

**Application for Recognition of Exemption  
 Under Section 501(c)(3) of the Internal Revenue Code**

Note: If exempt status is approved, this application will be open for public inspection.

Read the instructions for each Part carefully.

**A User Fee must be attached to this application.**

If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.

**Complete the Procedural Checklist on page 8 of the instructions.**

**Part I Identification of Applicant**

<b>1a</b> Full name of organization (as shown in organizing document)  <u>United Way of Metropolitan Chicago</u>		<b>2</b> Employer identification number (EIN) (If none, see page 3 of the <b>Specific Instructions</b> .)
<b>1b</b> c/o Name (if applicable)		<b>3</b> Name and telephone number of person to be contacted if additional information is needed.  <u>Paula Cozzi Goedert</u> <u>(312) 923-2851</u>
<b>1c</b> Address (number and street)  <u>560 W. Lake Street</u>	Room/Suite	
<b>1d</b> City, town, or post office, state, and ZIP + 4. If you have a foreign address, see <b>Specific Instructions</b> for Part I, page 3.  <u>Chicago, IL 60661</u>		<b>4</b> Month the annual accounting period ends  <u>June</u>
<b>1e</b> Web site address		<b>5</b> Date incorporated or formed <u>June 16, 2003</u>
<b>6</b> Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k) d <input type="checkbox"/> 501(n)		
<b>7</b> Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
<b>8</b> Is the organization required to file Form 990 (or Form 990-EZ)? . . . . . <input type="checkbox"/> N/A <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach an explanation (see page 3 of the <b>Specific Instructions</b> ).		
<b>9</b> Has the organization filed Federal income tax returns or exempt organization information returns? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		

**10** Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See **Specific Instructions** for Part I, Line 10, on page 3.) See also Pub. 557 for examples of organizational documents.)

- a  Corporation—Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws.
- b  Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c  Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of the bylaws.

If the organization is a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here

Robert E. Berdelle  
 (Signature)

ROBERT E. BERDELLE CHIEF ADM OFFC.  
 (Type or print name and title or authority of signer)

8/29/03  
 (Date)

**Part II** Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

The applicant, the United Way of Metropolitan Chicago (UWMC) is being formed as a consolidation of United Way of Chicago and the United Way of Suburban Chicago.

United Way Crusade of Mercy (referred to as United Way in Chicago), first called The Community Fund of Chicago, began over 65 years ago during the Great Depression. Edward L. Ryerson, Jr. of Inland Steel founded the Community Fund of Chicago with a simple purpose: "raise and distribute money in an efficient and equitable manner to agencies helping people in need." That first campaign raised \$3.2 million.

The enormous poverty resulting from the Great Depression helped define how United Way allocated money in the early 1930s. Emergency relief was United Way's primary focus. Sixty-five human care service agencies addressing basic human care needs received money raised from United Way's first appeal. The need for service was great and the number of agencies grew rapidly to 158 in 1939.

The United Way continued to grow throughout the 60s and 70s. In 1977, the Council for Community Services in Metropolitan Chicago and the Community Fund merged to become the United Way of Metropolitan Chicago.

During the early 1980s, the fundraising and allocating units of the organization were spun off into two separate entities: the United Way/Crusade of Mercy as the fundraising arm of the organization and the United Way of Chicago as the allocations unit. A decade later, the two organizations merged back together and in 1995 became United Way/Crusade of Mercy. The name was later changed to United Way in Chicago.

In the 2000 campaign, United Way in Chicago raised \$96.2 million for health and human care service agencies in the community. These funds will be focused to provide solutions for the most important needs in the community, by providing funds to established charities.

From its roots, United Way has grown far beyond simply doing "good things." Only United Way can bring community resources together to focus on key problems and issues and strategically invest in the solutions to those problems. Through 422 local health and human service agencies, United Way's Community Fund works community by community.

The consolidation of the United Way and the United Way of Suburban Chicago will decrease administrative costs and increase direct support to charities in the Chicago Metropolitan area.

- 2 What are or will be the organization's sources of financial support? List in order of size.

Contributions, investment income.

- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.

United Way conducts extensive fundraising efforts mainly through employers which solicit employees to approve payroll deductions for contribution.

**Part II** Activities and Operational Information (Continued)

**4** Give the following information about the organization's governing body:

**a** Names, addresses, and titles of officers, directors, trustees, etc.

See Exhibit A

**b** Annual compensation

-0- for all

**c** Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials?  Yes  No  
If "Yes," name those persons and explain the basis of their selection or appointment.

**d** Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See Specific Instructions for Part II, Line 4d, on page 3.)  Yes  No  
If "Yes," explain.

**5** Does the organization control or is it controlled by any other organization?  Yes  No  
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors?  Yes  No  
If either of these questions is answered "Yes," explain.

**6** Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees?  Yes  No  
If "Yes," explain fully and identify the other organizations involved.

**7** Is the organization financially accountable to any other organization?  Yes  No  
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

**Part II** Activities and Operational Information (Continued)

**8** What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If none, indicate "N/A."

The transfers from the two consolidating organizations will take place January 1, 2004.

**9** Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years?  Yes  No  
see below \*

**10a** Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement?  Yes  No

**b** Is the organization a party to any leases?  Yes  No

If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

The transfers of leases for suburban headquarters will take place January 1, 2004. There is no relationship between the Lessees and the Lessors other than landlord and tenant.

**11** Is the organization a membership organization?  Yes  No

If "Yes," complete the following:

**a** Describe the organization's membership requirements and attach a schedule of membership fees and dues.

The members of UWMC will be subordinate United Ways.

**b** Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.

N/A

**c** What benefits do (or will) the members receive in exchange for their payment of dues?

An allocation of funding, so that subordinate United Ways can carry out their mission.

**12a** If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them?  N/A  Yes  No  
If "Yes," explain how the charges are determined and attach a copy of the current fee schedule.

**b** Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals?  N/A  Yes  No  
If "Yes," explain how the recipients or beneficiaries are or will be selected.

**13** Does or will the organization attempt to influence legislation?  Yes  No  
If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.

**14** Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements?  Yes  No  
If "Yes," explain fully.

\* \$4.9 million of tax-exempt bonds will be transferred on January 1, 2004. They were issued to purchase and renovate 560 W. Lake Street, which will be the headquarters for UWMC.

**Part III** Technical Requirements

1 Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed?  Yes  No  
If you answer "Yes," do not answer questions on lines 2 through 6 below.

