



Sawnee Electric Membership  
**FOUNDATION**

Supporting the Communities We Serve

**BYLAWS  
OF  
SAWNEE ELECTRIC MEMBERSHIP  
FOUNDATION, INC.**

**AS AMENDED  
EFFECTIVE  
OCTOBER 1, 2024**

**BYLAWS  
OF  
SAWNEE ELECTRIC MEMBERSHIP FOUNDATION, INC.**

**ARTICLE I**

**NAME OF ORGANIZATION**

The name of the corporation shall be the Sawnee Electric Membership Foundation, Inc. (the "Foundation").

**ARTICLE II**

**PURPOSE OF ORGANIZATION**

The purpose of the Foundation shall be the accumulation and disbursement of funds for charitable purposes generally in the area served by Sawnee Electric Membership Corporation ("Sawnee EMC").

The accumulation and disbursement of funds in support of the advancement of higher education through grants to the youth of Sawnee EMC's members through a classroom grant program and a youth scholarship program, both of which are considered to be part of the charitable purposes described herein.

Upon dissolution of the Foundation, any remaining funds shall be distributed only for charitable purposes in accordance with applicable law.

As a nonprofit corporation organized pursuant to the provisions of the Georgia Nonprofit Corporation Code and Section 501(c)(3) of the United States Internal Revenue Code of 1999, as amended, the Foundation shall have no capital stock and no shareholders, and no part of the net earnings, income, or profit of the Foundation shall inure to the benefit of or be distributable to its trustees, directors, officers, members, or other private individuals except that the Foundation may pay reasonable compensation for services rendered and may make payments and distributions in furtherance of its charitable purposes.

**ARTICLE III**

**FUNDING**

The Foundation shall be funded in such manner as may be promulgated by Sawnee EMC's Board of Directors and from any other source of funds available to the Foundation.

## ARTICLE IV

### **BOARD OF TRUSTEES**

The Foundation shall be administered by a nine (9) person Board of Trustees (each person hereinafter referred to as a “Trustee”; collectively hereinafter referred to as the “Board of Trustees”). Each Sawnee EMC Directorate District, as the boundaries are described in Sawnee EMC’s Bylaws and as are amended from time to time, shall be represented by one Trustee who shall have their primary residential abode in that Sawnee EMC Directorate District, unless otherwise agreed by Sawnee EMC’s Board of Directors.

At the initial organizational meeting of the Board of Trustees, the terms for the Trustees shall be as follows, after their initial three (3) year term:

Additional One-year term (Total 4 years)

Directorate Districts 3, 5 and 8

Additional Two-year term (Total 5 years)

Directorate Districts 1, 4 and 6

Additional Three-year term (Total 6 years)

Directorate Districts 2, 7 and 9

Thereafter, the terms of office for each Trustee shall be for a period of three (3) years.

After a Trustee’s term has expired, such Trustee may be reappointed to the Board of Trustees by Sawnee EMC’s Board of Directors for as many additional three (3) year terms as Sawnee EMC’s Board of Directors deems appropriate.

## ARTICLE V

### **QUALIFICATIONS OF BOARD MEMBERSHIP**

A Trustee of the Foundation shall be at least eighteen (18) years of age, a permanent resident of the Sawnee EMC Directorate District from which he/she is chosen, and of good moral character. Trustees shall be members of or spouses of members of Sawnee EMC.

## ARTICLE VI

### **SELECTION OF BOARD OF TRUSTEES**

The initial Board of Trustees shall be designated by Sawnee EMC's Board of Directors. Thereafter, when vacancies are to be filled or when terms expire, persons shall be named to their respective vacancies on the Board of Trustees by a vote of Sawnee EMC's Board of Directors.

The existing Board of Trustees may make recommendations to the General Activity Committee of Sawnee EMC's Board of Directors who will in turn recommend to Sawnee EMC's Board of Directors candidate(s) for nominees for the Board of Trustees.

## ARTICLE VII

### **COMPENSATION FOR TRUSTEES**

No Trustee of the Foundation shall receive compensation for serving on the Board of Trustees. Such Trustees may, however, be reimbursed by the Foundation for mileage and out-of-pocket expenses incurred while on the business of the Foundation and when such business is sanctioned by the full Board of Trustees as outlined in the Foundation's policies.

