



STATE POLICY NETWORK

By-Laws of State Policy Network

Article I. Name

The name of the corporation shall be the **STATE POLICY NETWORK**, and it is sometimes referred to hereinafter as the "corporation."

Article II. Purposes

Section 1. The corporation is organized and operated exclusively for charitable, educational, and scientific purposes. Solely in furtherance of such purposes, it shall assist in organizing, developing and raising funds for institutes throughout the United States whose purpose is the promotion of authoritative ideas and research studies on state and local public policy issues in the public interest.

Section 2. The corporation shall not seek to hold an institutional point of view on public issues. It is not responsible for the personal views expressed by any of its speakers, authors, employees, officers or directors.

Article III. Prohibited Activities

No part of the net earnings of the corporation shall inure to the benefit of, or be distributed to, its directors, officers or employees, except that it shall have the authority to pay reasonable compensation for personal services actually rendered.

No substantial part of the activities of the corporation shall consist of attempting to influence legislation, and it shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

Notwithstanding any other provision of these By-Laws or of the Articles of Incorporation of the corporation, or any provision of the South Carolina Corporation Act, the corporation shall not engage in or carry on activities not

permitted to be engaged in or carried on by a corporation described in Section 501(c)(3) of the Internal Revenue Code.

Article IV. Offices

The principal office of the corporation shall be located at such place as the Board of Directors shall from time to time designate. The corporation may maintain additional offices at the discretion of the Board of Directors.

Article V. Board of Directors

Section 1. General Powers. The business and affairs of the corporation shall be managed by the Board of Directors, and it shall exercise all powers not otherwise delegated by law, the Articles of Incorporation or these By-Laws.

Section 2. Number. The number of directors shall not exceed fifteen. Any vacancy in the authorized number of directors, whether occurring by reason of death, resignation, removal or increase in authorized number, shall be filled by the vote of a majority of the directors remaining in office; provided that no decrease in the authorized number of directors shall be effective except upon expiration of a term. A director elected by the Board of Directors shall hold office until his successor is elected and qualified at the next annual meeting of the corporation.

Section 3. Election, Term of Office, Resignation and Removal. Directors shall be elected by a majority vote of the directors at the annual meeting. Directors shall serve for a term of three (3) years or until his or her successor is elected and qualified, and shall be eligible to be reelected for consecutive terms on the Board. Board terms shall be staggered so that approximately one-third (1/3) of the Board will be up for election each year.

A director may resign by giving written notice to the Board of Directors or the President. The Board of Directors may, by two-thirds (2/3) vote, remove any director without cause.

Section 4. Meetings of the Board of Directors The Board of Directors shall meet at times and places fixed by the Chairman or by resolution of the Board. Such meetings may be in person or by electronic communication via computer or telephone.

Section 5. Quorum and Manner of Acting. A majority of the Board of Directors shall constitute a quorum. All matters shall be decided at any duly constituted meeting, a quorum being present, except in cases where the presence or the vote of a greater number is required by law, the Articles of Incorporation, or these By-Laws.

Section 6. Voting and Action by Written Consent. Each director shall, at every meeting, be entitled to one vote. The directors may take any action without a meeting which could be taken at a meeting in a unanimous written resolution of the Board executed in the time and manner prescribed.

Section 7. Officers. The Board of Directors shall elect a Chairman from among its membership whose term and duties shall be prescribed by resolution of said Board.

Article VI. Committees and Advisory Board

Section 1. Executive Committee. The Board of Directors may designate and appoint an Executive Committee which shall consist of such persons, for such terms, as it may prescribe by resolution; provided that at least one member thereof shall be the Chairman, or in his or her absence, the President of the corporation. The Executive Committee shall have and exercise the authority of the Board of Directors in the management of the corporation between meetings of the Board of Directors.

Section 2. Committees. The Chairman may designate any number of special or standing committees and appoint committee members to accomplish the business of the corporation. The President shall be an ex officio member of all such committees.

Section 3. Advisory Board. The Board of Directors may appoint an Advisory Board which shall advise the Board of Directors on all matters pertaining to the business and affairs of the corporation. Any such Board shall be advisory only, and actions, recommendations or opinions of individuals, either individually or collectively, while serving on such Advisory Board, shall not bind the corporation, by agency or otherwise, unless ratified in writing by the Board of Directors.

Article VII. Officers

Section 1. Number. The officers of the corporation shall be a President, one or more Vice Presidents, Secretary and Treasurer. In addition, there may be such other officers as may be designated, from time to time, by the Board of Directors, in accordance with these By-Laws. Any two positions, except those of President and Secretary, may be held by the same person.

Section 2. Election, Term of Office and Qualifications. The officers of the corporation shall be elected by a majority vote of the Board of Directors at the annual meeting. Each officer shall hold office for one year or until his or her successor shall have been duly elected and qualified. Officers need not be members of the Board of Directors.

Election or appointment of an officer, employee or agent shall not itself create contract rights between any appointee and the corporation. Nothing in these By-Laws may be construed to create any contract rights, written or implied, for the term of office, compensation or benefits for any officer, employee or agent.

