

AMENDED AND RESTATED BYLAWS
(Effective September 13, 2010)

Of

ARDMORE CITY SCHOOLS ENRICHMENT FOUNDATION

ARTICLE I
TITLE

This organization shall be known as the Ardmore City Schools Enrichment Foundation, which shall at all times be operated and conducted as a nonprofit educational and/or charitable corporation, organized and existing under the laws of the State of Oklahoma.

ARTICLE II
DEFINITION

As used in these Bylaws, the word "Foundation" shall mean the Ardmore City Schools Enrichment Foundation. The term "Ardmore City Schools" shall mean Independent School District No. 19, Carter County, Oklahoma; the words "Director" or "Directors" and "Trustee" or "Trustees" shall be synonymous and shall refer to a Director or Directors of the corporation who are also Trustees; the word "Board" shall mean the Board of Directors or the Board of Trustees of such Foundation.

ARTICLE III
LOCATION

The business of the Foundation may be conducted at any place convenient to such trustees, directors or officers as may be participating therein. The official address and place of business of the Foundation shall be at the Administrative Building of the Ardmore City Schools, located at 800 "M" Street, N.E., Ardmore, OK 73401.

ARTICLE IV
MEMBERSHIPS

The Foundation shall have no members. All corporate powers of the Foundation shall be exercised by or under the authority of the Board of Trustees which shall be the Board of Directors for all legal purposes and the sole governing body of the organization.

ARTICLE V
BOARD OF DIRECTORS OR TRUSTEES

Section 1:

GENERAL

The Board of Trustees, which shall be the Board of Directors for all legal purposes, shall be the sole governing body of the organization. The operation, business and property of the Foundation shall be managed and controlled by the Board of Trustees. The Board of Trustees shall prepare or cause to be prepared an annual budget which shall be submitted to the Board at the annual

meeting for approval. Individual Trustees shall not receive any compensation for their services as Trustees; provided, however, the Board may approve reimbursing individual Trustees for direct expenses paid or advanced by such Trustee on behalf of the Foundation. Expenses of attending Board meetings shall not be considered as reimbursable items.

Section 2:

NUMBER AND ELIGIBILITY

The Board of Trustees shall consist of fifteen (15) elected Trustees and two ex-officio (nonvoting) Trustees who shall be (1) the Superintendent of Schools of the Ardmore City School; (2) a member of the Board of Education of the Ardmore City Schools to be appointed by the Board of Trustees of the Foundation. No elected Trustee can serve more than three (3) consecutive terms, after which such individual shall not be eligible for reelection for a period of two (2) years. The representative from the Board of Education shall serve an annual term provided the individual is a member of such Board at all times.

Section 3:

ELECTION AND TERM

Five (5) members of the Board of Trustees shall be elected annually at the annual meeting by a majority vote of the Trustees present and voting. Except as herein provided for the election of Trustees to be held at the 1989 annual meeting of the Foundation, all Trustees shall be elected for a term of three (3) years or until their successors are elected. Nominations for Trustees shall be submitted by the Nominating Committee appointed by the Chairman of the Foundation. In order to implement rotating terms of the Board of Trustees, at the 1989 annual meeting of the Foundation, five (5) Trustees shall be elected for a term of one (1) year; five (5) Trustees shall be elected for a term of two (2) years; and five (5) Trustees shall be elected for a term of three (3) years.

Section 4:

VACANCIES

In the event of a vacancy on the Board of Trustees the remaining Trustees may elect a successor to fulfill the unexpired term by an affirmative vote of the majority of the remaining Trustees voting for such purpose. The Trustee so elected may function as a Trustee immediately upon election.

Section 5:

HONORARY DIRECTOR OR TRUSTEE

The Board of Trustees may appoint honorary directors or trustees, who shall serve for terms of one (1) year. Honorary directors or trustees shall have no voting privileges.