## ARTICLE VIII

### **MEETING OF THE BOARD OF TRUSTEES**

A. **REGULAR MEETING:** The Board of Trustees shall meet not less than quarterly (e.g., four (4) times per year) at a place and/or in a format designated by the Board of Trustees. The Board of Trustees may meet at such other times as they may deem at their discretion to be necessary. The Board of Trustees may meet via phone ("call in"), virtual attendance (e.g., Skype, Zoom, Microsoft Teams, etc.), or other electronic method as the Board of Trustees may agree.

B. **SPECIAL MEETINGS:** Special meetings of the Board of Trustees may be called by the Chairman or by any three (3) Trustees and it shall thereupon be the duty of the Secretary to cause a Notice of such meeting to be given, as hereafter provided. The Chairman or the Trustees calling such meeting shall fix the date, time, and place and/or format. The Board of Trustees may meet via phone ("call in"), virtual attendance (e.g., Skype, Zoom, Microsoft Teams, etc.), or other electronic method as the Board of Trustees may agree.

C. **NOTICE OF MEETING:** Written notice of the date, time, and place and/or format of regular and special meetings of the Board of Trustees shall be delivered to Trustees not less than five (5) days prior thereto, either personally, by mail, electronically or by other reasonable means at the direction of the Secretary, or the Secretary's designee, and upon default in that duty by the Secretary, then by the Chairman or the Trustees calling for such meeting.

## ARTICLE IX

### QUORUM

A majority of the Board of Trustees shall, unless otherwise designated in these Bylaws, constitute a quorum. In the event that less than a majority of the Board of Trustees is present at any meeting, the majority of those Trustees present may adjourn the meeting and designate a date, time, and place and/or format for the next meeting, under which circumstances the Secretary shall notify the absent Trustees of the date, time, and place and/or format of the next meeting.

An act of the majority of the Board of Trustees present at any meeting at which a quorum is present, whether present in person or considered present in person via phone (“call in”) or virtual attendance (i.e., Skype, Zoom, Microsoft Teams, etc.), and unless otherwise provided in these Bylaws, shall be the act of the Board of Trustees.

## ARTICLE X

### REMOVAL OF TRUSTEE

Any Trustee shall automatically cease to be a Trustee if and in the event such Trustee misses three (3) successive meetings within a twelve (12) month period or otherwise fails to meet the qualifications for Trustee. This removal provision can be waived, by a majority of the Board of Trustees, if it is determined by the Board that such absences: (1.) were for good cause, and (2.) are not likely to occur in the future.

Any Trustee may otherwise be removed for cause from the Board of Trustees by a two-thirds (2/3) vote of the entire Board of Trustees or by a two-thirds (2/3) vote of the entire Sawnee EMC Board of Directors.

## ARTICLE XI

### OFFICERS OF THE FOUNDATION

The officers of the Foundation shall be a Chairman, a Vice Chairman, a Secretary, and a Treasurer, and such other officers as may be determined by the Board of Trustees from time to time. For the purposes of these Bylaws, the above officers shall constitute the Executive Committee of the Foundation.

## ARTICLE XII

### **ELECTION OF OFFICERS AND TERMS OF OFFICE**

The officers shall be elected annually by secret ballot by the Board of Trustees at a meeting of the Board of Trustees held on an annual basis after the initial organizational meeting.

The terms of office shall be for one (1) year, however, nothing shall prevent an officer from being re-elected to a single consecutive term of office. Under no circumstance shall an officer serve more than two (2) consecutive terms.

## ARTICLE XIII

### **EX OFFICIO MEMBERS OF BOARD OF TRUSTEES**

Sawnee EMC's Board of Directors shall appoint the President and Chief Executive Officer, or his designee, and may elect to appoint one (1) member of Sawnee EMC's Board of Directors, as ex officio members of the Board of Trustees.

Ex officio trustees shall have all rights and obligations of trustees, except that they may not vote on any matter that comes before the Board of Trustees. The Foundation may from time to time have other such ex officio members on the Board of Trustees, as in its discretion has been determined to be necessary and/or prudent.

## ARTICLE XIV

### **POLICIES, RULES, AND REGULATIONS**

The Board of Trustees shall have the power to make and adopt such policies, rules, and regulations, not inconsistent with law, the Articles of Incorporation or these Bylaws, as it may deem advisable for the management, administration, and regulation of the business and affairs of the Foundation and its Board of Directors. The Board of Trustees shall adopt an Ethics and Conflicts of Interest Policy to address potential conflicts of interest of all Trustees, officers, and key employees.