2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions—You are not required to file an exemption application within 15 months if the organization:

- a Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See **Specific Instructions**, Line 2a, on page 4;
- b Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or
- c Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

3 If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed?  Yes  No

If "Yes," your organization qualifies under Regulation section 301.9100-2, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 6.

If "No," answer question 4.

4 If you answer "No" to question 3, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3?  Yes  No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 3. See **Specific Instructions**, Part III, Line 4, before completing this item. Do not answer questions 5 and 6.

If "No," answer questions 5 and 6.

5 If you answer "No" to question 4, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the organization was created or formed?  Yes  No

6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's section 501(c)(3) status), check here  and attach a completed page 1 of Form 1024 to this application.

**Part III** Technical Requirements (Continued)

- 7 Is the organization a private foundation?  
 Yes (Answer question 8.)  
 No (Answer question 9 and proceed as instructed.)

- 8 If you answer "Yes" to question 7, does the organization claim to be a private operating foundation?  
 Yes (Complete Schedule E.)  
 No

After answering question 8 on this line, go to line 14 on page 7.

- 9 If you answer "No" to question 7, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

**THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:**

- |   |  |   |
|---|--|---|
| a | <input type="checkbox"/> As a church or a convention or association of churches (CHURCHES MUST COMPLETE SCHEDULE A.)   | Sections 509(a)(1) and 170(b)(1)(A)(i)                        |
| b | <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B.)   | Sections 509(a)(1) and 170(b)(1)(A)(ii)                       |
| c | <input type="checkbox"/> As a hospital or a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital (These organizations, except for hospital service organizations, MUST COMPLETE SCHEDULE C.)                                      | Sections 509(a)(1) and 170(b)(1)(A)(iii)                      |
| d | <input type="checkbox"/> As a governmental unit described in section 170(c)(1).  | Sections 509(a)(1) and 170(b)(1)(A)(v)                        |
| e | <input type="checkbox"/> As being operated solely for the benefit of, or in connection with, one or more of the organizations described in a through d, g, h, or i (MUST COMPLETE SCHEDULE D.)   | Section 509(a)(3)   |
| f | <input type="checkbox"/> As being organized and operated exclusively for testing for public safety.  | Section 509(a)(4)   |
| g | <input type="checkbox"/> As being operated for the benefit of a college or university that is owned or operated by a governmental unit.  | Sections 509(a)(1) and 170(b)(1)(A)(iv)                       |
| h | <input checked="" type="checkbox"/> As receiving a substantial part of its support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.   | Sections 509(a)(1) and 170(b)(1)(A)(vi)                       |
| i | <input type="checkbox"/> As normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). | Section 509(a)(2)   |
| j | <input type="checkbox"/> The organization is a publicly supported organization but is not sure whether it meets the public support test of h or i. The organization would like the IRS to decide the proper classification.  | Sections 509(a)(1) and 170(b)(1)(A)(vii) or Section 509(a)(2) |

If you checked one of the boxes a through f in question 9, go to question 14. If you checked box g in question 9, go to questions 11 and 12. If you checked box h, i, or j, in question 9, go to question 10.

**Part III** Technical Requirements (Continued)

- 10** If you checked box **h**, **i**, or **j** in question 9, has the organization completed a tax year of at least 8 months?  
 **Yes**—Indicate whether you are requesting:  
 A definitive ruling. (Answer questions 11 through 14.)  
 An advance ruling. (Answer questions 11 and 14 and attach two Forms 872-C completed and signed.)  
 **No**—You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the Form 1023.
- 11** If the organization received any unusual grants during any of the tax years shown in Part IV-A, **Statement of Revenue and Expenses**, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of the grant.

**12** If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here  and:

- a** Enter 2% of line 8, column (e), Total, of Part IV-A . . . . . \_\_\_\_\_  
**b** Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line 12a above.

**13** If you are requesting a definitive ruling under section 509(a)(2), check here  and:

- a** For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person." (For a definition of "disqualified person," see **Specific Instructions**, Part II, Line 4d, on page 3.)  
**b** For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

**14** Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. **Do not submit blank schedules.**)

	Yes	No	If "Yes," complete Schedule:
Is the organization a church? . . . . .		X	A
Is the organization, or any part of it, a school? . . . . .		X	B
Is the organization, or any part of it, a hospital or medical research organization? . . . . .		X	C
Is the organization a section 509(a)(3) supporting organization? . . . . .		X	D
Is the organization a private operating foundation? . . . . .		X	E
Is the organization, or any part of it, a home for the aged or handicapped? . . . . .		X	F
Is the organization, or any part of it, a child care organization? . . . . .		X	G
Does the organization provide or administer any scholarship benefits, student aid, etc.? . . . .		X	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution? . . . .		X	I

**Part IV Financial Data**

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

**A. Statement of Revenue and Expenses**

	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From ..... to	(b) .....	(c) .....	(d) .....	
<b>Revenue</b>					
1 Gifts, grants, and contributions received (not including unusual grants—see page 6 of the instructions) . . . . .					
2 Membership fees received . . . . .					
3 Gross investment income (see instructions for definition) . . . . .					
4 Net income from organization's unrelated business activities not included on line 3 . . . . .					
5 Tax revenues levied for and either paid to or spent on behalf of the organization . . . . .					
6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge) . . . . .					
7 Other income (not including gain or loss from sale of capital assets) (attach schedule) . . . . .					
8 Total (add lines 1 through 7) . . . . .					
9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22 . . . . .					
10 Total (add lines 8 and 9) . . . . .					
11 Gain or loss from sale of capital assets (attach schedule) . . . . .					
12 Unusual grants . . . . .					
13 Total revenue (add lines 10 through 12) . . . . .					
<b>Expenses</b>					
14 Fundraising expenses . . . . .					
15 Contributions, gifts, grants, and similar amounts paid (attach schedule) . . . . .					
16 Disbursements to or for benefit of members (attach schedule) . . . . .					
17 Compensation of officers, directors, and trustees (attach schedule) . . . . .					
18 Other salaries and wages . . . . .					
19 Interest . . . . .					
20 Occupancy (rent, utilities, etc.) . . . . .					
21 Depreciation and depletion . . . . .					
22 Other (attach schedule) . . . . .					
23 Total expenses (add lines 14 through 22) . . . . .					
24 Excess of revenue over expenses (line 13 minus line 23) . . . . .					

**Part IV** Financial Data (Continued)

**B. Balance Sheet (at the end of the period shown)**

Current tax year  
Date .....