Section 6:

MEETINGS

The annual meeting of the Foundation (commencing with the year 1990 and thereafter) shall be held in the month of September at such date, time, and place as the Board of Trustees may determine. Other meetings of the Board of Trustees shall be called by the Chairman, or, at the request of five (5) of the members of the Board of Trustees. The Secretary or Chairman, or their designee, shall give oral or written notice of the time and location of each such meeting to each Trustee at least two (2) days prior to the meeting; however, if all Trustees waive the advance notice requirement either orally or in writing to the Chairman or Secretary, a Board meeting may be convened at any time. Any action which might be taken at a meeting of the Board of Trustees may be taken without a meeting if a record or memorandum thereof be made in writing and signed by all the Trustees and filed with the Secretary and made a part of the corporate records. The meetings of the Board of Trustees shall be held at such place as the Chairman of the Foundation or the Board of Trustees may designate. At the meeting of the Board of Trustees the regular order of business shall be:

1. Call to Order
2. Approval of Minutes
3. Treasurer's Report
4. Committee Reports
5. Old Business
6. New Business
7. Adjournment

Section 7:

QUORUM

A simple majority of the number of directors or trustees in office shall constitute a quorum for the transaction of business by the Board. If less than a quorum is present, a majority of those present may adjourn the meeting from time to time until a quorum shall be present.

Section 8:

EXECUTIVE COMMITTEE

The Board of Trustees, by resolution, may designate and appoint an executive committee, composed of the Chairman, Vice Chairman, Secretary, and Treasurer, to conduct the routine business of the Foundation between meetings of the Board of Trustees. Any action taken by the Executive Committee shall be ratified and approved at the next annual meeting of the Board of Trustees or at the next special meeting of the Board of Trustees, provided that such ratification or approval is listed as one of the purposes of such special meeting.

ARTICLE VI
OFFICERS

Section 1:

ELECTION

The officers of the Foundation shall be elected by the Board of Trustees at an annual meeting or at such other times as the Board may determine. The officers of the Foundation shall be Chairman, Vice Chairman, Secretary, and Treasurer, plus any other officers that may be designated by the Board. All officers shall be elected from the elected Trustees of the Board. Officers shall hold office for a period of two (2) years or until their successors are elected and qualified. Any officer elected or appointed by the Board may be removed at any time, with or without cause, by an affirmative vote of the majority of the Board of Trustees.

Section 2:

CHAIRMAN

The Chairman shall be the chief executive officer of the Foundation and shall preside at all meetings of the Board of Trustees. The Chairman shall enforce the rules and Bylaws of the Foundation, nominate committee and subcommittee chairman for confirmation by the Board, and serve as ex-officio member of all committees and subcommittees. He shall have the authority to sign and execute any bonds, contracts or other obligations of the Foundation, if authorized by the Board. He shall make such reports of the affairs of the Foundation as the Board of Trustees may require, and shall present an annual report of the preceding year's business to the annual meeting.

Section 3:

VICE CHAIRMAN

The Vice Chairman shall perform the duties and exercise the power of the Chairman during the absence or disability of the Chairman.

Section 4:

SECRETARY

The Secretary shall be responsible for keeping all documents and records of the Foundation, including but not limited to recording minutes of all meetings of the Board. In the absence of the Secretary at any meeting, the Chairman may appoint a temporary secretary to record the minutes.

Section 5:

TREASURER

The Treasurer shall maintain the financial records of the Foundation. He shall receive all money and deposit said money in the bank account in the name of the Foundation. He shall disburse all monies as have been approved by the Board and are payable. He shall be prepared to present a financial report at each meeting of the Board and distribute a written financial statement at the annual meeting.

Section 6:

COMMITTEE CHAIRMAN

Committee and subcommittee chairmen shall be appointed by the Chairman of the Foundation to serve at the pleasure of the Chairman or the Board of Trustees. Committee and subcommittee chairmen shall appoint members of their respective committees and subcommittees and shall fill vacancies as they occur.

Section 7:

STANDING COMMITTEES

The standing committees of the Board of Trustees are:

A. Allocations Committee: There shall be an Allocations Committee whose responsibilities shall include review of proposals and recommendations for program allocation.

B. Finance Committee: There shall be a Finance Committee whose responsibilities shall include fact finding for the Board on matters relating to the financial administration of the Foundation, and preparation of the annual budget for presentation to the Board. The Chairman of the Finance Committee shall be the Treasurer of the Foundation.

C. Fund-Raising Committee: There shall be a Fund-Raising Committee whose responsibilities shall include planning for the solicitation of contributions in support of the Foundation's purposes.

D. Public Information Committee: There shall be a Public Information Committee whose responsibilities shall include planning a program to gain understanding and acceptance of the Foundation by the community.

E. Nominating Committee: There shall be a Nominating Committee whose responsibilities shall be to nominate Trustees at each Annual Meeting or to nominate Trustees to fill vacancies as they occur.

