

BYLAWS

(Revised – 05/07/2019)

The name of this organization shall be:

EAST TENNESSEE STATE UNIVERSITY FOUNDATION, INC.

ARTICLE I

PURPOSE

The Foundation is organized exclusively for charitable, educational purposes and is empowered to encourage, solicit, receive, manage, administer, control, invest, and distribute contributions, gifts, grants, bequests, and transfers of funds or property of any nature, and carry out the wishes of donors and see that property so received is applied to the uses specified by the donors within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986.

The Foundation shall be affiliated with, but operated separately from East Tennessee State University.

ARTICLE II

BOARD OF DIRECTORS

- A. **Governance.** The Board of Directors of the Foundation shall govern the business and affairs of the Foundation and may exercise all of the powers granted under the Articles of Incorporation, as amended. The **Board of Directors** shall consist of not less than 15 and no more than 21 voting members including the Executive Committee. They shall be nominated by the Nominating Committee.
- B. **Qualifications for Board Membership.** All individuals nominated to serve on the Board of Directors must be held in high regard in their communities, have evidenced a continuing interest in the University, and must be willing to contribute both financially and through service hours by attending scheduled meetings and serving on committees as assigned. The minimum financial commitment is \$1,000 per year to ETSU, with such gift(s) being designated by the donor.
- C. **Terms of Office.** Board of Director Candidates will be nominated by the Nominating Committee and approved by the Board of Directors. Once elected, they will be expected to be both active and philanthropic as outlined in B above. Those elected to the Board will serve a 3-year term. Upon completion of their 3-year term, a Board member **may** be

nominated for a second 3-year term. Upon serving a second 3-year term, they will be ineligible to serve for a minimum period of one year.

- a. Officers of the Board of Directors will be nominated by the Nominating Committee and elected by the full Board. The terms of office for the Chairman of the Board, Vice Chairman of the Board, and Secretary shall be two years. If nominated and elected by the Board, those officers MAY serve a second 2-year term in that same office. After an officer completes his/her term of office, they will be eligible to remain on the Board for one additional 3-year term only. The Office of the Treasurer shall be a minimum 2-year term and MAY be re-elected to serve as many additional terms as nominated and elected by the Board. Note: The President/CEO and the Chief Financial Officer are not elected by the Board of Directors and are not subject to term limits.

D. **Termination.** By an affirmative vote of two-thirds of all the members of the Board of Directors, a Board Member or Officer may be suspended or expelled for cause after an appropriate hearing.

ARTICLE III

POWERS AND DUTIES OF OFFICERS

- A. **Chairman of the Board.** The Chairman shall preside at all meetings of the Board of Directors, and shall do and perform other duties as from time-to-time may be assigned by the Board of Directors; which includes signing contracts and other documents on behalf of the Foundation.
- B. **Vice Chairman of the Board.** The Vice Chairman shall preside at all meetings of the Board of Directors in the absence of the Chairman of the Board. The Vice Chairman of the Board shall do and perform such other duties as from time-to-time may be assigned by the Board of Directors or the Chairman of the Board. In the event of incapacity of the Chairman of the Board, the Vice Chairman of the Board shall do and perform all duties which might and should be performed by the Chairman of the Board.
- C. **Secretary.** The Secretary shall keep the minutes of all meetings of the Board of Directors. The Secretary shall attend to the giving and serving of all notices required by the Bylaws of this Foundation. The Secretary may sign with the Chairman of the Board, in the name of the Foundation, all contracts authorized by the Board of Directors, and when so ordered

by the Board of Directors. The Secretary shall have charge of all such books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to the examination of any Director, and shall in general, perform all the duties incident to the office of Secretary, subject to the control of the Board of Directors.

- D. **Treasurer.** The Treasurer shall in general, perform duties incident to the office of the Treasurer and not otherwise tasked to the Foundation Chief Financial Officer, subject to the wishes and control of the Board of Directors. These duties shall include rendering to the Board of Directors an account and statement of all Foundation transactions at each meeting of said Board and at such other times as said Board may determine.
- E. **President/CEO of the Foundation.** The President of the University shall screen applicants for the position of President of the Foundation and recommend to the Foundation Board of Directors his or her preferred selection for the position. The Board of Directors of the Foundation shall then vote on the selected candidate. The President of the Foundation shall be generally responsible for carrying out the plans, purposes, and objectives of the Board of Directors, developing programs and executing those duly approved. This person shall also hold the position of Vice President for Advancement for the University and report to the President of the University.
- F. **Foundation Chief Financial Officer.** The University Chief Financial Officer or designee shall act as Foundation Chief Financial Officer. The CFO shall receive and keep the funds of the Foundation and pay out the same only by direction of the Board of Directors. The CFO shall deposit all moneys, checks, and other credits to the account of the Foundation in such bank or banks or other depository as the Board of Directors may designate. The CFO shall sign all receipts and vouchers for payments made to and all vouchers and checks made by the Foundation, jointly with such other officer or member of the Board as may be designated by the Board of Directors. The CFO shall enter regularly in the books of the Foundation to be provided for that purpose a full and accurate account of all moneys received and paid out on account of the Foundation. The CFO shall at all reasonable times exhibit the books and accounts to any director of the Foundation. The CFO shall be responsible for the financial relationship between the Foundation and the University including, but not restricted to inter-fund transfers, state audits, other internal and external financial audits and reports, and internal transfers. The CFO shall carry out those

additional duties and assignments from the Treasurer and other officers of the Foundation, subject to the wishes and control of the Board of Directors. The CFO shall execute and deliver to the Foundation a bond in such sum and with such surety or sureties as may be required by the Board of Directors for the faithful discharge of duties.