<b>Assets</b>		
1	Cash . . . . .	1
2	Accounts receivable, net . . . . .	2
3	Inventories . . . . .	3
4	Bonds and notes receivable (attach schedule) . . . . .	4
5	Corporate stocks (attach schedule) . . . . .	5
6	Mortgage loans (attach schedule) . . . . .	6
7	Other investments (attach schedule) . . . . .	7
8	Depreciable and depletable assets (attach schedule) . . . . .	8
9	Land . . . . .	9
10	Other assets (attach schedule) . . . . .	10
11	<b>Total assets</b> (add lines 1 through 10) . . . . .	11 0
<b>Liabilities</b>		
12	Accounts payable . . . . .	12
13	Contributions, gifts, grants, etc., payable . . . . .	13
14	Mortgages and notes payable (attach schedule) . . . . .	14
15	Other liabilities (attach schedule) . . . . .	15
16	<b>Total liabilities</b> (add lines 12 through 15) . . . . .	16 0
<b>Fund Balances or Net Assets</b>		
17	Total fund balances or net assets . . . . .	17
18	<b>Total liabilities and fund balances or net assets</b> (add line 16 and line 17) . . . . .	18 0

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation . . . . .

**EXHIBIT A**  
**Officers and Directors**

R. Eden Martin, Chair-Elect  
President  
The Civic Committee of The  
Commercial Club of Chicago

Thomas F. Bennington, Jr., Partner  
Chuhak & Tecson

W. James Farrell, Chairman and CEO  
Illinois Tool Works Inc.

Martha R. Hinchman, Senior Vice President  
Commercial Banking  
Northern Trust Company

Elmer W. Johnson, Partner  
Jenner & Block

Edward M. Liddy, Chairman, President and Chief Executive Officer  
Allstate Insurance Company

Bradley McGuire, President and Chief Executive Officer  
Jackson Moving Storage

Andrew McKenna, Chairman and Chief Executive Officer  
Schwarz

Lester H. McKeever, Jr., Managing Principal  
Washington, Pittman & McKeever

Karl W. Mueller, CPA, Partner  
KPMG, LLP

William A. Osborn, Chairman and Chief Executive Officer  
Northern Trust Corporation

Jose L. Santillan, CFA, Chief Investment Officer  
Wealth Management Group  
LaSalle Bank, N.A.

Bradlee F. Stamper, President and Chief Executive Officer  
Fifth Third Bank (Illinois)

Michael Zafirovski, Chief Executive Officer  
Motorola

Janet P. Froetscher  
President and Chief Executive Officer

Robert E. Berdelle  
Chief Administrative Officer

Sara Dreiling  
Senior Vice President

Serita Guyton  
Board Secretary and Executive Assistant

EXHIBIT B  
United Way of Metropolitan Chicago  
Consolidating Income Statement  
Year Ended June 30, 2002, 2003, 2004 and 2005

	2003	2004	2005
Total Revenue	\$72,000,000	\$74,000,000	\$76,000,000
Design, Grants & alloc	\$57,600,000	\$57,300,000	\$58,000,000
Salaries	\$ 9,486,000	\$ 8,700,000	\$ 9,000,000
Pension plan expense	\$ 851,000	\$ 851,000	\$ 851,000
Other employee benefits	\$ 950,000	\$ 870,000	\$ 900,000
Payroll taxes	\$ 950,000	\$ 870,000	\$ 900,000
Supplies	\$ 225,000	\$ 225,000	\$ 225,000
Telephone	\$ 160,000	\$ 160,000	\$ 160,000
Posting and shipping	\$ 120,000	\$ 120,000	\$ 120,000
Occupancy	\$ 800,000	\$ 800,000	\$ 800,000
Equipment rental	\$ 100,000	\$ 100,000	\$ 100,000
Printing and publications	\$ 800,000	\$ 800,000	\$ 800,000
Travel	\$ 200,000	\$ 200,000	\$ 200,000
Conferences, conventions	\$ 175,000	\$ 175,000	\$ 175,000
Interest	\$ 110,000	\$ 110,000	\$ 110,000
Depreciation	\$ 637,000	\$ 637,000	\$ 637,000
Professional fees	\$ 700,000	\$ 700,000	\$ 700,000
Organization dues	\$ 186,000	\$ 232,000	\$ 272,000
Support to UWA	<u>\$ 550,000</u>	<u>\$ 550,000</u>	<u>\$ 550,000</u>
	\$17,000,000	\$16,100,000	\$16,500,000
Total Expenses	\$ 74,600,000	\$73,400,000	\$74,500,000
Excess (deficit)	\$ (2,600,000)	\$ 600,000	\$ 1,500,000

**User Fee for Exempt Organization  
 Determination Letter Request**

For IRS Use Only

▶ Attach this form to determination letter application.  
 (Form 8718 is NOT a determination letter application.)

Control number \_\_\_\_\_  
 Amount paid \_\_\_\_\_  
 User fee screener \_\_\_\_\_

1 Name of organization

2 Employer Identification Number

**United Way of Metropolitan Chicago**

**Caution:** Do not attach Form 8718 to an application for a pension plan determination letter. Use Form 8717 instead.

**3 Type of request**

- a  Initial request for a determination letter for: Fee
- An exempt organization that has had annual gross receipts averaging not more than \$10,000 during the preceding 4 years, or
  - A new organization that anticipates gross receipts averaging not more than \$10,000 during its first 4 years ▶ **\$150**
- Note:** If you checked box 3a, you must complete the Certification below.

**Certification**

I certify that the annual gross receipts of \_\_\_\_\_ name of organization

have averaged (or are expected to average) not more than \$10,000 during the preceding 4 (or the first 4) years of operation.

Signature ▶ \_\_\_\_\_ Title ▶ \_\_\_\_\_

- b  Initial request for a determination letter for:
- An exempt organization that has had annual gross receipts averaging more than \$10,000 during the preceding 4 years, or
  - A new organization that anticipates gross receipts averaging more than \$10,000 during its first 4 years . ▶ **\$500**
- c  Group exemption letters . . . . . ▶ **\$500**

**Instructions**

The law requires payment of a user fee with each application for a determination letter. The user fees are listed on line 3 above. For more information, see Rev. Proc. 2000-8, 2000-1, I.R.B. 230.

Check the box or boxes on line 3 for the type of application you are submitting. If you check box 3a, you must complete and sign the certification statement that appears under line 3a.

Attach to Form 8718 a check or money order payable to the United States Treasury for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8718 to your determination letter application.