The Board of Trustees may create additional committees as needed.

ARTICLE VII
CORPORATE SEAL

The official corporate seal of the Foundation shall be in the charge of the Secretary and shall be inscribed with the Foundation's official name.

ARTICLE VIII
CONTRIBUTIONS

The Board of Trustees shall have the power and discretion to accept or reject contributions and shall have the power to determine whether or not contributions may be designated and earmarked for specific purposes; provided, however, all contributions designated or otherwise shall be used within the purpose of the Foundation and shall not constitute a use which would cause the Foundation to lose its tax-exempt status.

ARTICLE IX
EXECUTION OF CONTRACTS

Except as otherwise required by statute, the Certificate of Incorporation or these Bylaws, any contracts, or other instruments may be executed and delivered in the name and on behalf of the Foundation by such officer or officers (including any assistant officer) of the organization as the Board may from time to time direct. Such authority may be general or confirmed to specific instances as the Board may determine. Unless authorized by the Board or expressly permitted by these Bylaws, an officer or agent or employee shall not have any power or authority to bind the Foundation by any contract or engagement or to pledge its credit or to render it financially liable for any purpose or to any amount.

ARTICLE X
LOANS

The trustees may, from time to time, authorize by resolution the officers to effect loans and advances from a corporation or a bank, trust company or other institution or from any firm, corporation or individual, and for such loans and advances, may make, execute and deliver promissory notes, bonds or other certificates or evidences of indebtedness of the Foundation, but no officer or officers shall mortgage, pledge, hypothecate or transfer any securities or other property of the Foundation, except when authorized by the Board.

ARTICLE XI
PAYMENT OF FUNDS; DEPOSITS; BANK ACCOUNTS

All checks, drafts, bills of exchange, or other orders for the payment of money out of the funds of the organization shall be signed by the Treasurer. The Board of Trustees shall have the authority to require the counter-signing or co-signing of any such instruments for the payment of funds as the said Board shall by resolution determine.

All funds of the Foundation not otherwise employed shall be deposited from time to time to the credit of the Foundation in such banks, trust companies or other depositories as the Board of Trustees may designate, or as may be designated by any officer of the Foundation given such authority by the Board. All checks, drafts or other orders for payment of money which are payable to the order of the Foundation may be endorsed, assigned and delivered by the Treasurer or by any other officer of the Foundation designated by the Board of Trustees by resolution.

The Board of Trustees may from time to time authorize the opening and keeping of general bank accounts at such bank, trust companies or other depositories as the Board may designate or as may be designated by any officer or the Foundation with authority from the Board of Trustees.

ARTICLE XII
OPERATIONS AND DISTRIBUTIONS OF FUNDS

Section 1:

NONPROFIT OPERATIONS

The Foundation shall not be operated for profit and all income generated by the property or funds contributed to the Foundation, after payment of all necessary debts and obligations, shall be utilized as herein provided. Distributions of Foundation assets shall be made exclusively for

carrying out only the purposes of the Foundation in amounts as may be authorized from time-to-time by the Board of Trustees.

Section 2:

Except as part of a written spending policy adopted by the Board of Trustees or, in the case of contributions accepted by the Board of Trustees which are designated and earmarked for specific purposes, the corpus of the funds or property received by the Foundation shall be used to generate income for the uses and purposes of the Foundation and shall not be used or spent on any projects of the Foundation.

Section 3:

Should the Board of Trustees use any of the corpus of the funds or property contributed to the Foundation, as herein provided, the Board shall, prior to the use of said funds, establish a plan to subsequently restore to the corpus of the Foundation funds an amount equal to the amount of corpus used by the board under the provisions of this article.

ARTICLE XIII
NOTICE AND WAIVER

Whenever under the provision of these Bylaws notice is required to be given to any Trustee or officer of the Foundation, it shall not be construed to mean personal notice, but such notice may be given in writing by mail, in a postage-paid envelope, addressed to such Trustee or officer at his or her last known post office address, according to the Foundation records, and such notice shall be deemed to be given at the time when the same shall be mailed. Any Trustee or officer may waive any notice required to be given under these Bylaws, and may do so by written or cabled waiver. The attendance of any Trustee or officer at any annual, regular or special meeting shall be deemed a waiver of all notice required to be given under these Bylaws.

