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Form **990-EZ**

Short Form Return of Organization Exempt From Income Tax

OMB No 1545-1150

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)

▶ Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$500,000 and total assets less than \$1,250,000 at the end of the year may use this form.
▶ The organization may have to use a copy of this return to satisfy state reporting requirements

A For the **2009** calendar year, or tax year beginning , **2009**, and ending , **20**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input checked="" type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions	C Name of organization CUMBERLAND COUNTY LIBRARY SYSTEM FOUNDATION Number and street (or P O box, if mail is not delivered to street address) Room/suite 19 SOUTH WEST STREET City or town, state or country, and ZIP + 4 CARLISLE, PA 17013	D Employer identification number 20-8077580 E Telephone number 717-240-6175 F Group Exemption Number ▶
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• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Accounting Method: Cash Accrual
Other (specify) ▶

I Website: ▶ <http://CCLSFoundation.org>

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

J Tax-exempt status (check only one) — 501(c) (3) ◀ (insert no.) 4947(a)(1) or 527

K Check if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A Form 990-EZ or Form 990 return is not required, but if the organization chooses to file a return, be sure to file a complete return

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$500,000 or more, file Form 990 instead of Form 990-EZ ▶ \$

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I.)

Revenue	1	Contributions, gifts, grants, and similar amounts received	1	7,985.69
	2	Program service revenue including government fees and contracts	2	
	3	Membership dues and assessments	3	
	4	Investment income	4	
	5a	Gross amount from sale of assets other than inventory	5a	
	5b	Less: cost or other basis and sales expenses	5b	
	5c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	5c	
	6	Special events and activities (complete applicable parts of Schedule G). If any amount is from gaming, check here <input type="checkbox"/>		
	6a	Gross revenue (not including \$ _____ of contributions reported on line 1)	6a	
Expenses	6b	Less: direct expenses other than fundraising expenses	6b	
	6c	Net income or (loss) from special events and activities (Subtract line 6b from line 6a)	6c	
	7a	Gross sales of inventory, less returns and allowances	7a	
	7b	Less: cost of goods sold	7b	
	7c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	7c	
	8	Other revenue (describe ▶ _____)	8	
	9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8 ▶	9	7,985.69
	10	Grants and similar amounts paid (attach schedule)	10	
	11	Benefits paid to or for members	11	1,562.73
Net Assets	12	Salaries, other compensation, and employee benefits	12	
	13	Professional fees and other payments to independent contractors	13	
	14	Occupancy, rent, utilities, and maintenance	14	
	15	Printing, publications, postage, and shipping	15	
	16	Other expenses (describe ▶ Merchant Account Fee)	16	158.00
	17	Total expenses. Add lines 10 through 16 ▶	17	158.00
	18	Excess or (deficit) for the year (Subtract line 17 from line 9)	18	6,264.96
19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	564.83	
20	Other changes in net assets or fund balances (attach explanation)	20		
21	Net assets or fund balances at end of year. Combine lines 18 through 20 ▶	21	6,829.79	

Part II Balance Sheets. If Total assets on line 25, column (B) are \$1,250,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II.)

		(A) Beginning of year	(B) End of year	
22	Cash, savings, and investments	564.83	22	6,829.79
23	Land and buildings		23	
24	Other assets (describe ▶ _____)		24	
25	Total assets	564.83	25	6,829.79
26	Total liabilities (describe ▶ _____)	0.00	26	0.00
27	Net assets or fund balances (line 27 of column (B) must agree with line 21)	564.83	27	6,829.79

SCANNED JUN 09 2010

RECEIVED
CUMBERLAND COUNTY LIBRARY SYSTEM FOUNDATION
JUN 10 2010

11

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization CUMBERLAND COUNTY LIBRARY SYSTEM FOUNDATION	Employer identification number 20 : 8077580
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Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III—Functionally integrated d Type III—Other
 - e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
 - f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
 - g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)	✓
(ii) A family member of a person described in (i) above?	11g(ii)	✓
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	✓
 - h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
See attached information									
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	%

- 16a 33 1/3 % support test—2009.** If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization
- b 33 1/3 % support test—2008.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3 % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization
- 17a 10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization
- b 10%-facts-and-circumstances test—2008.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization
- 18 Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

- 19a 33 1/3 % support tests—2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and **stop here**. The organization qualifies as a publicly supported organization ►
- b 33 1/3 % support tests—2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and **stop here**. The organization qualifies as a publicly supported organization ►
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Provide any other additional information. See instructions.

Area with horizontal dashed lines for supplemental information.

