

Sample Board Membership Two-Tiered Procedure

The _____ Foundation has adopted a two-tiered structure for membership to incorporate the next generation.

Member Eligibility Criteria:

1. By birth, a lineal descendant of the founder
2. At least 40 years of age
3. Served as a trustee for at least one year

Members are elected by a majority of those persons serving as members—those who have the authority to:

- amend the Articles of Incorporation and Code of Regulations
- approve a merger, consolidation, reorganization or dissolution of the foundation
- elect members of the foundation
- elect trustees of the foundation.

Trustee Eligibility Criteria:

1. By birth, a lineal descendant of the founder
2. At least 30 years of age
3. Demonstrated interest in the foundation

Trustees are elected by a majority of those persons serving as members and have the authority to act on any business not reserved to members as described above.

Under normal circumstances, this means that trustees are authorized to vote on everything except election of members and trustees. They may vote on grants, approval of administrative expenses, etc.

Persons who do not meet the eligibility requirements listed above may be elected as trustees by a unanimous vote of those persons serving as members. This would allow for election of spouses or nonfamily members as trustees. To date, only lineal descendants of the founder have served as trustees.