or any action, suit, or proceeding theretofore, or thereafter brought or threatened based in whole or in part on any such state of facts.
- B. The Foundation may indemnify any person who was or is a party or is threatened to be made a party to or witness in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or she is or was an employee or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee, or agent of another Foundation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by that person in connection with such action, suit, or proceeding to the extent and in the manner set forth in and permitted by the Illinois General Not For Profit Corporation Act and any other applicable law, as from time to time in effect. Such right of indemnification shall not be deemed exclusive of any other rights to which any such person may be entitled apart from the foregoing provisions.

**ARTICLE III  
OFFICERS**

**Section 1.**

**Officers.** The officers of the Foundation shall consist of a Chair, a Vice-Chair, and a Treasurer who shall be elected annually by and from the voting members of the Board of Directors. The Secretary shall be the Executive Director of the Foundation serving in an ex-officio, non-voting capacity. The Board of Directors may select employees of the Foundation as it may deem advisable, and such employees shall be given such titles and shall perform such duties as may be determined by the Board of Directors. The elected officers shall assume office at the time of their election. Each officer shall hold office until a successor has been duly elected.

**Section 2.**

**Chair.** The Chair shall preside at all meetings of the Foundation Board of Directors. The Chair may sign or sell, with the Executive Director, in accordance with Article I, Section 4, Item B, any deeds, mortgages, stocks/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 of these By-Laws or by statute to some other officers or agent of the Foundation; and in general shall perform all duties incident of the Chair and such other duties as may be prescribed by the Board of Directors from time to time. The Chair shall be a member of the Executive Committee of the Foundation.

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**Section 3.**

**Vice-Chair.** In the absence of the Chair or in the event of the Chair's inability or refusal to act, the Vice-Chair shall perform the duties of the Chair, and when so acting, shall have all the powers of and be subject to all the restrictions that are placed upon the Chair. The Vice-Chair, in cooperation with the Executive Director, shall oversee the strategic planning process for the LLCC Foundation. The Vice-Chair shall perform such other duties as from time to time may be assigned by the Chair or by the Board of Directors. The Vice-Chair shall be a member of the Executive Committee.

**Section 4.**

**Treasurer.** If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of duties, in such sum and with such sureties as the Board of Directors may, from time to time, determine. In this determination, the Treasurer shall be able to vote, have charge and custody of, and be responsible for all funds and securities of the Foundation; receive and give receipts for monies due and payable to the Foundation from any source whatsoever; and deposit all such monies in the name of the Foundation in such banks, trust companies, or other depositories as selected, in accordance with the provisions of these By-Laws; and bear the responsibility for keeping accurate financial records for the Foundation and any state agency which requires audits or campaign records; and provide an annual financial report to the membership and perform such other duties as from time to time may be assigned by the Chair or the Board of Directors. The Treasurer shall be a member of the Executive Committee.

**Section 5.**

**Secretary.** The Executive Director shall serve as Secretary. The Secretary shall:

- A. Record the minutes of each meeting of the Foundation and its Board of Directors.
- B. Be responsible for the safekeeping and custody of the official records of the Foundation.
- C. Oversee the execution of all duly authorized documents in accordance with the provisions of these By Laws.
- D. Keep a register of the mailing addresses of each member.
- E. See that all notices are duly given in accordance with the provisions of these By-Laws.
- F. Perform all duties incident to the office of Secretary.

**Section 6.**

**Executive Director.** The Executive Director is responsible for the fund raising activities of the Foundation. The management of the day-to-day affairs of the Foundation shall be vested in an Executive Director who shall be selected by the Board of Directors with advisory input from the President of the College and the College Board of Trustees. The Executive Director shall serve under the guidance of the Board of Directors and may also be employed by the College. The Executive Director shall carry on the directions and policies of the Board of Directors and shall be responsible for implementing action taken by the Board. The Executive Director shall be an ex-officio, non-voting member of the Board and Executive Committee without voting power, and shall serve as the liaison officer with the President of the College. The Executive Director shall have the power to sign checks up to \$499.99, all other expenditures must also be signed by another officer of the Foundation who is authorized to do so. The Executive Director shall be empowered to sign with the Chair of the Foundation, in the name of the Foundation, all contracts authorized by the Board of Directors, and in general perform all duties incident to the office of Executive Director and such other duties as may be assigned to by the Chair or by the Board of Directors.