Schedule A. Part I Reason for Non-Private Foundation Status**11h . Provide the following information about the supported organizations**

Name of Supported Organization	EIN	Type of Organization	Is Organization listed in Supporting organization's governing documents	Amount of Support
Amelia S. Givin Free Library	23-6002996	11a	Yes	\$128
Bosler Free Library	23-1381007	11a	Yes	\$380
Cleve J. Fredricksen Library	23-1555412	11a	Yes	\$470
John Graham Public Library	23-1580396	11a	Yes	\$0
Joseph T. Simpson Public Library	23-0959590	11a	Yes	\$309
New Cumberland Public Library	23-6002907	11a	Yes	\$276
Shippensburg Public Library	23-1411369	11a	Yes	\$0
Cumberland County Library System	23-1977638	11a	Yes	\$0
Total				\$1,563

Cumberland County Library System Foundation

Summary of changes made to Bylaws in 2009:

Old Bylaws:

Section 4.13. Surety Bond. The Treasurer shall give bond with a surety company in an amount established by the Board of Directors for the faithful performance of the duties of the office. The amount of the bond shall equal the highest amount of funds estimated by the Board of Directors to be available to the Treasurer at any time during the fiscal year. The bond shall be filed with the Secretary of the Corporation.

Revised Bylaws:

Section 4.13. Surety Bond. The Treasurer shall give bond with a surety company in an amount established by the Board of Directors for the faithful performance of the duties of the office. ~~The amount of the bond shall equal the highest amount of funds estimated by the Board of Directors to be available to the Treasurer at any time during the fiscal year.~~ The bonds shall be filed with the Secretary of the Corporation.

Effective February 24, 2009

BYLAWS
OF
CUMBERLAND COUNTY LIBRARY SYSTEM FOUNDATION
A Pennsylvania Nonprofit Corporation
As Amended February 24, 2009

ARTICLE I
NAME, OFFICES, SEAL & INTERPRETATION

Section 1.1. Name. The name of the corporation, as set forth in its Articles, shall be: The Cumberland County Library System Foundation. It may be referred to herein as either the “corporation” or the “Foundation.”

Section 1.2. Offices. The registered office of the corporation shall be at 19 South West Street, Carlisle, Cumberland County, Pennsylvania 17013, and shall be maintained there until changed in conformity with the Pennsylvania Nonprofit Corporation Law. The corporation may also have corporate offices at such other places within Cumberland County, Pennsylvania, as the Directors may from time to time determine.

Section 1.3. Seal. The corporation shall have a seal which shall be as the Board may adopt from time to time, and shall include the name of the corporation, and the year of its incorporation.

Section 1.3. Interpretation. For the purpose of these Bylaws: (1) words used in the present tense include the future; (2) the singular number includes the plural, and the plural the singular; (3) the word “shall” is always mandatory; (4) the masculine gender shall include the feminine and neuter, and vice-versa; and, (5) where a general provision and a specific provision may conflict, the specific provision shall supersede the general provision, unless stated otherwise.

ARTICLE II
PURPOSE AND POWERS

Section 2.1. Purpose. The purpose of the Cumberland County Library System Foundation shall be to support the Cumberland County, Pennsylvania, Library System and member libraries. (The said system is referred to herein as “The Cumberland County Library System.”)

Section 2.2. Powers. The corporation shall have all powers conferred upon nonprofit corporations by the Pennsylvania Nonprofit Corporation Law of 1988, not otherwise limited by the Articles of Incorporation of the corporation, or limited by these Bylaws.

Section 2.3. Enumerated Powers. Except as limited by Section 2.4 of these Bylaws, other provisions of these Bylaws, or the Articles of Incorporation of the corporation, the corporation shall also have the following powers:

- (a) To purchase, lease, take or receive by gift, devise or bequest, or otherwise acquire, own, hold, use and otherwise deal in and with any real or personal property, or any interest therein.
- (b) To sell, convey, mortgage, pledge, lease as lessor, and otherwise dispose of all or any part of its property and assets.
- (c) To purchase, take, receive, subscribe for, and otherwise acquire, own, hold, vote, use or employ shares or other interests in or obligations of domestic or foreign corporations (whether for profit or not for profit), associations, partnerships or individuals; and to sell, mortgage, pledge, loan or otherwise dispose of such shares, interests or obligations.
- (d) To make contracts or incur liabilities which enable it to accomplish any or all of its purposes; to borrow money for its corporate purposes at such rates of interest as the Foundation may determine; to issue notes, bonds and other obligations; and to secure any of its property, franchises and income.
- (e) To invest its funds in any real or personal property; to lend for its corporate purposes; and to take and hold real and personal property as security for the payment of funds so invested and loaned.
- (f) To provide, to the fullest extent permitted by the Pennsylvania Nonprofit Corporation Law of 1988 and any amendment thereto, for the indemnification and advancement of expenses incurred by directors and officers as the result of a third party claim for any action taken by such directors and officers.
- (g) To create a fund of any nature or otherwise secure or insure in any manner any of the Foundation's Indemnification obligations, all to the fullest extent of and as permitted by the Pennsylvania Nonprofit Corporation Law of 1988 and any amendments thereto.
- (h) To make donations in furtherance of any of the Foundation's purposes.
- (i) To provide for the appointment with salary of any personnel to constitute the staff

of the Foundation.

