

**BYLAWS OF THE  
SANDRA E. TREXLER MEMORIAL FOUNDATION**

**ARTICLE I -- OFFICES**

Section 1. Principal Office. The principal office of the foundation shall be located at 115 East King Street, Watauga County, Boone, North Carolina 28607, which shall also be the registered office of the corporation.

Section 2. Other Offices. The foundation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may from time to time determine.

**ARTICLE II -- BOARD OF DIRECTORS**

Section 1. General Powers. The affairs of the foundation shall be managed by the Board of Directors in accordance with the provisions of applicable law, the Articles of Incorporation and these bylaws.

Section 2. Number, Term and Qualification. The number of Directors of the foundation shall be five (5). See ARTICLE V, Section 2 for the discussion of election and term of officers. Directors need not be residents of the State of North Carolina. Directors must be current members of Grace Evangelical Lutheran Church of Boone, North Carolina 28607. One Director shall be a pastor of Grace Evangelical Lutheran Church and four directors shall be Directors at Large.

Section 3. Election of Directors. The initial Board of Directors shall consist of five people with a pastor of Grace Evangelical Lutheran Church (the "Church") filling one of the five seats. The remaining four Director positions shall be filled by majority vote of the Church Council from Church members nominated by the Columbarium Team. The Church Council will elect the Directors, and the congregation of the Church must, by majority vote, confirm the nominees elected by the Church Council before those individuals may take office. All individuals must be nominated by the above described process and no nominations from the floor will be accepted at the time of voting by the congregation. Any church member may suggest a nominee to the Columbarium Team at any time. Newly elected Directors will serve for one three year term and may be re-elected once. After serving two consecutive terms, an individual must remain off the Board for at least one year. Service for a partial term of one year, six months or longer shall count as service for a full term for purposes of determining whether a Director is eligible for re-election.

Section 4. Removal. A Director may be removed from office at any time with or without cause upon recommendation of a majority of the Directors and approval of the Church Council.

Section 5. Resignation. A Director may resign at any time by communicating such resignation to the Board of Directors, its presiding officer or to the corporation. The resignation is effective when communicated unless the notice specifies a later effective date or subsequent event upon which it will be become effective.

Section 6. Vacancies. If a Director is removed, or a vacancy otherwise occurs, a new Director will be elected as directed in Article II, Section 3 "Election of Directors" with a nomination by the Columbarium Team, election by the church council, and ratification at the next congregational meeting. A Director filling a vacancy shall complete the remainder of the term of the previously elected Director.

### **ARTICLE III -- MEETINGS OF DIRECTORS**

Section 1. Annual Meeting. The annual meeting of the Board of Directors shall be held in September each year for the purpose of electing officers, installing Directors of the foundation, and the transaction of such other business as may be properly brought before the meeting.

Section 2. Regular Meetings. The Board shall meet no less than twice each year as scheduled by consent of the entire Board. Among other items discussed, the Board shall (i) review the status of the Foundation's assets, and (ii) determine the total resources available to be distributed in support of the ministry of the All Saints Prayer and Columbaria Garden as it aligns with the stated mission of Grace Evangelical Lutheran Church.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chair of the Board, the Council President or any two Directors.

Section 4. Place of Meetings. Meetings of the Board of Directors may be held at the principal office of the foundation or at such other place, either within or without the State of North Carolina, as shall either (i) be designated in the notice of the meeting, or (ii) be agreed upon at or before the meeting by a majority of the Directors then in office.

Section 5. Notice of Meetings. The Secretary or other person or persons calling a meeting for which notice is required shall give notice by postal or electronic mail at least ten (10) days before the meeting. Unless otherwise indicated in the notice, any and all business may be transacted at a meeting of the Board of Directors. Attendance by a Director at a meeting shall constitute a waiver of notice, except where a Director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called.

Section 6. Quorum. A majority of three (3) Directors in office immediately before a meeting begins shall constitute a quorum for the transaction of business at a meeting of the Board of Directors.

Section 7. Manner of Acting. Except as otherwise provided by law or in the bylaws, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 8. Action Without Meeting. Action taken by a majority of the Directors without a meeting is nevertheless considered a Board action if written consent to the action in question is indicated by signature or via electronic mail by all of the Directors and filed with the minutes of the proceedings meeting of the Board or committee, whether done before or after the action is taken.

Section 9. Meeting by Conference Telephone. Any one or more Directors may participate in a meeting of the Board by means of a conference telephone or similar communications device which allows all Directors participating in the meeting to simultaneously hear each other during the meeting, and such participation in a meeting shall be deemed presence in person at such meeting.

### **ARTICLE IV -- COMMITTEES**

Section 1. Executive Committee. The Board of Directors, by resolution adopted by a majority of the number of Directors then in office, may designate two or more Directors to constitute an Executive Committee, which shall have and may exercise the authority of the Board in the management of the business and affairs of foundation during intervals between meetings. Vacancies in the membership of the Executive Committee shall be filled by a majority

of the whole Board of Directors at a regular meeting or at a special meeting called for that purpose. The Executive Committee shall keep minutes of its proceedings and shall report to the Board of Directors on action taken. Minutes of meetings of the Executive Committee shall be prepared and kept with the records of the foundation.