ARTICLE IV
COMMITTEES

- A. **Nominating Committee.** The Nominating Committee will be appointed by the Chairman of the Board and elected by the Board of Directors (minimum of 3). The slate of nominees for Officers/Members of the Board of Directors will be presented by the Nominating Committee to the Board of Directors for vote. Nominees for the Investment Committee will be chosen in consultation with the Chairman of the Investment Committee and be presented to the Board of Directors for vote. Nominee for Audit Committee Chairman and nominees for the Audit Committee members shall be presented to the Board of Directors for vote.
- B. **The Executive Committee** of the Board of Directors consists of:
- a. Chairman of the Board of Directors – Board Member
 - b. Vice Chairman (Chairman-elect) – Board Member
 - c. Immediate Past Chairman – Board Member
 - d. Secretary – Board Member
 - e. Treasurer – Board Member
 - f. President/CEO of the Foundation – Board Member
 - g. Chairman of the Investment Committee – Board Member
 - h. Chief Financial Officer (non-voting)
 - i. President of the University (non-voting)

The Executive Committee will meet as needed and will make a report of said meeting at the next scheduled Board of Director's meeting. The Executive Committee shall have and may exercise all powers and authorities of the Board of Directors when said Board is not in session, subject only to such restrictions or limitations as the Board of Directors may, from time to time, specify, provided the Executive Committee shall have no authority to alter, amend, or repeal the Foundation Charter or Bylaws, or to appoint Directors. No

revision or alteration by the Board of Directors or action taken by the Executive Committee shall affect the rights of third parties.

- C. **Investment Committee.** The Investment Committee oversees the financial investments of the Foundation, taking recommendations from, and making recommendations to the retained investment firm. All investment reports produced by the investment firm will be shared with members of the Board of Directors. The Investment Committee will meet separately from the Board of Directors and will make committee reports to the Executive Committee on a regular basis. The Committee Chair should have the requisite investment background to discharge the duties of the Committee. The Committee members should have an adequate background and education to allow a reasonable understanding of the information presented in the investment reports.
- D. **Audit Committee.** An Audit Committee shall be appointed by the Board of Directors and serve for three-year terms with the ability to be reappointed at the will of the Board of Directors. The Committee shall be a standing committee of the Foundation and shall be comprised of at least three individuals with the Chair of the Committee and the majority of same being comprised of Elected Directors of the Foundation Board. The Committee shall review the financial records of the Foundation to determine that the Foundation is adequately capitalized for any activities undertaken in the name of, for the benefit of, or in conjunction with East Tennessee State University. The Committee Chair should have the requisite accounting/business management background to discharge the duties of the Committee. The Committee members should have an adequate background and education to allow a reasonable understanding of the information presented in the financial reports.
- E. **Absences.** In the event of absence, inability, or refusal to act of any other officer of this Foundation, the Board of Directors may appoint any person for their respective duties.

ARTICLE V

ORDER OF BUSINESS

- A. **Board of Directors.** The Board of Directors will meet quarterly at such places as the Chairman of the Board may designate.
- B. **Order of Business.** The Order of Business at all Board of Directors meetings shall follow Roberts Rules of Order.

- C. **Actions of the Board.** The Board shall act by resolution, and resolutions of the Board must be approved by the affirmative vote of a majority of said Directors present and voting.
- D. **Special Meetings.** Special (“called”) meetings of the Board of Directors may be held at any time on the call of the Chairman of the Board or may be called by the Secretary upon the written request of five Directors. The notice for any called meeting should briefly indicate items on the agenda.
- E. **Notice.** Notice of meetings shall be communicated by the Secretary electronically, by mail, or by phone not less than five days before the scheduled meeting date.
- F. **Quorum.** A quorum requires a majority of the Board of Directors.
- G. **Minutes.** The Secretary of the Foundation will take and keep the minutes of all meetings or may appoint another person to act as Secretary in the keeping of the minutes of all meetings.

ARTICLE VI

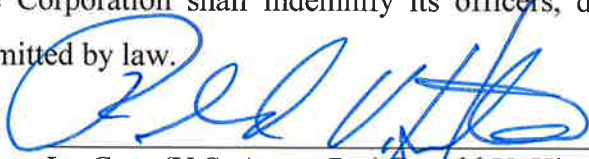
AMENDMENTS

- A. **Bylaws.** Bylaws may be amended or repealed at any meeting of the Board of Directors at which there is a quorum present. An amendment must be approved by the affirmative vote of a majority of said Directors present and voting.
- B. **Articles of Incorporation.** Articles of Incorporation may be amended at any meeting of the Board of Directors by resolution approved by the affirmative vote of a majority of said Board, present and voting at a meeting at which there is a quorum present and filed with and approved by the Secretary of State by law.

ARTICLE VII

INDEMNIFICATION

The Corporation shall indemnify its officers, directors, employees, and agents to the extent permitted by law.

By: 

 Lt. Gen. (U.S. Army, Ret) Ronald V. Hite, Chairman

6/14/19

 Date

By: 

 Pamela S. Ritter, President/CEO

June 7, 2019

 Date