- (j) To have and exercise all powers necessary or convenient to effect any and all purposes for which the Foundation is organized.
- (k) To accept donations or gifts which are designated for a particular purpose, entity, or entities.

Section 2.4. Limitations on Powers. The Foundation shall solicit donations only from sources outside of Cumberland County, Pennsylvania; or from sources within Cumberland County, Pennsylvania, for which member library(s) would otherwise be ineligible; or from sources within Cumberland County, Pennsylvania, approved by the member library(s) affected; provided, however, that the Foundation may accept donations from any individual or organization, wherever the same may be located.

ARTICLE III
BOARD OF DIRECTORS

Section 3.1. Powers and Responsibility. The business, affairs and property of the Corporation shall be conducted and managed by its Board of Directors, which shall exercise all of the powers of the Corporation as such may be limited by the Articles of Incorporation or these Bylaws.

Section 3.2. Number and Appointment. The number of Directors shall be one for each of the member libraries of the Cumberland County Library System, plus one member appointed by the Cumberland County Commissioners, plus up to five (5) at large members. There shall be a minimum of three (3) members of the Board of Directors. Under the present circumstances there may be thirteen (13) members of the Board of Directors, assuming that five at large members are appointed. The number and appointment of the Directors shall be as follows:

- (a) One each appointed by the board of directors of each of the member libraries of the Cumberland County Library System. There are presently seven (7) member libraries of the Cumberland County Library System. As the number of member libraries may change, the number of Foundation Directors appointed by the member libraries may change, and thus the total number of Foundation Directors may change.
- (b) One appointed by the Commissioners of Cumberland County, Pennsylvania.
- (c) Up to five (5) "at large" Directors appointed by the Board of Directors of this Foundation. The Board of Directors of the Foundation may choose to fill all, none, or only some of the five at large board member positions; provided, however, that the Foundation Board shall appoint a sufficient number of at large Directors such that the total number of Directors is an odd number. Members at large need not be member library board members, nor need they be residents of Cumberland County.
- (d) In the event that the number of member libraries of the Cumberland County Library System is reduced, then the number of Directors shall be accordingly reduced. The Director appointed by the library(s) which is no longer a member of the Cumberland County Library System shall be automatically removed at the end of the calendar year in which the library which appointed him or her ceased to be a member of the Cumberland County Library System, and the number of Directors shall be reduced as of that date.
- (e) In the event that the number of member libraries of the Cumberland County Library System is increased, then the number of Directors shall be accordingly

increased. The number of Directors shall be increased, and the new Director(s) shall be appointed and take office, at the beginning next calendar year.

- (f) In the event that there should be less than two member libraries of the Cumberland County Library System, then the number of Directors shall be three (3) and the Commissioners of Cumberland County shall appoint any Directors not appointed by a member library.

Section 3.3. Initial Term. The initial Directors terms shall be as follows: four (4) Directors from the date of their appointment and qualifying for office until December 31, 2006; four (4) Directors from the date of their appointment and qualifying for office until December 31, 2007; four (4) Directors from the date of their appointment and qualifying for office until December 31, 2008. The initial term of the Director appointed by the Cumberland County Commissioners shall end on June 30, 2008. The executive director of the Cumberland County Library System shall draw lots and thereby assign one of the three initial terms to each of the member libraries and the five at large Director positions which may be filled. As soon after organizing as possible, the initial Directors appointed by the member libraries, and the initial Director appointed by the Cumberland County Commissioners, shall determine the number of at large Director positions that they wish to fill, and for any at large Director's position to be filled, the Board shall designate not only the individual, but also the term for which the individual is being appointed.

Section 3.4. Regular Terms and Term Limits.

- (a) After the expiration of the initial term of each Director, the term of the succeeding Directors shall be for three years, except for the Director appointed by the County Commissioners, whose four year term shall begin on July 1st of the year when each Board of Commissioners takes office, and end on June 30th four years later.
- (b) A Director shall be limited to three (3) consecutive regular terms. Initial terms of less than three (3) years (four (4) years in the case of the Director appointed by the County Commissioners), shall not be counted for purposes of this term limit provision, but other partial terms shall be counted. After a one (1) year break in service a Director shall again be qualified to serve. No service shall be deemed consecutive if interrupted by a one (1) year break in service.