ARTICLE XIV
AMENDMENT OF BYLAWS

The Bylaws of the Foundation may be amended by the affirmative vote of a majority of the qualified Trustees present and voting at any meeting at which a quorum is present. No action shall be taken to amend any Bylaw unless written notice of the proposed amendment(s) shall have been given at least ten (10) days prior to the meeting if delivered by first class mail or a minimum of twenty-four (24) hours prior to the meeting if the notice is given personally.

ARTICLE XV
FISCAL YEAR

The fiscal year of the Foundation shall end on the 30th day of June each year.

ARTICLE XVI
ANNUAL AUDIT

The Board of Trustees shall cause to be presented at each annual meeting a full, clear, and detailed statement of the business condition of the Foundation duly audited as appropriate by a certified public accountant as may be designated by vote of the Trustees. The expense of such annual audit shall be deemed to be a proper expenditure of Foundation funds and, if necessary,

may be paid from the corpus of the Foundation funds if designated by a vote of the Board of Trustees.

ARTICLE XVII
APPROVAL

The foregoing Amended and Restated Bylaws were adopted by the membership of the Ardmore City Schools Enrichment Foundation upon resolution by the Board of Trustees and certified by the Secretary of the Ardmore City Schools Enrichment Foundation at its meeting held on November 13, 2006. A complete copy was ratified by the Board of Trustees on September 13, 2010.

SECRETARY

Ardmore City Schools Enrichment Foundation

Statement of Investment Policy

November 13, 2006

I. Introduction

A. Foreword to Statement of Investment Policy

The following is a Statement of Investment Policy for the Ardmore City Schools Enrichment Foundation ("The Foundation"). The Investment Policy Statement is intended to serve as a policy blueprint outlining how the investments within the Foundation's Endowment Fund ("The Fund") will be structured and supervised in the future.

B. Review and Revisions of Statement Policy

1. The Foundation will review the policies established by this document at least annually to ensure that the policies are still reflective of the needs and circumstances of the organization.
2. A special policy review will be required when it can be objectively proven that one or more of the basis conditions and assumptions listed in Section II are no longer valid. This list of conditions to be monitored is not intended to be fully comprehensive, and other factors may cause the Foundation to review this statement of policy, so long as it is persuaded that they are sufficiently critical to warrant a policy change.
3. Needs
 - a. The Fund's assets need to grow at a rate equal or exceeding annual spending plus inflation.
 - b. The Fund needs to accommodate liquidity for spending, which can be structured into the fixed income component of the portfolio.
 - c. The Foundation needs to adopt a long-term investment time frame as these assets are expected to last into perpetuity.
 - d. The Foundation needs to adopt a spending rule of 3.5% of assets to meet its operating requirements.

C. Capital Market Assumptions

1. The U.S. economy will remain largely a free enterprise system without government ownership or direct control of major industries.
2. While the growth rate of the national economy, inflation levels and interest patterns may not reflect past trends, the basic risk return relationship between various classes of investments will remain consistent with the past. The assumption being made is that over long periods of time, classes of investments with higher fundamental risk characteristics will produce higher real returns than those with lower fundamental risk characteristics.
3. In order to quantify future risk and return expectations, the past risk and return histories of various classes of investments will be utilized with the understanding that they are intended to be representative of the relationship and magnitude of risk and return variations rather than precise targets to be attained.

II. Development of Investment Policy

A. Summary of Circumstances and Needs

1. Circumstances

- a. The sole purpose of the Endowment Fund of the Ardmore City Schools Enrichment Foundation is to hold, acquire, control and manage investment accounts and funds used for the benefit of its supported organization, the Ardmore City Schools Enrichment Fund (Fund).
- b. The Foundation is a tax-exempt organization qualified as such under IRS Code Section 501(a) and is not a private foundation within the meaning of IRS Code Section 509(a). The Foundation has no spending requirements.
- c. The Endowment Fund's asset value is approximately \$600,000.00.
- d. It is the objective of the Foundation to maintain the Fund in perpetuity.
- e. The Foundation currently has a \$21,000.00 annual budget.

- f. The Foundation has no recurring cash inflows other than those connected with Fund investments and annual contributions of approximately \$3,000.00.
- g. The Foundation expects to distribute about 3.5% a year from the Fund to support its operations.
- h. The Fund can tolerate a high level of short-term volatility risk due to its long-term nature.
- i. The Foundation would like the Fund to generate a return that covers spending needs and provides moderate asset growth.
- j. The Fund requires enough liquidity to accommodate annual spending.