Section 2. Standing or Other Committees. Standing or other committees having two or more members may be designated by a resolution adopted by a majority of the number of Directors then in office. Vacancies in the membership of such committees shall be filled by appointment made in the same manner as provided in the case of the original appointment.

Section 3. Committee Authority. No committees of the Board (including the Executive Committee) shall be authorized to take the following actions:

- (i) Authorize distributions to or for the benefit of the Directors or officers;
- (ii) Approve dissolution, merger or the sale, pledge, or transfer of all or substantially all of the corporation's assets;
- (iii) Elect, appoint or remove Directors, or fill vacancies on the Board of Directors or on any of its committees; or
- (iv) Adopt, amend, or repeal the Articles of Incorporation or bylaws.

## **ARTICLE V – OFFICERS**

Section 1. Titles. The officers of the foundation shall be President, Vice President, Secretary and Treasurer. The pastor may not serve as an officer. Any two offices may be held by the same individual, but no officer may act in more than one capacity where action of two or more officers is required, and in no event may an individual serve as both President and Secretary.

Section 2. Election and Term. The officers of the foundation shall be elected by the Board of Directors at the annual meeting. Each officer shall hold office until the next annual meeting and until a successor is elected and qualifies.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed at any time by a majority vote of the Board with or without cause.

Section 4. Resignation. An officer or agent may resign at any time by communicating such resignation to the foundation. A resignation is effective when it is communicated unless it specifies in writing a later effective date.

Section 5. Vacancies. Vacancies among the officers may be filled and new offices may be created and filled by the Board of Directors.

Section 6. President. The President shall be the chief executive officer of the foundation and, subject to the control of the Board of Directors, shall supervise and control the management of the foundation in accordance with these bylaws. The President shall preside at meetings of the Board of Directors. The President shall sign, with any other proper officer, instruments which may be lawfully executed on behalf of the foundation, except where required or permitted by law to be otherwise signed and executed, and except where the signing and execution shall be delegated by the Board of Directors to some other officer or agent. In general, the President shall perform all duties incident to the office of President and such other duties as may be assigned by the Board of Directors from time to time.

Section 7. Vice President. The Vice President shall exercise the powers of the President during that officer's absence or inability to act. Any action taken by the Vice President in the performance of the duties of the President shall be

presumptive evidence of the absence or inability to act of the President at the time the action was taken. The Vice President shall have such other powers and perform such other duties as may be assigned by the Board of Directors.

Section 8. Treasurer. The Treasurer shall have custody of all funds and securities belonging to the foundation and shall receive, deposit or disburse the same under the direction of the Board of Directors; provided, that the Board may appoint a custodian or depository for any such funds or securities, and the Board may designate those persons upon whose signature or authority such funds may be disbursed or transferred. The Treasurer shall in general perform the duties incident to the office and such other duties as may be assigned from time to time by the President or the Board of Directors.

Section 9. Assistant Treasurers. Each Assistant Treasurer shall have such powers and perform such duties as may be assigned by the Board of Directors, and the Assistant Treasurers shall exercise the powers of the Treasurer during that officer's absence or inability to act.

Section 10. Secretary. The Secretary shall keep accurate records of the acts and proceedings of all meetings of the Board of Directors and shall give all notices required by law and these bylaws. The Secretary shall have general charge of the foundation books and records. The Secretary shall sign such instruments as may require the signature of the Secretary and in general shall perform all the duties incident to the office of Secretary and such other duties as may be assigned from time to time by the President or by the Board of Directors.

Section 11. Assistant Secretaries. Each Assistant Secretary shall have such powers and perform such duties as may be assigned by the Board of Directors, and the Assistant Secretaries shall exercise the powers of the Secretary during that officer's absence or inability to act.

## **ARTICLE VI -- INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Section 1. General Policy. It shall be the policy of the foundation to indemnify to the maximum extent permitted by Chapter 55A of the General Statutes of North Carolina any one or more of the Directors, officers, employees, or agents and former Directors, officers, employees or agents of the foundation, and persons who serve or have served at the request of the foundation as directors, officers, partners, trustees, employees or agents of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, against judgments, penalties, settlements and other liabilities incurred by them in connection with any pending, threatened or completed action, suit or proceeding, whether civil, criminal, investigative or administrative (a "proceeding") and against reasonable costs and expenses (including attorneys' fees) in connection with any proceeding, where such liabilities and litigation expenses were incurred incident to the good faith performance of their duties.

Section 2. Use of Foundation Funds. The foundation may advance expenses in connection with any proceeding to any such person in accordance with applicable law. The use of funds of the foundation for indemnification or for the purchase and maintenance of insurance for the benefit of the persons designated in Section 1 of this Article shall be deemed a proper expense of the corporation.