Section 3.5 Continuation Until Successor Appointed. Each Director appointed by a library which continues to be a member of the Cumberland County Library System shall continue in office until his or her successor is appointed and qualified as the successor Director.

Section 3.6. Vacancies and Compensation. In the event of a vacancy on the Board of Directors for any cause including, but not limited to, the death, disability, removal, disqualification or resignation of any Director, then the member library, the Directors of this Foundation, or the County Commissioners, as the case may be, for which that Director's seat is

allocated, shall appoint a Director to fill the vacancy so created, for the remainder of the term of the vacant seat. In the event that any member library should fail to fill its Director's seat within one (1) year of the seat becoming vacant for any reason, the Cumberland County Commissioners may fill that seat by appointment of any County resident, and that individual shall continue to serve until the expiration of his or her term, regardless of any subsequent attempt by the member library to appoint an individual to that position on the Board. No Director shall, expressly or impliedly, be appointed to an indefinite term of office. Directors shall serve without compensation.

Section 3.7. Voting Rights of Directors. Each Director shall be entitled to only one (1) vote.

Section 3.8. Resignation. A Director of the corporation may resign at any time by giving written notice of his resignation to the corporation. Any resignation shall take effect at the time specified in it or, should the time when it is to become effective not be specified, immediately upon its receipt. Acceptance of a resignation shall not be necessary to make it effective unless the resignation states otherwise.

Section 3.9. Removal. Except for the Director appointed by the Commissioners of Cumberland County, any Director may be removed without cause at any time by a two thirds (2/3) majority vote of all of the Directors at any duly constituted annual or special meeting of the Directors.

Section 3.10. Annual and Regular Meetings. The annual meeting of the Board of Directors of the Corporation shall be held during the first calendar quarter of each calendar year at such location, date, and time as may be set by resolution of the Board of Directors. The Board of Directors will provide by resolution, from time to time, for the holding of regular meetings.

Section 3.11. Special Meetings. Special meetings of the Board of Directors may be called by the President or at the request of any three (3) Directors then in office.

Section 3.12. Place of Meetings. The Directors may hold their meetings and may have one or more offices in such place or places within the County of Cumberland as the Board of Directors from time to time may determine. Unless otherwise notified, all meetings of the Board of Directors shall be at the offices of the Cumberland County Library System.

Section 3.13. Notice of Meetings. The Secretary of the Corporation shall give written notice of each special meeting of the Board of Directors by mailing the same, at least five (5) days before the meeting, or by email, telegraphing, faxing or similar means of communication, or by causing to be delivered personally the same at least three (3) days before the meeting, to each Director at his or her residence or regular place of business. Unless otherwise indicated in the notice, any and all business may be transacted at a special meeting. No notice shall be required for regular meetings; provided, however, that notice of any change in the time or place of such meetings shall be sent promptly to each Director not present at the meeting at which such change

was made. Such notice shall be in the manner provided for notice of special meetings.

Section 3.14. Quorum; Action of Board; Telephonic Participation.

- (a) Except as otherwise provided herein, the presence in person of a majority of all of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business. The affirmative votes of a majority of the Directors present at a meeting, duly called and at which a quorum is present, shall be sufficient to take or authorize action upon any matter that properly comes before the meeting.
- (b) One or more Directors may participate in any meeting of the Board of Directors by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at the meeting.
- (c) Voting by proxy shall not be permitted.

Section 3.15. Chair. The President, or in his or her absence, the Vice President, shall call meetings of the Board to order and shall act as chair of such meetings. In the absence of the President or Vice President, a chair of the meeting shall be chosen by the Directors present. The chair of the meeting, unless a Director, shall have no right to vote on matters that come before the Directors at a meeting.

Section 3.16. Secretary. The secretary of the Corporation shall act as secretary of all meetings of the Board of Directors, but, in the absence of the Secretary of the Corporation, the chair may appoint any person to act as secretary of the meeting.

Section 3.17. Order of Business. Such business may be included in the agenda of any meeting of the Board of Directors, as the President deems necessary; provided, however, that the election of officers for the Corporation shall always be on the agenda for annual meetings. Any additional matter may be placed upon the agenda of any duly constituted meeting upon the affirmative vote of the Directors present, provided that a quorum shall have been met.

Section 3.18. Informal Action by Directors; Email.

- (a) Any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting, if a written consent to such action is signed by all members of the Board or of such committee, as the case may be, and such written consent is filed with the minutes of the proceedings of the Board or committee and, provided further, that no violation of the Pennsylvania Sunshine Law shall occur, if applicable.