Send the determination letter application and Form 8718 to:  
 Internal Revenue Service  
 P.O. Box 192  
 Covington, KY 41012-0192

If you are using express mail or a delivery service, send the application and Form 8718 to:  
 Internal Revenue Service  
 201 West Rivercenter Blvd.  
 Attn: Extracting Stop 312  
 Covington, KY 41011

FOR SECURITY PURPOSES, THE SIGNATURE LINE ON THIS DOCUMENT CONTAINS MICROPRINTING AND ATTEMPTS TO DUPLICATE WILL STATE UNAUTHORIZED COPY

LAW OFFICES  
**JENNER & BLOCK**  
 Jenner & Block, LLC  
 One IBM Plaza  
 Chicago, IL 60611-7609

LASALLE NATIONAL BANK  
 LASALLE BANK OF LISLE, ILLINOIS 60532  
 70-2302  
 719

**434650**

PAY: *Five Hundred and 00/100 Dollars*

NUMBER	DATE	AMOUNT
000434650	08/29/2003	*****500.00

THE INTERNAL REVENUE SERVICE

*Mary C. Moore*  
 EXECUTIVE DIRECTOR

THE REVERSE SIDE OF THIS DOCUMENT INCLUDES AN ARTIFICIAL WATERMARK - HOLD AT AN ANGLE TO VIEW  
 ⑈ 434650 ⑈ ⑆ 071923022⑆ 90 ⑈ 0060 ⑈ 8 ⑈

# Power of Attorney and Declaration of Representative

OMB No. 1545-0150  
**For IRS Use Only**  
 Received by:  
 Name \_\_\_\_\_  
 Telephone \_\_\_\_\_  
 Function \_\_\_\_\_  
 Date     /     /

▶ See the separate instructions.

**Part I** Power of Attorney (Type or print.)

**1 Taxpayer information.** Taxpayer(s) must sign and date this form on page 2, line 9.

Taxpayer name(s) and address  <b>United Way of Metropolitan Chicago</b> <b>560 W. Lake Street</b> <b>Chicago, IL 60661</b>	Social security number(s)  _____  _____  _____	Employer identification number  _____  _____  _____
	Daytime telephone number  _____	Plan number (if applicable)  _____

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

**2 Representative(s)** must sign and date this form on page 2, Part II.

Name and address <b>Paula Cozzi Goedert</b>  <b>Jenner &amp; Block</b> <b>One IBM Plaza</b> <b>Chicago, IL 60611</b>	CAF No. <b>4000-72945R</b> Telephone No. <b>(312) 923-2851</b> Fax No. <b>(312) 840-7251</b> Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>
Name and address   	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>
Name and address   	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

**3 Tax matters**

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (See the instructions for line 3.)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s)
Application for Recognition of Exemption	1023	2003 et seq.

**4 Specific use not recorded on Centralized Authorization File (CAF).** If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for **Line 4. Specific uses not recorded on CAF.** ▶

**5 Acts authorized.** The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the authority to execute a request for a tax return, or a consent to disclose tax information unless specifically added below, or the power to sign certain returns. See the instructions for **Line 5. Acts authorized.**

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Note:** In general, an unenrolled preparer of tax returns cannot sign any document for a taxpayer. See Revenue Procedure 81-38, printed as Pub. 470, for more information.

**Note:** The tax matters partner of a partnership is not permitted to authorize representatives to perform certain acts. See the separate instructions for more information.

**6 Receipt of refund checks.** If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here \_\_\_\_\_ and list the name of that representative below.

Name of representative to receive refund check(s) ▶ \_\_\_\_\_

- 7 Notices and communications.** Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2 unless you check one or more of the boxes below.
- a If you want the first representative listed on line 2 to receive the original, and yourself a copy, of such notices or communications, check this box
  - b If you also want the second representative listed to receive a copy of such notices and communications, check this box.
  - c If you do not want any notices or communications sent to your representative(s), check this box
- 8 Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here.
- YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.**
- 9 Signature of taxpayer(s).** If a tax matter concerns a joint return, both husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.
- ▶ IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.

\_\_\_\_\_ *Robert C Berdell* \_\_\_\_\_ *8/28/03* \_\_\_\_\_ *CHIEF ADMIN. OFFICER*  
 Signature Date Title (if applicable)

\_\_\_\_\_  
 Print Name

\_\_\_\_\_  
 Signature Date Title (if applicable)

\_\_\_\_\_  
 Print Name

**Part II Declaration of Representative**

**Caution:** Students with a special order to represent taxpayers in Qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program, see the separate instructions for Part II.

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:
  - a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
  - b Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
  - c Enrolled Agent—enrolled as an agent under the requirements of Treasury Department Circular No. 230.
  - d Officer—a bona fide officer of the taxpayer's organization.
  - e Full-Time Employee—a full-time employee of the taxpayer.
  - f Family Member—a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
  - g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d)(1) of Treasury Department Circular No. 230).
  - h Unenrolled Return Preparer—an unenrolled return preparer under section 10.7(c)(1)(viii) of Treasury Department Circular No. 230.

▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED.

Designation—Insert above letter (a-h)	Jurisdiction (state) or Enrollment Card No.	Signature	Date
a	Illinois	<i>Per Coaklet</i>	8-29-03

**Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code**

(Rev. September 1998)

Department of the Treasury  
Internal Revenue Service

(See instructions on reverse side.)

To be used with  
**Form 1023. Submit  
in duplicate.**

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period,

United Way of Metropolitan Chicago  
*(Exact legal name of organization as shown in organizing document)*

560 W. Lake Street, Chicago, IL 60661  
*(Number, street, city or town, state, and ZIP code)*

and the

District Director of  
Internal Revenue, or  
Assistant  
Commissioner  
(Employee Plans and  
Exempt Organizations)

consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year 6/30/2003  
*(Month, day, and year)*

Name of organization (as shown in organizing document)	Date
<u>United Way of Metropolitan Chicago</u>	<u>8/25/2003</u>
Officer or trustee having authority to sign	Type or print name and title
Signature ▶ <u><i>Paula Coakley / for work Att. Way</i></u>	<u><i>Paula Coakley / PWA JAH</i></u>
<b>For IRS use only</b>	
District Director or Assistant Commissioner (Employee Plans and Exempt Organizations)	Date

By ▶

# Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)

▶ See separate instructions for each line. ▶ Keep a copy for your records.

EIN

OMB No. 1545-0003

Type or print clearly.