## ARTICLE XV

### **DUTIES OF OFFICERS**

A. **CHAIRMAN:** The Chairman shall be the principal executive officer of the Foundation and, unless otherwise determined by the Board of Trustees, shall preside at all meetings of the Board of Trustees and, in general, perform all duties incidental to the office of

Chairman and such other duties as may be prescribed by the Board of Trustees from time to time.

B. VICE CHAIRMAN: In the absence of the Chairman, or in the event of the Chairman's inability or refusal to act, the Vice Chairman shall perform the duties of the Chairman, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman. The Vice Chairman shall also perform such other duties as from time to time may be assigned to the Vice Chairman by the Board of Trustees.

C. SECRETARY: The Secretary shall be responsible for the keeping of the minutes of the meetings of the Board of Trustees in one or more books provided for that purpose; be responsible for seeing that all notices are duly given in accordance with these Bylaws or as required by Law; be custodian of the Foundation corporate records and of the seal of the Foundation and affix the seal of the Foundation to all necessary documents, the execution of which on behalf of the Foundation under its seal is duly authorized in accordance with the provision of these Bylaws; have general charge of the books of the Foundation; be responsible for the keeping on file at all times a complete copy of the Foundation's Articles of Incorporation and Bylaws, containing all amendments thereto; and, in general, perform all duties incidental to the office of the Secretary and such other duties as from time to time may be assigned to the Secretary by the Board of Trustees.

D. TREASURER: The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Foundation; be responsible for the receipt of and the issuance of receipts for monies due and payable to the Foundation from any source whatsoever; and for the deposit of all such monies in the name of the Foundation in accordance with the provisions of these Bylaws; and, in general, perform all the duties incidental to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the Board of Trustees.

E. MULTIPLE OFFICES: The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created by the Board of Trustees pursuant to Article XI.

F. DELEGATION OF DUTIES: Officers may delegate the performance of the day-to-day duties of their office to Sawnee EMC employees and contractors, who shall report directly to such officers.

## **ARTICLES XVI**

### **CHECK SIGNING**

Any and all checks issued by the Foundation, for any purpose, shall be signed by two (2) officers or one (1) to two (2) such other person(s) as may be designated by the Board of Trustees as having check signing authority, each of whom may be bonded, if so directed by the Board of Trustees, for not less than \$100,000.00.

## **ARTICLE XVII**

### **DISBURSEMENT OF FUNDS**

Except as otherwise provided by these Bylaws, the Board of Trustees shall have the full and sole responsibility for the disbursement of monies of the Foundation in accordance with these Bylaws, agreements governing the Foundation, and such policies as may be adopted by the Board of Trustees.

Prior to the consideration by the Board of Trustees of any disbursement, Trustees shall disclose and explain any personal and/or business interest, connection, kinship, or other association he or she has with the person, family, group, corporation or other entity under consideration for funding by the Foundation. Such Trustee shall excuse himself or herself from the meeting and not participate in the discussion of or voting on the disbursement, and shall take any such other action required by the Foundation's policies.

No disbursement shall be made by the Foundation that would jeopardize its tax-exempt status or the deductibility of contributions made to it.

## **ARTICLE XVIII**

### **ACCUMULATION OF FUNDS**

Sawnee EMC shall transfer funds collected by it or other sources for the benefit of the Foundation on a regular basis, but in no event less than quarterly. The Foundation may also solicit and accept contributions from other sources as deemed appropriate by the Board of Trustees.

Funds provided to the Foundation as "restricted" will be limited to the purpose outlined by the giver. Should it be determined, in the Foundation's sole view, that such restrictions are outside the best interest of the Foundation, the gift shall be rejected. Otherwise, all restrictions shall be strictly adhered to.

## **ARTICLE XIX**

### **INVESTMENT OF FUNDS**

The Board of Trustees shall be responsible for the funds entrusted to it and shall make such deposit and investment of said funds in a manner which is commercially reasonable and prudent and in keeping with these Bylaws, the laws of this State and the United States, generally accepted accounting practices, and the policies of the Foundation.

Funds classified as restricted shall be maintained in a separate account and invested separately. Such investments shall be as prescribed by the Board of Trustees.



## ARTICLE XX

### AMENDMENT OF BYLAWS

These Bylaws may be altered, amended, or repealed by the Board of Trustees.

No such amendment shall become effective for a period of thirty (30) days, during which time Sawnee EMC's Board of Directors shall have the right to negate or modify any alteration, amendment or repeal that are not consistent with the charitable purposes of the Foundation as determined by Sawnee EMC's Board of Directors.