- (b) For purposes of this section, “written consent” shall include consent sent by a Director by email to the Cumberland County Library System staff person designated as the Library System contact person for the Foundation, if sent from the email address designated by that Director for the communication of Foundation business.

Section 3.19. Conflict of Interest. If any Director may be personally affected by an issue of corporate concern, after discussion and deliberation, he or she shall refrain from making any recommendations or voting thereon, but shall be counted in determining whether a quorum exists. It is the duty of each Director to make known when and if any such conflict shall exist. The Board shall, as soon as possible after its organization, adopt, maintain, implement, amend from time to time, and enforce a policy concerning the conflict of interest of any Director, officer, or employee of the Corporation, which policy may provide reasonable sanctions, including dismissal, for any violation of this policy.

Section 3.20 Liability of Directors. A Director of the Corporation shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:

- (a) The Director has breached or failed to perform the duties of his or her office as required by applicable law or as prescribed in Section 3.21 below; and
- (b) The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

The provisions of this Section 3.20 shall not apply to:

- (a) The responsibility or liability of a Director pursuant to any criminal statute; or
- (b) The liability of a Director for the payment of taxes pursuant to local, state or federal law, if applicable.

Section 3.21. Fiduciary Relationship; Diligence.

- (a) A Director of the Corporation shall stand in a fiduciary relationship to the Corporation, and shall perform his duties as a Director, including his duties as a member of any committee of the Board of Directors upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry,

skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- i. One or more officers or employees of the corporation whom the Director reasonably believes to be reliable and competent in the matters presented;
- ii. Legal counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such person; or
- iii. A committee of the Board of Directors upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his reliance to be unwarranted.

- (b) Absent breach of fiduciary duty, lack of good faith or self-dealing, any act of the Board of Directors, a committee thereof or an individual Director shall be presumed to be in the best interests of the corporation.
- (c) Notation of Dissent. A Director who is present at a meeting of the Board of Directors, or of a committee of the Board, at which action on any corporate matter is taken on which the Director is generally competent to act, shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless the Director files a written dissent to the action with the secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the Secretary of the Corporation immediately after the adjournment of the meeting. The right to dissent shall not apply to a Director who voted in favor of the action. Nothing in this Section or in these Bylaws shall bar a Director from asserting that minutes of the meeting incorrectly

omitted his dissent if, promptly upon receipt of a copy of such minutes, the Director notifies the Secretary in writing, of the asserted omission or inaccuracy.

ARTICLE IV **OFFICERS**

Section 4.1. Officers. The officers of the Corporation shall be the President, a Vice President, a Secretary, and a Treasurer.

Section 4.2. Election; Term of Office. The officers of the Corporation shall be chosen by the Board of Directors at its first meeting and thereafter annually at its annual meeting. Each officer shall hold office at the pleasure of the majority of all of the Directors.

Section 4.3. Number of Offices Held by One Person. No individual may hold more than one office.

Section 4.4. Subordinate Officers. The Board of Directors from time to time may elect or appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority and perform such duties as may be prescribed by the Board of Directors. The Board of Directors may delegate the power to appoint and remove, with or without cause, any such subordinate officers or agents and to prescribe their respective authority and duties.

Section 4.5. Vacancies. The Board of Directors may fill a vacancy occurring in any office.

Section 4.6. Removal. Any officer or agent may be removed by the Board of Directors without cause. Such removal shall be without prejudice to the contractual rights, if any, of the person so removed.

Section 4.7. Resignation. Any officer may resign his office at any time by delivering a written resignation to the Board of Directors, the President or the Secretary. Unless otherwise specified therein, such resignation shall take effect upon delivery.

Section 4.8. Chair. The President, and the Vice President in his absence, shall preside at all meetings of the Board of Directors. The President shall act as liaison and spokesperson for the Board of Directors. The President shall perform all duties incident to the office and such other duties as shall be prescribed by the Board of Directors from time to time. The President shall be the Chair of the Board, and the Vice President shall be the Vice Chair of the Board.

Section 4.9. President. The President shall be the senior officer of the Corporation and shall be a member of all committees. The President shall also exercise such other powers and perform such other duties as from time to time may be assigned to him or her by the Board of Directors.

Section 4.10. Vice President. The Vice President shall perform such duties as from time to time may be assigned to him or her by the President, the Board of Directors. In the absence of the President, or in the event of his death, inability, or refusal to act, the Vice President shall assume the duties of the President and shall perform all of such duties, and when so acting, shall have all the authority of the President and be subject to all of the restrictions upon that office.