Section 3. Removal. The Board of Directors may by two-thirds (2/3) vote, remove any officer from office, without cause.

Section 4. Resignations. Any officer may resign at any time by giving written notice to the Board of Directors or to the President. Any such resignation shall take effect at the time specified therein, or, if no time is so specified, upon its receipt by the Board or the President, as the case may be. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office shall be filled by a majority vote of the Board of Directors at any regular or special meeting.

Section 6. The President. The President shall be the chief executive officer of the corporation and shall conduct the general and active management and direction of its business and affairs. The President may sign, execute and deliver in the name of the corporation all deeds, mortgages, bonds, contracts and other instruments, except in cases where such signing, execution or delivery thereof shall be expressly otherwise delegated by the Board of Directors, by these By-Laws or by law, and, in general, he or she shall perform all duties incident to the office of President and such other duties as may from time to time be assigned to him or her by these By-Laws or the Board of Directors.

Section 7. The Vice President. In the event of the temporary absence or disability of the President, a Vice President shall be designated by the President to perform all of the duties of the President. At all other times, the Vice President shall perform such duties and exercise such powers as from time to time may be assigned to him or her by these By-Laws, the Board of Directors or the President.

Section 8. The Secretary. The Secretary shall be custodian of the seal of the corporation and shall affix the seal to all such documents as may be required. He or she shall give notice of all meetings of the Directors in accordance with the provisions of these By-Laws, and shall keep copies of these By-Laws available for inspection by the Board. In general, he or she shall perform all duties incident to the office of Secretary and such other duties as may from time to time be assigned to him or her by these By-Laws, the Board of Directors or the President.

Section 9. The Treasurer. The Treasurer shall be authorized to collect all monies payable to the corporation, shall be charged with the care and custody of its funds and shall make such disbursements as are necessary. He or she shall

keep the corporation's financial and bank accounts and shall enter in detail all receipts and disbursements and shall report thereon at the request of the Board.

These accounts shall be open at all times to the inspection of any member of the Board of Directors. In general, the Treasurer shall perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him or her by these By-Laws, the Board of Directors or the President

Article VIII. Funds of the Corporation

- A. Voluntary Contributions.** The activities and programs of the corporation shall be supported by voluntary contributions. Such contributions shall be solicited and received in the name of the corporation.
- B. Depositing of Funds.** All funds of the corporation shall be deposited from time to time to its credit in such banks or other depositories as the Board of Directors may select.
- C. Signing of Checks, Drafts, Orders for Payment.** All checks, drafts, or other orders for the payment of money shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.
- D. Bonding of Persons Handling Funds.** All persons handling funds of the corporation shall be covered by bonds in such amounts as may be designated by the Board of Directors. In the handling of the funds of the corporation, generally recognized accounting practices shall be followed, and a full report of receipts and expenditures shall be available whenever the Board of Directors may require.
- E. Surplus Funds or Assets Upon Dissolution.** The corporation shall not operate for profit. In the event of the dissolution of the corporation, any surplus funds or other assets on hand shall be distributed in accordance with the terms of the Articles of Incorporation.

Article IX. Seal

Section 1. Description. The seal of the corporation shall be circular in form, shall bear its name in the margin thereof, and shall indicate the date of incorporation and the state of incorporation.

Article X. General

Section 1. Fiscal Year. The fiscal year shall correspond with the calendar year.

Section 2. Audit. To the extent that resources are available, the financial books and records of the corporation shall be audited at least once annually by an independent auditor or accountant appointed by the Board of Directors.

Section 3. Financial Statement. The corporation shall issue an annual statement of its finances as of the close of the fiscal year to such persons as the Board of Directors, in its discretion, prescribes.

Section 4. Checks. All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 5. Designated Gifts and Contributions. The officers, directors, employees or any other person authorized by the corporation may accept on its behalf any contribution, gift, bequest, or devise of money or property for its general purposes as set forth in Article II hereunder or for any designated purpose described in Section 501(c)(3) of the Internal Revenue Code. Designated contributions, also known as restricted contributions, will be honored at the discretion of the Board of Directors and only if the designated purpose, project or activity set by the donor is in furtherance of the corporation's tax exempt purposes.

Section 6. Indemnification of Officers, Trustees, Employees, Etc. The corporation is authorized to indemnify, reimburse or otherwise provide for the payment of expenses paid or incurred by officers, directors, employees or any other individual designated by the Board of Directors in connection with services rendered by them for the use or benefit of the corporation. The corporation is authorized to create one or more separate funds identified by purpose to provide for the financial support of the purpose or activity in support of such indemnification, reimbursement or other payment provided for in these By-Laws.

Section 7. Amendments. These By-Laws may be amended by a two-thirds (2/3) vote of the Board of Directors at any meeting thereof.

Section 8. Notice. Ten (10) days written notice specifying the time, date, place and purpose of any regular or special meeting shall be provided to the Board of Directors. Notice of any duly called meeting of directors may be waived by the consent of a director or by appearance at the meeting. Notice shall be deemed to have been given when at the time a written notice is either mailed, e-mailed, or sent by facsimile to the most recent mailing address, e-mail address or facsimile number provided to the Corporation by each member of the Board of Directors.