**1** Legal name of entity (or individual) for whom the EIN is being requested  
**United Way of Metropolitan Chicago**

**2** Trade name of business (if different from name on line 1) **3** Executor, trustee, "care of" name

**4a** Mailing address (room, apt., suite no. and street, or P.O. box) **5a** Street address (if different) (Do not enter a P.O. box.)  
**560 W. Lake Street**

**4b** City, state, and ZIP code **5b** City, state, and ZIP code  
**Chicago, IL 60661**

**6** County and state where principal business is located  
**Cook County, Illinois**

**7a** Name of principal officer, general partner, grantor, owner, or trustor **7b** SSN, ITIN, or EIN

**8a** Type of entity (check only one box)

Sole proprietor (SSN) \_\_\_\_\_

Partnership

Corporation (enter form number to be filed) ▶ \_\_\_\_\_

Personal service corp.

Church or church-controlled organization

Other nonprofit organization (specify) ▶ \_\_\_\_\_

Other (specify) ▶ **new not-for-profit corporation**

Estate (SSN of decedent) \_\_\_\_\_

Plan administrator (SSN) \_\_\_\_\_

Trust (SSN of grantor) \_\_\_\_\_

National Guard  State/local government

Farmers' cooperative  Federal government/military

REMIC  Indian tribal governments/enterprises

Group Exemption Number (GEN) ▶ \_\_\_\_\_

**8b** If a corporation, name the state or foreign country (if applicable) where incorporated

State: **Illinois** Foreign country: \_\_\_\_\_

**9** Reason for applying (check only one box)

Started new business (specify type) ▶ \_\_\_\_\_

Banking purpose (specify purpose) ▶ \_\_\_\_\_

Changed type of organization (specify new type) ▶ \_\_\_\_\_

Purchased going business

Hired employees (Check the box and see line 12.)

Compliance with IRS withholding regulations

Created a trust (specify type) ▶ \_\_\_\_\_

Created a pension plan (specify type) ▶ \_\_\_\_\_

Other (specify) ▶ **new not-for-profit corporation**

**10** Date business started or acquired (month, day, year) **11** Closing month of accounting year

**6/16/2003** **June**

**12** First date wages or annuities were paid or will be paid (month, day, year). Note: If applicant is a withholding agent, enter date income will first be paid to nonresident alien. (month, day, year) . . . . . ▶ **N/A**

**13** Highest number of employees expected in the next 12 months. Note: If the applicant does not expect to have any employees during the period, enter "-0-." . . . . . ▶

Agricultural	Household	Other
0	0	0

**14** Check one box that best describes the principal activity of your business.

Construction  Rental & leasing  Transportation & warehousing  Accommodation & food service  Wholesale-agent/broker

Real estate  Manufacturing  Finance & insurance  Other (specify)

Health care & social assistance  Wholesale-other  Retail

**15** Indicate principal line of merchandise sold; specific construction work done; products produced; or services provided.  
**N/A**

**16a** Has the applicant ever applied for an employer identification number for this or any other business? . . . . .  Yes  No  
Note: If "Yes," please complete lines 16b and 16c.

**16b** If you checked "Yes" on line 16a, give applicant's legal name and trade name shown on prior application if different from line 1 or 2 above.  
Legal name ▶ \_\_\_\_\_ Trade name ▶ \_\_\_\_\_

**16c** Approximate date when, and city and state where, the application was filed. Enter previous employer identification number if known.  
Approximate date when filed (mo., day, year) City and state where filed Previous EIN

Complete this section only if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.

**Third Party Designee**

Designee's name \_\_\_\_\_ Designee's telephone number (include area code) \_\_\_\_\_

Address and ZIP code \_\_\_\_\_ Designee's fax number (include area code) \_\_\_\_\_

Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.

Name and title (type or print clearly) ▶ \_\_\_\_\_

Signature ▶ *Robert C. Berolletti* Date ▶ **8/28/03**

Applicant's telephone number (include area code) \_\_\_\_\_

Applicant's fax number (include area code) \_\_\_\_\_



Article 6.

NAMES & ADDRESSES OF INCORPORATORS

The undersigned incorporator(s) hereby declare(s), under penalties of perjury, that the statements made in the foregoing Articles of Incorporation are true.

Dated June 3 (Month & Day), 2003 (Year)

SIGNATURES AND NAMES

POST OFFICE ADDRESS

- 1. Elmer W. Johnson  
Signature  
Elmer W. Johnson  
Name (please print)
- 2. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Name (please print)
- 3. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Name (please print)
- 4. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Name (please print)
- 5. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Name (please print)

- 1. One IBM Plaza  
Street  
Chicago IL 60611  
City/Town State ZIP
- 2. \_\_\_\_\_  
Street  
\_\_\_\_\_  
City/Town State ZIP
- 3. \_\_\_\_\_  
Street  
\_\_\_\_\_  
City/Town State ZIP
- 4. \_\_\_\_\_  
Street  
\_\_\_\_\_  
City/Town State ZIP
- 5. \_\_\_\_\_  
Street  
\_\_\_\_\_  
City/Town State ZIP

(Signatures must be in **BLACK INK** on original document. Carbon copied, photocopied or rubber stamped signatures may only be used on the duplicate copy.)

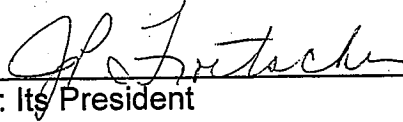
- If a corporation acts as incorporator, the name of the corporation and the state of incorporation shall be shown and the execution shall be by a duly authorized corporate officer.
- The registered agent cannot be the corporation itself.
- The registered agent may be an individual, resident in this State, or a domestic or foreign corporation, authorized to act as a registered agent.
- The registered office may be, but need not be, the same as its principal office.
- A corporation which is to function as a club, as defined in Section 1-3.24 of the "Liquor Control Act" of 1934, must insert in its purpose clause a statement that it will comply with the State and local laws and ordinances relating to alcoholic liquors.

FOR INSERTS - USE WHITE PAPER - SIZE 8 1/2 x 11

BYLAWS CERTIFICATION

UNITED WAY OF METROPOLITAN CHICAGO

THE UNDERSIGNED hereby confirms that attached hereto is a true and correct copy of the Bylaws of the United Way of Metropolitan Chicago, as of the date hereof.



By: Its President

Date: 8/28/03

**EXHIBIT C  
TO AGREEMENT AND PLAN OF CONSOLIDATION**

**BYLAWS  
OF  
UNITED WAY OF METROPOLITAN CHICAGO  
(Incorporated Not-for-Profit)**

**ARTICLE I**

Purposes

The purposes of the Corporation are as stated in its certificate of incorporation.