Section 4.11. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors in books to be kept for that purpose. The Secretary shall attend to the giving and serving of all notices of the Corporation and shall have charge of the records of the Corporation and such other books and papers as the Board of Directors may direct or as may be required by law and shall execute such documents as may require his signature. The Secretary shall perform such other duties as appertain to his office or as may be required by the Board of Directors.

Section 4.12. Treasurer. The Treasurer shall be the principal financial and accounting officer of the Corporation and shall have general charge of the finances and books of account of the Corporation. Except as otherwise provided by the Board of Directors, the Treasurer shall have general supervision of the funds and property of the Corporation. The Treasurer shall render to the Board of Directors, whenever directed by the Board, an account of the financial condition of the Corporation and of all his transactions as Treasurer, and as soon as possible after the close of each financial year he or she shall make and submit to the Board of Directors a like report for such financial year. The Treasurer shall perform all the acts incident to the office of Treasurer, including the general supervision and control of the accounts of the corporation, subject to the control of the Board of Directors. The Treasurer shall have custody of all funds and securities of the Corporation. When necessary or proper, the Treasurer shall endorse on behalf of the Corporation for collection, checks, notes and other obligations and shall deposit the same to the credit of the corporation, in such bank or banks or depository as the Board of Directors may designate. All checks and drafts for the payment of money by the Corporation may be signed in the name of the Corporation by the Treasurer.

Section 4.13. Surety Bond. The Treasurer shall give bond with a surety company in an amount established by the Board of Directors for the faithful performance of the duties of the office. The bond shall be filed with the Secretary of the Corporation.

Section 4.14. Standard of Care. Except as otherwise provided in these Bylaws, an officer shall perform his or her duties as an officer in good faith, in a manner the officer reasonably believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar

circumstances. A person who so performs his or her duties shall not be liable by reason of having been an officer of the Corporation.

ARTICLE V COMMITTEES

Section 5.1. Committees. The Board of Directors may establish one or more committees as the Board may determine, which shall consist of not less than one (1) Director. Each committee shall act in an advisory capacity to the Board, unless the Board specifically delegates powers and authority to the committee. The President shall be a member of each committee, including the standing committees. Directors shall be entitled to attend all committee meetings and shall not be excluded from any portion of a committee meeting, including the standing committees.

Section 5.2. Standing Committees. The Foundation shall have the following standing committees:

- (a) **Executive Committee.** The Executive Committee shall be composed of the four (4) officers of the Foundation, plus one other Director appointed by the President. The Executive Committee shall have such powers as the Board may delegate to it from time to time. The Board may give the Executive Committee the power to act for the Board in situations when time is of the essence and it is impractical to obtain Board approval.
- (b) **Investment Committee.** The Investment Committee shall be composed of such number of Directors as the Board may determine, but if the Board does not determine otherwise, five (5) Directors, appointed by the Board. The Investment Committee shall have the duty and power to manage the financial investments of the Foundation, on a day to day basis, based upon the broad policies adopted by the Board in its Investment Policy.
- (c) **Development and Distribution Committee.** The Development and Distribution Committee shall be composed of such number of Directors as the Board may determine, but if the Board does not determine otherwise, five (5) Directors, appointed by the Board. The Development and Distribution Committee shall review all member library funding applications or requests and make recommendations to the Board, with the goal that funding to meet the community's library service needs is distributed in an equitable and balanced manner. The Development and Distribution Committee shall also oversee the review of funding sources for contributions to the Foundation; oversee the preparation of applications and solicitations for such funding; and make recommendations to the Board, with the goal that funding to meet the

community's library service needs is obtained in an equitable and balanced manner. The Cumberland County Library System's Fund Allocation Policy, as the same may be in effect from time to time, shall be considered an equitable and balanced manner of distribution, and shall be the preferred method of distribution unless otherwise specified by the donor or grantor, or unless otherwise specified by the Foundation Board.

The standing committees shall also perform such other functions as may be charged to them by the Board.

Section 5.3. Procedure and Review. Each committee may adopt such rules of procedure as it deems proper and desirable. All action by any committee shall be reported to the Board of Directors at the first meeting of the Board of Directors following such action and shall be subject to rejection, revision, alteration or approval by the Board of Directors.

ARTICLE VI INDEMNIFICATION

Section 6.1. Scope of Indemnification.