III. Statement of Investment Policy

A. Purpose of Investment Policy

This Policy Statement is intended to outline the following:

1. Asset Mix Guidelines
2. Investment Planning Time Frame
3. Investment Return Objectives
4. Investment Manager Evaluation Criteria
5. Monitoring and Control Procedures

B. Asset Mix – the major determinant of long-term investment risk exposure, real return levels and current income generation.

Asset allocation is the major determinant of investment risk exposure, real return levels, and current income generation.

1. The overall target asset mix determined for the portfolio was based upon a study of the actual rates of return achieved by

equity and fixed income investments both separately and in various combinations over multi-year holding periods. Based upon these historical studies, the Foundation evaluated the probabilities of achieving acceptable rates of return and defined the target asset allocation deemed most appropriate for its needs.

2. The target asset allocation shall be 60% equity and 40% non-equity. This allocation is intended to efficiently provide funds for operating activities and to provide for appreciation potential greater than inflation with an acceptable level of related risk.
3. A range of plus or minus 5% has been identified as an acceptable degree of variation in the portfolio's equity/non-equity asset allocation. The Foundation will review portfolio composition periodically and, if deemed necessary, will direct cash flow or assets to be shifted to bring the portfolio within an acceptable range of the target asset allocation.
4. Within the non-equity category, cash reserves will be maintained at a level sufficient to pay ongoing commitments.
5. The portfolio's asset allocation as defined above will be reviewed annually to determine whether it continues to be appropriate. Changes in circumstances or the capital market investment assumptions will trigger a review of the target asset allocation.

C. Investment Planning Horizon

1. Definition: The investment policy planning horizon is the period of time allotted for the execution of the policy and the achievement of objectives. Changes in liquidity needs or cash flow requirements will signal changes in the portfolio's objectives and a corresponding change in the planning horizon.
2. The portfolio is considered to have a long-term planning horizon because its ability to cover obligations through current income relieves concerns about near term market value fluctuations. Given both the ability to absorb short-term volatility and the desire to operate in perpetuity, a long-term planning horizon of 20 years has been adopted.

D. Investment Return Objectives

1. The above-defined asset allocation policy is expected to earn, on average, a real (inflation adjusted), annual rate of return of approximately 5.6% as measured over the planning horizon.
2. The Foundation understands and expects that the actual, real rate of return can and will deviate from the normal expected return during any single measurement period. It is aware of the range of potential returns over various time frames based upon historic rate of return studies and is comfortable with the periodic variability inherent in the asset allocation.
3. Investments results will be measured on a total rate of return basis which includes both income and changes in market value.

E. Investment Manager Evaluation Criteria

1. Definition: Investment manager evaluation criteria are the measurement rules established to identify the management organizations and investment vehicles best suited to meet the needs and objectives of the Foundation.
2. To assist in the selection of an investment manager and investment vehicles, the following general criteria will apply to equity and fixed income managers.
 - a. The performance and portfolio data submitted to manager candidates should be audited or otherwise verifiable to be accurate. The criterion is intended to reduce risk of a poor selection based upon incorrect or misleading data.
 - b. Manager candidates must demonstrate a long-term record of performance superiority over the average manager in their asset class as well as other managers with similar investment styles.
 - c. Manager candidates must exhibit a consistent investment style.
 - d. Manager candidates must demonstrate organizational stability and give evidence indicating that the people, resources and other factors responsible for past superior investment results are still in place. Such evidence increases the probability that past success will be repeated in the future.

- e. It is possible that these criteria may eliminate a promising newer management organization. However, the risk of being wrong in accepting a short, undocumented record outweigh the potential benefits of finding the new good manager, particularly when there are a number of proven managers available with verifiable long-term records.

F. Monitoring and Control Procedures

1. The purpose of monitoring and control procedures is to ensure that the Investment Managers continue to satisfy the manager guidelines and evaluation criteria.
 - a. The quarterly investment performance of the equity portfolio will be compared to the performance of a broad universe of equity managers as well as a group of other managers following the same investment style and risk profile.
 - b. The fixed income manager should be reviewed to determine performance relative to a representative bond indices and a broad universe of fixed income managers.