## **ARTICLE VII -- USE OF FUNDS**

Section 1. Use of Funds. The funds shall be treated as an endowment. The income and the appreciation from the funds shall be available for distribution each year for the expressed purpose of supporting the ministry of the All Saints Prayer and Columbaria Garden as it aligns with the stated mission of Grace Evangelical Lutheran Church. The amount to be distributed each year shall be determined according to a Total Return Spending Policy adopted by

the Board of Directors. Any change in the spending policy shall be approved by the Church Council and the congregation. It is the intention of this policy that the Board develop sufficient funds to make annual grants while also providing for the long-term growth of the funds.

Section 2. Definition of ministry of All Saints Prayer and Columbaria Garden. The ministry of the All Saints Prayer and Columbaria Garden, as it aligns with the mission of Grace Evangelical Lutheran Church, is to provide a peaceful place for prayer and mediation along with a sacred space for the interring the ashes of people who have died. The Board of Directors shall review, no less often than once annually, requests for funds to be used in support of the ministry of the All Saints Prayer and Columbaria Garden.

Section 3. Restrictions of the Funds. The funds are restricted in the following manner: (i) the protected principal, defined as a specified amount annually determined by the Board as prescribed in the total return spending policy, cannot be used in any circumstance; and (ii) the funds cannot be used for the general operating use of Grace Evangelical Lutheran Church.

Section 4. Contributions for Specific Use. If in the event one or more contributors wish to make an enduring or time-limited gift for a specific purpose related to the ministry of the All Saints Prayer and Columbaria Garden, then the Board of Directors may serve as the umbrella to manage those funds.

## **ARTICLE VIII -- GENERAL PROVISIONS**

Section 1. Seal. The seal of the foundation shall be that of the parent corporation, Grace Evangelical Lutheran Church.

Section 2. Waiver of Notice. A Director or other person entitled to receive a notice required to be given under the provisions of these bylaws, the Articles of Incorporation or by applicable law, may waive such notice by signing a written waiver, whether before or after the date and time stated in the notice. The waiver shall be filed with the minutes or foundation records. A Director's attendance at or participation in a meeting waives any required notice to that Director of the meeting unless the Director at the beginning of the meeting (or promptly upon arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 3. Checks. All checks, drafts or orders for the payment of money shall be signed by the officer or officers or other individuals that the Board of Directors may from time to time designate.

Section 4. Bond. The Board of Directors may by resolution require any and all officers, agents or employees of the corporation to give bond to the foundation, with sufficient sureties, conditioned upon the faithful performance of the duties of their offices or positions, and to comply with such other conditions as may from time to time be required by the Board.

Section 5. Loans. No loans shall be contracted on behalf of the foundation and no evidence of indebtedness shall be issued in its name unless authorized by a unanimous resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 6. Fiscal Year. The fiscal year of the corporation shall be the period ending on August 31 of each year.

Section 7. Fund Manager. The Board of Directors shall enlist the aid and contract with the financial services entity as directed by the church council for the management of the Foundation's funds. The Board shall review the

performance and fees of this management firm at its annual meeting and shall recommend to the church council either continuing with the same firm or contracting with a different financial services entity for the management of the Foundation's funds.

Section 8. Amendments. These bylaws may be amended or repealed and new bylaws may be adopted by the affirmative vote of four of the five Board of Directors at any meeting of the Board; provided, that notice of the meeting shall have been given which states that the purpose or one of the purposes of the meeting is to consider a proposed amendment to the bylaws and includes a copy or summary of the proposed amendment or states the general nature of the amendment. Such notice may be waived as provided in these bylaws. Any amendment must be ratified by a majority vote of the church council and the congregation of Grace Evangelical Lutheran Church.

Section 9. Compensation. No salary or other means of compensation shall be paid to any Director or Officer of the Foundation for services rendered on behalf of the Foundation by the Foundation.

**Total Return Spending Policy  
of the  
Sandra E. Trexler Memorial Foundation**

Section 1. Investment Strategy. Foundation funds will be invested for a maximum total return, within acceptable risk parameters, without distinction between income and capital gains. The market value of the funds will be measured at least annually each December 31. The Foundation funds will be held and managed in the ELCA Foundation.

Section 2. Protected Principle. The Board will recommend to the church council an increase (or rarely in times of declining markets and only with approval by both the church council and congregation a decrease) in the protected principal of the foundation funds. Only the amount above this designated protected principal may be expended. The protected principal amount is set at \$9,500.

Section 3. Expenditure of Grants. The Board will make available a discretionary amount for grants and expenses each year. The discretionary amount will be determined by the Board of Directors at its annual meeting each year or at subsequent meetings. The Board is under no obligation to expend all of the funds available to it if, in its sole discretion, it deems that there are not sufficient qualifying applications to warrant the expenditure of the full available amount.