**Section 7.**

**College President.** The College President shall serve as an ex-officio member of the Board and Executive Committee without voting power. The College President or President's designee, on behalf of the Board of Trustees, shall be responsible for articulating funding and resource needs to the Foundation. The Foundation shall be responsible for raising funds and obtaining other resources in support of the College, and determining which funding and resource needs articulated by the President should be accomplished by the Foundation.

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**Section 8.**

**Election of Term of Office.** The officers of the Foundation shall be elected by the Board of Directors at the annual meeting of the Board of Directors.

**Section 9.**

**Vacancies.** A vacancy in any office because of death, resignation, removal, or otherwise, may be filled by the Board of Directors in accordance with the procedure set forth in Article II, Section 8 of these By-Laws.

**Section 10.**

**Resignation.** An officer may resign at any time by delivering a written resignation to any other Board officer. The resignation shall become effective on its acceptance by the Board of Directors, provided, however, that if the Board of Directors has not acted thereon within 10 days from the date of its delivery, the resignation shall, on the 10th day, be deemed accepted.

**Section 11.**

**Removal from Office for Cause.** An Officer may be removed from office at any time by a majority vote of the Board of Directors whenever in its judgment the best interest of the Foundation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

**ARTICLE IV  
COMMITTEES**

**Section 1.**

**Committees.** The Board of Directors by resolution adopted by a *quorum* of the directors in office, may designate and appoint one or more committees, each of which shall be chaired by a member of the Board of Directors. The committees, to the extent provided in that resolution, shall have and exercise the authority of the Board of Directors in the management of the Foundation; provided, however, that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the By-Laws; electing, appointing or removing any member of any such committee or any director or officer of the Foundation; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan to consolidate with another Foundation; authorizing the sale, lease, exchange or mortgage or all or substantially all of the property and assets of the Foundation; authorizing the voluntary dissolution of the Foundation or revoking proceedings therefore; adopting a plan for the distribution of the assets of the Foundation; or amending, altering or repealing any resolution of the Board of Directors which by its term provides that it shall not be amended, altered or repealed by any such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, or any responsibility imposed by law.

**Section 2.**

**Standing Committees.**

- A. Audit Committee. The Audit Committee of the Board of Directors shall consist of the Chair, Treasurer and one additional board member.
- B. Executive Committee. The Executive Committee of the Board of Directors shall consist of the Chair, Vice-Chair, Treasurer, and Immediate Past Chair (if still active member), and the Secretary and President of the College shall serve the Executive Committee in an ex-officio capacity as non-voting members thereof.
- C. Finance Committee. The Finance Committee shall consist of (1) a Board of Director as the Treasurer, as chair; (2) at least four other members of the Board of Directors as appointed by the Board; and (3) and no more than two appropriate college staff as appointed by the College President; (4) College President – ex-officio (**non-voting**); and (5) LLCC Foundation Executive Director- ex-officio (**non-voting**)
- D. Nominating Committee. Nominating Committee. The Nominating Committee is composed of (1) the Chair; (2) the Executive Director; and (3) three members of the Board of Directors.

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- E. Alumni Advisory Council. The Lincoln Land Community College Alumni Association's purpose shall be to promote the welfare of the alumni and the College by serving the interests and needs of former students, present students, the College, and the communities that support them. The Association is recognized by the Lincoln Land Community College Board of Trustees as the sole entity authorized to represent the alumni of the College (per LLCC Board Policy 7.1). The Alumni Advisory Council shall assist the Alumni Services Coordinator in directing the program. The Alumni Services Coordinator will be responsible for reporting Council activities to the Foundation Board of Directors and when requested, Board of Trustees. The Alumni Advisory Council shall consist of (1) Alumni Services and Foundation Coordinator; (2) members of the LLCC Foundation Board of Directors; and (3) community members.
- F. Scholarship Committee. The Foundation Scholarship Committee shall assist the Foundation with the development and interpretation of policy for the scholarship program. The committee shall consist of (1) LLCC Foundation Board Member (serves as Chair of the Committee); (2) LLCC Foundation Scholarship Program Coordinator or Executive Director; and (3) at least three additional board members.
- G. Scholarship Selection Committee. The Scholarship Selection Committee shall review Foundation scholarship applications and select eligible recipients. The committee shall consist of (1) LLCC Foundation Scholarship Program Coordinator; (2) members of the LLCC Foundation Board of Directors; and (3) members of the College's faculty and staff.