- (a) General rule. The corporation shall indemnify an indemnified representative against any liability incurred in connection with any proceeding in which the indemnified representative may be involved as a party or otherwise by reason of the fact that such person is or was serving in an indemnified capacity, including, without limitation, liabilities resulting from any actual or alleged breach or neglect of duty, error, misstatement or misleading statement, negligence, gross negligence or act giving rise to strict or products liability, except:
- i. where such indemnification is expressly prohibited by applicable law;
 - ii. where the conduct of the indemnified representative has been finally determined:
 - (1) to constitute willful misconduct or recklessness within the meaning of 15 Pa.C.S. § 513(b) and § 1746(b) and 42 Pa.C.S. § 8365(b) or any superseding provision of law sufficient in the circumstances to bar indemnification

against liabilities arising from the conduct; or

(2) to be based upon or attributable to the receipt by the indemnified representative from the Corporation of a personal benefit to which the indemnified representative is not legally entitled; or

iii. to the extent such indemnification has been finally determined in a final adjudication pursuant to Section 6.6 to be otherwise unlawful.

(b) **Partial Payment.** If an indemnified representative is entitled to indemnification in respect of a portion, but not all, of any liabilities to which such person may be subject, the Corporation shall indemnify such indemnified representative to the maximum extent for such portion of the liabilities.

(c) **Presumption.** The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not of itself create a presumption that the indemnified representative is not entitled to indemnification.

(d) **Definitions.** For purposes of this Article:

i. “Indemnified capacity” means any and all past, present and future service by an indemnified representative in one or more capacities as a Director, officer, employee or agent of the Corporation, or, at the request of the Corporation, as a Director, officer, employee, agent, fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise;

ii. “Indemnified representative” means any and all Directors and officers of the Corporation and any other person designated as an indemnified representative by the Board of Directors of the Corporation (which may include any person serving at the request of the Corporation, as a Director,

officer, employee, agent, fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise):

- iii. "Liability" means any damage, judgment, amount paid in settlement, fine, penalty, punitive damages, excise tax assessed with respect to an employee benefit plan, or cost or expense, of any nature (including, without limitation, attorneys' fees and disbursements); and
- iv. "Proceeding" means any threatened, pending or completed action, suit, appeal or other proceeding of any nature, whether civil, criminal, administrative or investigative, whether formal or informal, and whether brought by or in the right of the Corporation, a class of its security holders or otherwise.

Section 6.2. Proceedings Initiated by Indemnified Representatives. Notwithstanding any other provision of this Article, the corporation shall not indemnify under this Article an indemnified representative for any liability incurred in a proceeding initiated (which shall not be deemed to include counter-claims or affirmative defenses) or participated in as an intervener or amicus curiae by the person seeking indemnification unless such initiation of or participation in the proceeding is authorized, either before or after its commencement, by the affirmative vote of a majority of the Directors in office. This Section 6.2 does not apply to a reimbursement of expenses incurred in successfully prosecuting or defending an action under Section 6.6 or otherwise successfully prosecuting or defending the rights of an indemnified representative granted by or pursuant to this Article.

Section 6.3. Advancing Expenses. The Corporation shall pay the expenses (including attorneys' fees and disbursements) incurred in good faith by an indemnified representative in advance of the final disposition of a proceeding described in Section 6.1, or the initiation or participation in an action which is authorized pursuant to Section 6.2, upon receipt of an undertaking by or on behalf of the indemnified representative to repay the amount if it is ultimately determined pursuant to Section 6.6 that such person is not entitled to be indemnified by the Corporation pursuant to this Article. The financial ability of an indemnified representative to repay an advance shall not be a prerequisite to the making of such advance.

Section 6.4. Securing of Indemnification Obligations. To further effect, satisfy or secure the indemnification obligations provided herein or otherwise, the Corporation may maintain insurance, obtain a letter of credit, act as self insurer, create a reserve, trust, escrow, cash collateral or other fund or account, enter into indemnification agreements, pledge or grant a

security interest in any assets or properties of the Corporation, or use any other mechanism or arrangement whatsoever in such amounts, at such costs, and upon such other terms and conditions as the Board of Directors shall deem appropriate. Absent fraud, the determination of the Board of Directors with respect to such amounts, costs, terms and conditions shall be conclusive against all security holders, officers and Directors and shall not be subject to voidability.

Section 6.5. Payment of Indemnification. An indemnified representative shall be entitled to indemnification within thirty (30) days after a written request for indemnification has been delivered to the Secretary of the Corporation.

Section 6.6. Disputes.

- (a) **General Rule.** Any dispute related to the right to indemnification, contribution or advancement of expenses as provided under this Article shall be decided only by a non-jury trial in the Court of Common Pleas of Cumberland County, or by arbitration under its local rules of court should the amount in controversy be within such limits requiring arbitration.
- (b) **Burden of Proof.** The party or parties challenging the right of an indemnified representative to the benefits of this Article shall have the burden of proof.
- (c) **Expenses.** The Corporation shall reimburse an indemnified representative for the expenses (including attorneys, fees and disbursements) incurred by him or her in successfully prosecuting or defending such proceeding.