The Corporation also has such powers as are now or may hereafter be granted by the General Not-for-Profit Corporation Act of the State of Illinois.

**ARTICLE II**

Offices

The Corporation shall have and continuously maintain in this state a registered office and a registered agent whose office is identical with such registered office and may have other offices within or without the State of Illinois as the Board of Directors (hereinafter "Board") may determine.

**ARTICLE III**

Members

**Section 3-1 Members**

Members of the Corporation shall consist of United Ways, and organizations of similar purposes and functions, which through certification by United Way of America formally participate in the United Way system for metropolitan Chicago.

**Section 3-2 Election of Members**

The initial members will consist of (a) those entities that are members of United Way of Suburban Chicago (UWSC) and are certified by United Way of America as of the close of business on December 31, 2003; and (b) the Chicago Committee, which shall be composed of such persons as are designated on or before December 31, 2003, by the Board of Directors of United Way in Chicago (UWC). The manner of selecting the successors to the original members of the Chicago Committee and other matters relating to the organization and governance of such Committee will be as determined by UWC prior to January 1, 2004. New members may be elected by the Board of Directors, subject to the approval of members casting a majority of the votes voted at a meeting of members. During the period after the annual meeting of the Corporation until 30 days prior to the next annual meeting, the Board at a regular Board meeting, a quorum being present may, by two-thirds vote, grant conditional membership. This shall permit the conditional member to participate in the United Way metropolitan campaign and distribution of funds. In the event such

conditional member is not elected to regular membership at the next annual meeting, it shall be separated from the Corporation except as to the distribution of funds raised in any such campaign conducted during the conditional membership.

### **Section 3-3 Voting Rights**

On any matter submitted to a vote of members, the Chicago Committee will be entitled to 45 votes. Each of the other members will be entitled to a fractional vote whose nominator is 55 and whose denominator is the total number of such other members at the time of the vote. Each member shall designate a person to represent such member at any meeting of the members and to cast the vote of such member at any meeting of the members and all actions hereinafter provided to be taken by members shall be taken by such designated representatives. Each member may also designate an alternate to act in the absence of such designated representative. Such designations and any changes thereto shall be made in writing and filed at the principal office of the Corporation. The designated person shall continue to act until the receipt by the Corporation of a change in such designation.

Any member may designate a representative to represent such member at any specific meeting of the members by delivering to the Secretary prior to or at such meeting a written designation stating the name of such representative.

### **Section 3-4 Termination of Membership**

The members, by the affirmative vote of a majority of the Board and approved by the affirmative vote of members casting a majority of the votes at a meeting, a quorum being present, may suspend or expel a member for cause after an appropriate hearing. Such suspension or expulsion shall be according to policies and procedures adopted by the Board. Any member whose certification by United Way of America expires and/or is not renewed shall thereupon cease to be a member of the Corporation.

### **Section 3-5 Resignation**

Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member of the obligation to pay any assessment or other charges accrued and unpaid. Such resignations shall be according to policies and procedures as adopted by the Board.

### **Section 3-6 Transfer of Membership**

Membership in the Corporation is not transferable or assignable.

## **ARTICLE IV**

### **Meetings of Members**

#### **Section 4-1 Annual Meeting**

The annual meeting of the members shall be held on the second Tuesday of November unless by resolution of the Board of Directors, another date is chosen, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the election of

Directors shall not be held on the day designated herein for any annual meeting, or any adjournment thereof, the Board shall cause the election to be held at a special meeting of the members called as soon thereafter as possible.

#### **Section 4-2 Special Meetings**

Special meetings of the members may be called either by the Chair or the Board, and shall be called by the Secretary upon the written request of not less than a majority of the members in voting power.

#### **Section 4-3 Place and Notice of Meeting**

Written or printed notice stating the place, day and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than five nor more than sixty days before the date of the meeting unless otherwise provided by law.

#### **Section 4-4 Quorum**

Members of the United Ways representing a majority of the voting power of the membership shall be a quorum for the transaction of business. If a quorum is not present at a meeting of the members, the representatives of members holding a majority of the votes represented at the meeting may adjourn the meeting and the Secretary shall give notice to the absent members of the time and place of the adjourned meeting.

#### **Section 4-5 Proxies**

No member or designated representative shall have any right to vote by proxy.

### **ARTICLE V**

#### **Board of Directors**

**Section 5-1 General Powers** The affairs of the Corporation shall be managed by its Board or under the Board's direction.

#### **Section 5-2 Number, Tenure and Qualifications**

A. The number of Directors of the Corporation shall be twenty-five (including the chairman and the president). The initial members of the Board, and their terms of office, are as shown in Appendix A to the Agreement and Plan of Consolidation dated June , 2003 between UWC, UWSC, and the Corporation. The initial directors shall be divided into three classes of eight each, each class having staggered terms of one to three years or until their respective successors are elected. At all times, at least two members of the Board must reside in each of the five suburban zones shown in Exhibit A to these bylaws or such fewer number of zones as may be fixed by UWSC prior to January 1, 2004, and at least nine members of the Board shall reside in or maintain their places of business in Chicago. Six of the initial suburban zone representatives must have served on a suburban United Way board within the past five years.

B. Prior to the first and each succeeding annual meeting of members, the Board of Directors shall appoint a nominating committee of nine members, of whom five will be persons who reside in or maintain their places of business in one of the five suburban zones shown in Exhibit A to these bylaws, or such fewer number of zones as may be fixed by UWSC prior to January 1, 2004, so that all suburban zones are thus represented, and four will be persons who reside in or maintain their places of business in Chicago. The nominating committee, prior to each annual meeting, will propose eight nominees for terms of three years each or until their successors are elected. The nominating committee will in each year invite suggestions for nominees from the members, as well as from the various standing and advisory committees of the Corporation. Each year the nominating committee will nominate at least one nominee who resides or maintains his or her place of business in each of the five suburban geographic zones, or such fewer number of zones as is fixed by UWSC prior to January 1, 2004, so that all suburban zones are thus represented, and three of the nominees shall be persons who reside in or maintain their places of business in the City of Chicago. In addition, the nominating committee in all years will take account of the need for representation on the Board of leading volunteers in the United Way system for metropolitan Chicago.

C. If the Board of Directors approves the slate of nominees as presented to it by the nominating committee, the slate will be voted on by members at their annual meeting. Each member, having the voting power described above, will vote Yes or No on the election of the slate. The slate will be elected if a majority of the votes cast are Yes votes.