**Section 3.**

**Terms of Office.** Committee members and officers shall serve until their successors are qualified and seated.

**Section 4.**

**Chairperson.** A Foundation Director will serve as chair of each committee unless otherwise stated and shall be elected by the Board of Directors.

**Section 5.**

**Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

**Section 6.**

**Quorum.** Unless otherwise provided in the resolution of the Board of Directors designating a committee, an act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

**Section 7.**

**Rules.** Each committee may adopt rules for its own governance not inconsistent with the By-Laws or with rules adopted by the Board of Directors. The committee rules shall be reviewed and approved by the Board of Directors.

**ARTICLE V  
OPERATING PROCEDURES**

**Section 1.**

**General Procedures.** Pursuant to the provisions of the Articles of Incorporation, the restrictions or conditions imposed upon any transfer of major assets to the Foundation, whether by gift or otherwise, shall in all cases be subject to approval of the Foundation Board of Directors. Accordingly, any such transfer made, or offered to be made to the Foundation, shall be accepted subject to the Board of Director's approval of the offer and approval of any restrictions or conditions regarding that offer. All property so transferred to the Foundation shall thereupon be held, managed, and administered as the Board of Directors may from time to time determine, subject, however, to the previously approved restrictions or conditions if any, prescribed by the transferor or donor.

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**Section 2.**

**Contracts.** Subject to the provisions and pursuant to the purposes stated in these By-Laws, the Board of Directors may authorize any officer or officers, agent or agents of the Foundation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation. Such authority may be general or confined to specific instances as defined by the Board of Directors.

**Section 3.**

**Checks, Drafts And Other Orders.** 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 shall from time to time be determined by resolution of the Board of Directors.

**Section 4.**

**Deposits.** All funds of the Foundation shall be deposited promptly to the credit of the Foundation in such banks, trust companies, or other depositories as the Board of Directors may select. The Treasurer is required to keep accurate records of such deposits and, if required by law, make them known to governmental agencies.

**Section 5.**

**Gifts.** The Board of Directors may accept or reject, on behalf of the Foundation, any contribution, gift, request, or devise for any reason it deems appropriate.

**Section 6.**

**Fiscal Year.** The fiscal year of the Foundation shall begin on July 1 of the calendar year and shall end on June 30 of the next ensuing calendar year. During each fiscal year external auditors shall conduct an audit of the Foundation's financial books and records at Foundation expense.

**Section 7.**

**Conflict of Interest.** Each voting member of the Board of Directors shall strive to attain the highest ethical standard and shall abstain from voting on any proposition which shall constitute a conflict of interest or shall give the appearance of a conflict of interest. If the outcome of any matter before the Board shall directly benefit a director, then such director shall disclose the potential benefit to the other members of the Board prior to a vote on the matter. Board members shall annually review and consent in writing to be bound by the terms and conditions of the LLCC Foundation's Conflicts of Interest Policy.

**Section 8.**

**Amendments to By-Laws.** These By-Laws may be subject to alteration, amendment or repeal by two-thirds (2/3) majority vote of the Board of Directors. Intention to alter, amend, repeal or adopt new By-Laws must be communicated in writing to each director at least three days prior to any action thereon. A revision to the By-Laws shall be consistent with all applicable laws and the Articles of Incorporation of the Lincoln Land Community College Foundation.

**ADOPTIONS**

*Adopted by the LLCC Foundation Board of Directors December 5, 2001*  
*Amended by the LLCC Foundation Board of Directors December 10, 2004*  
*Amended by the LLCC Foundation Board of Directors December 7, 2005*  
*Amended by the LLCC Foundation Board of Directors December 5, 2007*  
*Amended by the LLCC Foundation Board of Directors February 27, 2008*  
*Amended by the LLCC Foundation Board of Directors May 25, 2011*  
*Amended by the LLCC Foundation Board of Directors March 28, 2012*  
*Amended by the LLCC Foundation Board of Directors January 28, 2015*  
*Amended by the LLCC Foundation Board of Directors December 2, 2015*  
*Amended by the LLCC Foundation Board of Directors December 6, 2017*



**Memorandum of Understanding  
Between Lincoln Land Community College and  
the Lincoln Land Community College Foundation**

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THIS AGREEMENT, entered into as of this 27<sup>th</sup> day of January, 2016, by and between Lincoln Land Community College (“the College”) and the Lincoln Land Community College Foundation (“the Foundation”). In consideration of the mutual commitments herein contained, and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

**I. Foundation Name, Seal and Logotype**

Consistent with its mission to help to advance the plans and objectives of the College, the Foundation will operate under its own seal and logotype and is authorized to use the College logo or other identifying marks in the promotion of its business and activities with the approval of the College’s Public Relations and Marketing Office.