Section 6.7. Contribution. If the indemnification provided for in this Article or otherwise is unavailable for any reason in respect of any liability or portion thereof, the corporation shall contribute to the liabilities to which the indemnified representative may be subject in such proportion as is appropriate to reflect the intent of this Article or otherwise.

Section 6.8. Mandatory Indemnification of Directors, Officers, Etc. To the extent that an authorized representative of the Corporation has been successful on the merits or otherwise in defense of any action or proceeding referred to in 15 Pa.C.S. §§ 5741 or 5742, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees and disbursements) actually and reasonably incurred by such person in connection therewith.

Section 6.9. Contract Rights; Amendment or Repeal. All rights under this Article shall be deemed a contract between the corporation and the indemnified representative pursuant

to which the Corporation and each indemnified representative intend to be legally bound. Any repeal, amendment or modification hereof shall be prospective only and shall not affect any rights or obligations then existing.

Section 6.10. Scope of Article. The rights granted by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification, contribution or advancement of expenses may be entitled under any statute, agreement, vote of disinterested Directors or otherwise, both as to action in an indemnified capacity and as to action in any other capacity. The indemnification, contribution and advancement of expenses provided by or granted pursuant to this Article shall continue as to any person who has ceased to be an indemnified representative in respect of matters arising prior to such time, and shall inure to the benefit of the heirs, executors, administrators and personal representatives of such a person.

Section 6.11. Reliance on Provisions. Each person who shall act as an indemnified representative of the Corporation shall be deemed to be doing so in reliance upon the rights provided in this Article.

ARTICLE VII MISCELLANEOUS

Section 7.1. Insurance of Officers, Directors, Employees and Agents. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or while a Director, officer, employee or agent of the Corporation against any liability asserted against and incurred by such person in any such capacity or arising out of such person's position.

Section 7.2. Waiver of Notice. Whenever any written notice is required to be given under the provisions of the Act or under the provisions of the Corporation's Articles or by these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice and filed with the records of such meetings, whether before or after the time stated therein, shall be deemed equivalent to the giving of the notice.

Section 7.3. Records and Report. There shall be kept at the registered office or principal place of business of the Corporation an original or duplicate record of the proceedings of the Directors, and the original or a copy of its bylaws, including all amendments or alterations thereto to date. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of each committee having any authority of the Board of Directors. All Directors shall have reasonable access to all records of the corporation.

Section 7.4. Registered Office. The Corporation shall have and continuously maintain a registered office in the County of Cumberland, Commonwealth of Pennsylvania. The location of the registered office in the Commonwealth of Pennsylvania shall be such as stated in

the Articles of Incorporation and as may be changed and determined from time to time.

Section 7.5. Expenses. Each Director, officer, agent and/or employee may be reimbursed for actual expenses, if they are reasonable and incurred in connection with the business of the Corporation.

ARTICLE VIII AMENDMENTS

The Board of Directors, at any annual meeting or at a special meeting called for the purpose, may make, amend or repeal the Articles or Bylaws of the Corporation upon the affirmative votes of a two thirds (2/3) majority of all of the Directors, except that the limitation on powers set forth in Section 2.4 of these Bylaws may not be amended (or superseded by Amendment of the Articles) except by a unanimous vote of all Directors. The written notice calling any such meeting shall provide the substantial text of the proposed amendment.

END OF BYLAWS

Part IV List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated. See page 61 of the instructions.)

(A) Name and Address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowance
Deborah Fulham-Winston 1514 North 2nd St. Harrisburg PA 17102	President of Board	0	0	0
Nancy Cerveny 321 Candlelight Drive Mechanicsburg, PA 17055	Treasurer of Board	0	0	0
Louise Keckler 1410 Goodyear Road Gardners, PA 17324	Trustee of Board	0	0	0
John McCrea III PO Box 341 Newville, PA 17241	Secretary of Board	0	0	0
Joseph Cretella 73 Diller Dr. Shippensburg, PA 17257	Trustee of Board	0	0	0
Bruce Darkes 320W Market Street, 6th Floor PO Box 625 Harrisburg PA 17108-0625	Vice President of Board	0	0	0
Shaun Eisenhauer 100 Pine St. Harrisburg, PA 17108	Trustee of Board	0	0	0
Cheryl Lenker 1636 Lori Lane Circle Harrisburg, PA 17110	Trustee of Board	0	0	0
Thomas Witt 267 Carol St. New Cumberland, PA 17070	Trustee of Board	0	0	0
Staff:				
Jonelle Darr 19 South West St. Carlisle, PA 17013	Executive Director 1 hour per week	0	0	0