## ARTICLE XXI

### ACCOUNTING SYSTEM & REPORTS

The Board of Trustees shall cause to be established and maintained a complete accounting system such that is in keeping with sound financial management and more specifically as may be required by Sawnee EMC's Board of Directors. Furthermore, the Board of Trustees shall cause to be made reports to the General Activity Committee of Sawnee EMC's Board of Directors as well as Sawnee EMC's full Board of Directors, on the operation and expenditures of the Foundation as may be necessary and prudent, but in no case less than semi-annually.

If requested by Sawnee EMC's Board of Directors or Sawnee EMC's governing Board Committees, the Board of Trustees' meeting minutes and financial statements shall be provided to the requesting Board or Committee within a reasonable time after the request is received.

## ARTICLE XXII

### POLITICAL CONTRIBUTIONS

No funds of the Foundation shall in any fashion be used to support any candidate for political office, any political party, or for any other political purpose, including the influencing of legislation.

## ARTICLE XXIII

### BORROWING FUNDS

The Foundation shall NOT have the authority to borrow monies from any bank, savings and loan or other institutions or any other party for any purpose.

## **ARTICLE XXIV**

### **EMERGENCY EXPENDITURE**

The Foundation's Executive Committee, by a vote of a majority of its members, may from time to time make expenditures on an emergency basis, in accordance with these Bylaws and policies adopted by the Board of Trustees; and in accordance with the purpose of this FOUNDATION, in an amount not exceeding ONE THOUSAND FIVE HUNDRED AND NO/100THS (\$1,500.00) DOLLARS, to any qualified person, family, group or organization.

Such emergency expenditure shall be fully disclosed by a member of the Foundation's Executive Committee to the Board of Trustees at the next regular or called meeting of the Board of Trustees.

## **ARTICLE XXV**

### **AMOUNT OF EXPENDITURES**

Unless otherwise provided by these Bylaws, and in keeping with the purpose of the Foundation, the Board of Trustees may make annual expenditures of Foundation funds by a majority vote of Trustees present at a meeting and constituting a quorum. Such expenditures shall be made to qualified recipients according to rules adopted by the Board of Trustees and approved by Sawnee EMC's Board of Directors.

## **ARTICLE XXVI**

### **RETENTION OF FUNDS**

To assure that the Foundation maintains a reasonable level of unrestricted funds for its operation and to provide for unexpected catastrophic needs, the Foundation shall accumulate and maintain a reserve fund ("Reserve Fund") of not less than SEVEN THOUSAND FIVE HUNDRED AND NO/100THS (\$7,500.00) DOLLARS ("Minimum Reserve Fund Level").

Expenditures, which bring the balance of funds held by the Foundation below the Minimum Reserve Fund Level, may only be made for unexpected catastrophic and operational expenditures, and then only with the approval of the majority of Sawnee EMC's Board of Directors.

If expenditures or donations for unexpected catastrophic and operational expenditures are made, bringing the Reserve Fund below the Minimum Reserve Fund Level specified, no further expenditures or donations shall be made until the Reserve Fund is fully restored to the Minimum Reserve Fund Level, as specified above.

Restricted funds shall not be held to the standard described in this section and shall be administered as prescribed by the giver and/or as outlined by the Board of Trustees.

**ARTICLE XXVII**

**PROXY VOTING**

Proxy voting shall be prohibited at meetings of the Board of Trustees.

**ARTICLE XXVIII**

**AUDIT**

The Board of Trustees shall, on an annual basis, cause the books and records of the Foundation to be audited by a certified public accountant (“Auditor”), and a report in keeping with sound accounting principles shall be issued to the Board of Trustees and Sawnee EMC’s Board of Directors no later than one hundred twenty (120) days beyond the close of the Foundation books for the fiscal year.

The Board of Trustees may, at its sole discretion, assign the task of receiving the Auditor’s report to a committee of the Board (“Audit Committee”). If so requested, the Audit Committee shall receive the annual audit report from the Auditor and report its findings to the Board of Trustees as soon as is practical, but no later than one hundred twenty (120) days beyond the close of the Foundation books, as prescribed herein.

**ARTICLE XXIX**

**FISCAL YEAR**

The Fiscal Year of the Foundation shall commence on the first (1st) day of January of each calendar year and end on the thirty-first (31st) day of December of each calendar year.

ADOPTED: June 20, 2002

AMENDED: May 20, 2003  
May 25, 2004  
November 15, 2005  
February 24, 2010  
February 22, 2011  
May 23, 2012  
May 26, 2015  
August 20, 2024

EFFECTIVE:

October 1, 2024