**II. College Governance**

The College’s Board of Trustees is responsible for College operations.

**III. Foundation’s Relationship to the College**

- A. The Foundation, organized and incorporated in 1994, is a separately incorporated 501(c)(3) organization created to raise and receive charitable gifts, be responsible stewards of donors’ gifts, and provide financial support to students and programs of the College.
- B. The Foundation Board of Directors is responsible for the control and management of all assets of the Foundation, including the prudent management of all gifts consistent with donor intent.
- C. The Foundation Board of Directors is responsible for the performance and oversight of all aspects of its operations based on a set of Bylaws and internal policies that clearly address the board’s fiduciary responsibilities, including expectations of individual board members based upon ethical guidelines and policies.
- D. The Foundation relies on employees approved by the College and the Foundation’s Board of Directors, to provide services. The Foundation directly reimburses the College for employment costs related to agreed upon positions on an annual basis. The College shall be responsible for payment of all wages and fringe benefits for agreed upon personnel used by the Foundation.
- E. The College may not mark up costs associated in respect to any services provided by the Foundation.

- F. The Foundation has established the “President’s Fund”. This fund will include donations from people who want to specifically give to this fund for expenditures incurred by the College President. Fundraising will be conducted by Foundation Board members, Board of Trustees’ members and by the College President. Guidelines will be developed regarding appropriate uses of this fund and these guidelines will correlate with the President’s contract. This fund is not a part of the President’s salary. *Note: All such expenditures must comply with the I.R.S. 501 (c) (3) code and be consistent with the Foundation’s mission. Such funds will be audited as part of the Foundation’s annual independent audit.*

**IV. The College’s Relationship to the Foundation**

- A. The College President is responsible for communicating the College’s priorities and long-term plans, as approved by the LLCC Board of Trustees, to the Foundation Board of Directors and shall include the Foundation as an active participant in the strategic planning for the College.
- B. A College Board of Trustees’ member serves as a liaison, ex-officio, non-voting, on the Foundation’s Board of Directors as appointed by the College’s Board of Trustees.
- C. The College recognizes that the Foundation has principal responsibility for fund-raising.
- D. The College recognizes that the Foundation is a private corporation with the responsibility to protect the confidentiality of its donors to the fullest extent of the law.
- E. The College President shall serve as an ex-officio, non-voting member of the Foundation board and shall assume a prominent role in fund-raising activities.
- F. The Foundation’s Executive Director shall be included as a member of the College President’s executive cabinet or senior administrative team and the College President shall meet regularly with the executive director of the Foundation.
- G. The College President will work in conjunction with the leadership of the Foundation’s Board and the Foundation’s Executive Director to identify, cultivate, and solicit prospects for private gifts.
- H. The College shall provide in-kind support for the general operation of the Foundation including the services of fund development staff, administrative support, office space, office furniture, technology equipment and support, utilities and telephone support, and other support and services as the College may deem appropriate. Such support is provided by the College in consideration of the fiscal support provided by the Foundation to the College and its students. This support will be recognized as an in-kind contribution in the Foundation’s financial statements and annual audit.

- I. All information about donors, prospective donors, gift data, campaign assignments and notes, donor correspondence, and related information is the confidential property of the Foundation, whether maintained in paper or electronic form, or maintained on servers and equipment owned by the College, in accordance with the laws of the State of Illinois.
- J. The College, not the Foundation, shall accept grants from state or federal agencies, unless there are special circumstances which are approved by the College, the Foundation and the governmental agency.