D. Except for the President, who shall at all times be a director, no person who is a paid employee of the Corporation or any of its members, or of any agency receiving funds from any of the above organizations may be a Director of the Corporation.

E. No Director shall be eligible for election to the Board after having served three (3) full consecutive terms of three (3) years each, except that if the term of office of the Chair shall extend beyond such time, the Chair, during his or her term of office, automatically shall be a Director-at-large for an additional term of not to exceed three (3) years.

### **Section 5-3 Regular Meetings**

The annual meeting of the Board shall be held within sixty (60) days prior to the annual meeting of members. The Board shall also provide by resolution the time and place for the holding of at least three additional regular meetings of the Board before the next annual meeting.

### **Section 5-4 Special Meetings**

Special meetings of the Board may be called by the Chair or upon the written request of any ten Directors.

### **Section 5-5 Notice of Meetings**

Notice of any meeting shall be delivered by or at the direction of the Secretary to each Director addressed to an address as shown on the records of the Corporation, at least three days before the day on which the meeting is to be held.

Notice may be waived by a Director, either before or after the meeting. Attendance at any meeting, except for the express purpose of objecting to the transaction of business at the meeting because it is

unlawfully called or convened, shall constitute a waiver of required notice. Neither the business to be transacted at, nor the purpose of, any meeting of the Board need be specified in the notice or waiver of notice of such meeting.

### **Section 5-6 Quorum**

A majority of the persons constituting the Board shall be a quorum for the transaction of business; provided, however, that if less than a majority of the Directors is present, a majority of the Directors present may adjourn the meeting and the Secretary shall give notice to the absent Directors of the time and place of the adjourned meeting. 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, except where otherwise provided by law or by these bylaws. No voting by proxy shall be allowed.

### **Section 5-7 Telephonic Voting**

Any one or more members of the Board or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Such participation may occur if. (a) the Chair of the Board or of the particular committee notifies the Board or committee members at least three days in advance electronically or in writing that the meeting will be conducted by telephonic means, or (b) the Chair of the Board or of the particular committee receives a request for participation by telephonic means from any Board or committee member who otherwise would be absent. In either instance of (a) or (b) above, the participation shall be subject to the sole discretion of the Chair of the Board or of the particular committee. Participation by such means shall constitute presence in person at the meeting.

### **Section 5-8 Resignations**

Any Director may resign at any time by giving a written notice to the Chair or Secretary of the Corporation. Three consecutive unexcused absences from meetings of the Board shall constitute a resignation from the Board. Five consecutive absences from meetings of the Board, whether excused or unexcused, shall constitute a resignation from the Board.

### **Section 5-9 Vacancies**

Any vacancy occurring in the Board shall be filled by the Board until the next annual meeting of the members, at which time the members shall elect a Director to fill such vacancy for the unexpired term.

## **ARTICLE VI**

### **Officers**

#### **Section 6-1 Officers.**

The officers of the corporation shall be a Chairperson, two (2) or more Vice Chairpersons, a President and Chief Executive Officer, one or more Vice Presidents, a Treasurer, a Secretary and such other officers as may be elected in accordance with the provisions of this Article. Of the named officers, only the President

and Chief Executive Officer and the Vice Presidents shall be compensated, and such compensation shall be reasonable, and the remaining named officers shall be volunteers. Any two or more offices may be held by the same person. except that the Chairperson and the President and Chief Executive Officer may hold no other office.

#### **Section 6-2 Election and Terms of Office.**

The officers of the corporation, except as otherwise provided by this Article, shall be elected annually by the Board of Directors at the regular Annual Meeting of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified.

#### **Section 6-3 Vacancies.**

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

#### **Section 6-4 Chairperson.**

The Chairperson shall have general oversight of the affairs of the corporation; shall preside at all meetings of the Board of Directors; shall be an ex officio member of all committees; and shall, by and with the consent and approval of the Board of Directors, have power to appoint any committee not otherwise provided for herein.

#### **Section 6-5 Vice Chairperson.**

In the absence of the Chairperson or in the event of his or her inability or refusal to act, a Vice Chairperson (in designated order as determined by the Board) shall perform the duties of the Chairperson. When so acting, a Vice Chairperson shall have all the powers of, and be subject to, all the restrictions upon the Chairperson. The Vice Chairpersons shall perform such other duties as may be assigned to them from time to time by the Board of Directors.

#### **Section 6.6 President and Chief Executive Officer.**

The President and Chief Executive Officer shall serve as the chief executive officer of the corporation and shall manage the business and affairs of the corporation subject to the policies and direction of the Board and the Chairperson of the Board and shall have all powers and perform all duties incident to the office of the Chief Executive Officer. The President and Chief Executive Officer shall be elected by, and serve at the pleasure of, the Board and shall be accountable to the Board and the Chairperson of the Board.

#### **Section 6-7 Vice Presidents.**

The Board shall elect one or more Vice Presidents. In the absence of the President and Chief Executive Officer, or in the event of his or her inability or refusal to act, the Vice Presidents, in an order designated or approved by the Chairperson of the Board, shall perform the duties of the President and Chief Executive Officer. One Vice President, who will be designated by the President and Chief Executive Officer, will be primarily responsible for Council activities.

**Section 6-8 Secretary.**

Minutes of the meeting of the Board of Directors of the corporation shall be kept by or under the supervision of the Secretary. The Secretary shall also perform such other duties as may be prescribed from time to time by the Board of Directors.

**Section 6-9 Treasurer.**

Duties of the chief financial officer of this corporation shall be performed by or under the supervision of the Treasurer. The Treasurer shall also perform such other duties as may be prescribed from time to time by the Board of Directors.

**ARTICLE VII**

**Chicago Council**

**Section 7-1 Creation of Council.**

The Chicago Council of UWC shall continue in operation as the Chicago Council ("Council") of the Corporation. The Council shall oversee allocation and other programs benefitting human service agencies serving residents of Chicago. Subsequent appointees to the Council shall be selected by the Board so as to maintain the diversity required to adequately represent Chicago interests.

**Section 7-2 Responsibilities.**

It shall be the responsibility of the Council to:

- A. Make recommendations as to the ultimate size of the Council and new and/or replacement Council members.
- B. Determine the time, place, notice and quorum requirements and all other procedures for both regular and special Council meetings and for any other areas of responsibility designated to the Council.
- C. Serve as the committee in which all Chicago Agency requests are reviewed and allocation recommendations made.
- D. Serve as the committee in which all applications for Chicago member agency status are reviewed and through which membership recommendations to the Board are made.
- E. Serve as the oversight committee for all Chicago funded agencies to insure compliance with United Way policies and guidelines and to make recommendations to the Board regarding the sanctioning and/or removal of member agencies serving Chicago. The Board shall not act on any matter related to Chicago agency oversight without having first sought a recommendation thereon from the council.
- F. Prepare in cooperation with the Finance Committee, an annual operating plan for the Council.
- G. Conduct such other activities as may be assigned to the Council by the Board.