**V. Foundation Responsibilities**

- A. The Foundation shall create an environment conducive to increasing levels of private support for the mission and priorities of the College.
- B. The Foundation, in consultation with the College President, is responsible for planning and executing comprehensive fund-raising and donor-acquisition programs in support of the institution's mission.
- C. The Foundation will establish, adhere to, and periodically assess its gift-management and acceptance policies. It will promptly acknowledge and issue receipts for all gifts on behalf of the Foundation and the College and provide appropriate recognition and stewardship of such gifts.
- D. The Foundation will engage an independent accounting firm annually to conduct an audit of the Foundation's financial and operational records and will provide the College with a copy of the annual audited financial statements, including management letters.
- E. When distributing funds to the College, the Foundation will disclose any terms, conditions, or limitations imposed by the donor or legal determination of the gift. The College will abide by such restrictions and provide appropriate documentation when required.
- F. The Foundation is the primary depository of private gifts and will transfer funds to the designated entity within the institution in compliance with donor intent, the College's policies, and applicable laws.
- G. The Foundation's disbursements on behalf of the College must be reasonable expenses that support the institution and its mission, are consistent with donor intent, and do not conflict with the law.
- H. The Foundation may become a party to contracts, trust agreements and instruments of any type or description, negotiate negotiable obligations, and buy, sell, lease, own, manage, convey, and mortgage real estate, to grant or acquire easements or other interests in land, and otherwise deal in real estate; provided, however, that the Foundation must have approval of the College's Board of Trustees before engaging in the sale or other conveyance of any interest in real estate.

- I. Where the terms and conditions imposed by the donors of any forms of gifts, devises or bequests make immediate transfer to the College right and proper, the Foundation shall receive absolutely and in full all right, title to and interest in such property, real and personal, transferred, assigned or conveyed by any and all persons whatsoever, whether such property be in the form of money, manuscript, works of art, or otherwise, for the use and benefit of the College, subject to said terms and conditions of said donors to the extent that it does not conflict with provisions of Section 501(c)(3) of the Internal Revenue Code and subject also to the right of the Board of Trustees to refuse such proffered gifts or bequests if conditions attached thereto be deemed unsatisfactory or unacceptable.
  - a. The Foundation shall notify the College's Board of Trustees, through the College President, of the conditions attached to any such proffered gift prior to accepting said gift or bequests.
  - b. Whenever such gifts or bequests involve ongoing maintenance expenses, provisions for such maintenance shall be included in the gift unless this requirement is waived by the Foundation's Board of Directors and the College's Board of Trustees.
  
- J. The Foundation may hold licensing agreements and other forms of intellectual property, borrow or guarantee debt issued by their parties.
  
- K. The Foundation is responsible for establishing a financial plan to underwrite the cost of its operational costs, programs, and activities.
  
- L. The Foundation will provide access to data and records to the College as needed in accordance with applicable laws, policies, and guidelines.

**VI. Terms of the Memorandum of Understanding (MOU)**

- A. This Memorandum of Understanding, made this 27<sup>th</sup> day of January, 2016, by and between the Lincoln Land Community College Board of Trustees and the Lincoln Land Community College Foundation Board of Directors, is intended to set forth policies and procedures that will contribute to the coordination of their mutual activities.
  
- B. To ensure effective achievement of the items of the agreement, the College Board and Foundation officers and board representatives shall hold periodic meetings to foster and maintain productive relationships and to ensure open and continuing communications and alignment of priorities.
  
- C. Consistent with provisions appearing in the Foundation's Bylaws, upon the dissolution of the Foundation, the College's Board of Trustees shall, after paying or making provisions for the payment of all the liabilities of the Foundation, dispose of all the assets of the Foundation exclusively for the purposes of the Foundation 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

**AGENDA ITEM III.G.1**

1986, (or the corresponding provision of any future United States Internal Revenue law), as the College's Board of Trustees shall determine.


IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed by their duly authorized officers as of the day and date first above written.

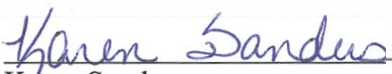
  
\_\_\_\_\_  
Craig Findley  
Chair  
LLCC Board of Trustees

  
\_\_\_\_\_  
Jason Barth  
Chair  
LLCC Foundation Board of Directors

Date: 1/27/16

Date: 2/2/16

  
\_\_\_\_\_  
Charlotte J. Warren, Ph.D.  
President  
Lincoln Land Community College

  
\_\_\_\_\_  
Karen Sanders  
Executive Director  
LLCC Foundation

Date: 1/27/16

Date: 1/28/16

Approved by the LLCC Foundation Board of Directors on December 6, 2006  
Approved by the LLCC Board of Trustees on December 13, 2006  
Approved by the LLCC Foundation Board of Directors on December 2, 2015  
Approved by the LLCC Board of Trustees on January 27, 2016