The Board has ultimate responsibility for all matters related to the Council and its areas of designated responsibility, and the Board may request the Council to prepare a specific recommendation on any issue related to the Council's areas of designated responsibility.

### **Section 7-3 Board Approvals.**

All recommendations, operations and actions of the Council shall be subject to the direction and approval of the Board of Directors. Council allocation recommendations shall be considered by the Board at the first meeting, whether regular or special, to occur after referral of such recommendations. A Council allocation recommendation shall be effective and become operational according to its terms, except to the extent, if any, altered or amended by the Board of Directors, as of the adjournment of the Board meeting at which the recommendation is approved by the Board.

## **ARTICLE VIII**

### **Committees**

#### **Section 8-1 Executive Committee.**

The Executive Committee shall consist of not less than five (5) members. The Chairperson and such other Directors as approved by the Board of Directors shall be members of the Executive Committee. All members of the Executive Committee must be members of the Board of Directors. The Executive Committee shall exercise the powers of the Board of Directors between Board meetings in dealing with activities of the corporation, to the extent permitted by law. All such actions by the Executive Committee must be reported to the Board of Directors at the next meeting of the Board following such Executive Committee action. A quorum shall be a majority of the Committee's membership.

#### **Section 8-2 Standing Committees.**

There shall be the following Standing Committees, each of which, except as otherwise set forth herein, shall be chaired by a member of the Board of Directors and appointed by the Board of Directors at the Annual Meeting thereof to serve for a period of one (1) year or until their successors are appointed. All Standing Committees shall report to the Board of Directors.

A. A Nominating Committee having the membership and duties provided above.

B. A Finance Committee which shall be responsible for (1) recommending banking, investment or other financial services policies, (2) monitoring risk management policies, (3) monitoring the adequacy of contributions to, and the investment performance of, employee pension benefit plans maintained by the corporation, (4) reviewing compensation policy and personnel issues, (5) reviewing major capital projects, and (6) preparation of the budget for the corporation annually.

C. An Audit Committee which shall be responsible for meeting at least annually with the corporation's independent auditors to determine whether the corporation is maintaining an effective system of accounting, financial controls and reporting, and to report its findings and recommendations to the Board of Directors. The audit committee shall also complete quarterly reviews of officer expense reports.

D. A Chicago Council Committee, which shall deal with revisions to the distribution formula, allocations to metropolitan agencies, metropolitan needs assessment, grant member allocations and potential affiliations, external issues such as a branding strategy, designations strategy, marketing, planning, and community initiatives.

E. An Advisory Committee for each of the suburban zones, and each such committee may from time to time render advice to the Board and to the members located in such Committee's in respect to its zone as to allocation of funds, assessment and prioritization of needs, rationalization of operations, agency services, branding and marketing, budget, campaign, human resources, and member services. These committees are also encouraged to make suggestions to the Nominating Committee each year as to candidates for the Board.

The Board may also appoint one or more additional committees, consisting of two or more directors, with such duties and responsibilities as the Board shall determine. Committee members need not be Board or Council members, except as provided above.

## ARTICLE IX

### Contracts, Loans, Checks and Deposits

#### Section 9-1 Contracts

The Board may authorize any Officer or Officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

#### Section 9-2 Loans

No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

#### Section 9-3 Checks, Drafts, Etc.

All checks, drafts or other offers for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as shall be determined by resolution of the Board.

#### Section 9-4 Deposits

All funds of the Corporation not otherwise designated shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board may approve.

## ARTICLE X

### Compensation, Conflicts of Interest and Code of Ethics

Except as may be specifically provided by resolution of the Board or as otherwise provided in these bylaws, no Director or Officer shall receive any salary, fee, payment, honorarium or other

compensation or thing of value of any kind from the Corporation or other party as a result of such Director's or Officer's position or affiliation with the Corporation. However, they may be reimbursed for expenses reasonably incurred on behalf of the Corporation.

Each Director and Officer shall annually disclose to the Corporation in writing any personal interest which such Director or Officer may have in any matter pending before the Board or the Executive Committee or in which the Corporation may have an interest and shall refrain from participating in any decision in such matter.

## ARTICLE XI

### Indemnification of Directors, Officers, Employees and Agents

#### Section 11-1

The corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the fight of the corporation) by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or who is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. against expenses (including reasonable attorneys' fees and costs), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner the person reasonably believed to be in, or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or 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 person did not act in good faith and in a manner in which he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, has reasonable cause to believe that the person's conduct was unlawful.

#### Section 11-2

The corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. against expenses (including reasonable attorneys' fees and costs) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit, if the person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to the best interests of the corporation, and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the corporation. unless, and only to the extent that, the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability. but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expense as the court shall deem proper.

### **Section 11-3**

To the extent that a director, officer, employee or agent of the corporation has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding, referred to in Section 1 or Section 2 of this Article XI or in defense of any claim, issue or matter herein, that person shall be indemnified against expenses (including reasonable attorneys' fees and costs) actually and reasonably incurred by him or her in connection therewith.

### **Section 11-4**

Any indemnification under Section 1 or Section 2 of this Article XI (unless ordered by a court) shall be made by the corporation only as authorized in the specific case, upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Section 1 or Section 2 of this Article XI. Such determination shall be made (i) by the Board of Directors by a majority vote of a quorum consisting of voting directors who were not parties to such action, suit or proceeding, or (ii) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

### **Section 11-5**

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that the person is entitled to be indemnified as authorized in this Article XI.

### **Section 11-6**

The indemnification provided by this Article XI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of disinterested voting directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

### **Section 11-7**

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 who is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against that person and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify that person against such liability under the provisions of this Article XI

## **ARTICLE XII**

### **Fiscal Year**

The fiscal year of the Corporation shall be determined by the Board.

## ARTICLE XIV

### Amendment to Bylaws

These bylaws may be altered, amended or repealed and new bylaws may be adopted by the Board by the vote of a majority of those voting at the meeting, subject to approval by members representing a majority of the votes cast at their meeting. At least fifteen days written notice of such meeting shall set forth or be accompanied by, the proposed alteration, amendment, or new bylaws, as the case may be.