BY-LAWS OF THE
NORTH DAKOTA UNIVERSITY SYSTEM FOUNDATION

ARTICLE I: definitions

As used in these By-laws, the word “Foundation” shall mean the North Dakota University System Foundation; the word “Trustee” shall mean a Trustee of the North Dakota University System Foundation; the word “Board” shall mean the Board of Trustees of the North Dakota University System Foundation.

ARTICLE II: LOCATION OF OFFICE

The office of the Foundation shall be located in any place within the State of North Dakota where the Board may in its discretion direct.

ARTICLE III: PURPOSE

This Foundation is formed for exclusively charitable, scientific, and educational purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code and including, but not limited to, the support, enrichment, advancement, and improvement of higher education in the State of North Dakota, the assistance of students, faculty, employees and officers in public higher education in North Dakota, and support of any of the programs, activities or services of the North Dakota University System.

ARTICLE IV: MEMBERS

The Trustees of the Foundation shall consist of the President (or Chair) and Vice President (or Vice Chair) of the North Dakota State Board of Higher Education and five other Trustees appointed by the State Board of Higher Education. The Chancellor of the North Dakota University System shall serve as an ex-officio, non-voting Trustee. If any appointed Trustee by death, refusal, resignation, removal or disability fails to serve as Trustee, a replacement shall be appointed by the State Board of Higher Education to fill the remainder of the unexpired term so vacated.

ARTICLE V: TRUSTEES

Section 1. Number of Trustees. The authorized number of voting Trustees of this Foundation shall be seven which number may be changed by a By-Law duly adopted by a two-thirds majority of the Board at any regular or special meeting thereof, provided that at no time shall the Foundation have fewer than five voting Trustees.

Section 2. Selection and Terms. The terms of the President (or Chair) and the Vice President (or Vice Chair) of the Foundation shall be concurrent with their terms as President (or Chair) and Vice President (or Vice Chair) of the State Board of Higher Education. The other five Trustees shall be appointed by majority vote of the State Board of Higher Education. The initial term of two of the other five Trustees shall be two years and the initial term of the other three Trustees shall be four years; subsequent terms of these five Trustees shall be four years. Trustees shall serve for the duration of their regular terms and until their successors have been duly appointed and qualified. Trustees may be re-appointed to additional terms.

Section 3. Quorum. The presence of a majority of the voting Trustees (four Trustees) shall constitute a quorum of the Board for the transaction of business at any meeting. The affirmative vote of the majority of those in attendance when a quorum is present shall be sufficient for the transaction of any business by the Board unless the By-Laws specifically provide otherwise. If after a quorum has been declared, the President determines that a quorum is no longer present, the meeting may continue but no substantive business should be conducted. Substantive business includes any action that requires a vote, such as Bylaw, policy or procedure changes, awarding of grants, or any action resulting in a material, essential or lasting outcome.
Section 4. Compensation. The Trustees shall not receive any compensation for their services as such, but may be reimbursed by the Foundation for any authorized expenses incurred by them in performance of their duties as Trustees.

Section 5. Vacancies. If any appointed Trustee, whether by nature of their position on the State Board of Higher Education, or by approval of same, by death, refusal to serve, resignation, removal or disability, fails to serve as Trustee, a replacement shall be appointed by the State Board of Higher Education to fill the remainder of the unexpired term so vacated.

Section 6. Powers and Duties. Subject to the limitations of the Articles of Incorporation and of pertinent statutes of the State of North Dakota, all corporate powers shall be exercised by or under authority of, and the business and affairs of the Foundation shall be controlled by the Board. Without prejudice to such general powers, but subject to the limitations herein set forth, the Board shall have the power:

- First: To elect and remove at pleasure all officers, agents and employees of the Foundation; to prescribe such duties for them as may be desirable and consistent with the laws of the State of North Dakota, the laws of the United States, and the Articles of Incorporation and By-Laws of the Foundation; and to fix the term of their offices and their compensation.
- Second: To appoint committees as may be needed and grant such committees power and authority of the Board as may be appropriate, except any action taken by committees shall be regularly reported to the Board. No committee may adopt, amend, or repeal these By-Laws.
- Third: Generally, to do and perform every act and thing whatsoever that may pertain to the office of a Trustee or to a Board of a charitable Foundation.
- Fourth: The Trustees shall render an accounting for each fiscal year and shall have an audit of its financial statements by a certified public accountant for each fiscal year.
- Fifth: The Trustees may accept by gift, devise, grant, bequest or in any other manner any property, real or personal, which in their opinion will help accomplish the charitable purposes of the Foundation, and may sell, exchange, lease, mortgage, or otherwise encumber any or all property held by it as they deem necessary and prudent. Funds may be commingled for investment or reinvestment by the Trustees or with other property as prescribed by the laws of the Federal Government or the laws of the State of North Dakota, provided, however, that each fund or trust shall be separately reported for in all regular financial reports issued by the Trustees.
- Sixth: The Foundation, its Executive Committee, Advisory Council and any other special committees are subject to open meeting and open records laws of the state of North Dakota.

**ARTICLE VI: MEETING OF TRUSTEES**

Section 1. Place of Meetings. Notwithstanding anything to the contrary herein, any meeting (regular, special, or adjourned) of the Board may be held any place within or without the State of North Dakota, which has heretofore been designated for that purpose by resolution of the Board or by consent of the Trustees. Meetings may also be held by conference telephone call.

Section 2. Regular Meetings. Subject to the following section, regular meetings of the Board, of which notice shall be given at least five days prior to the date thereof, shall be held at any such location as may be designated. Regular meetings will be held annually on a date set by the Board.

Section 3. Special Meetings. Special meetings of the Board may be called at any time by order of the President of the Board or by three or more of the Trustees.

Section 4. Notice of Meeting. A member of the Board waives objection to notice of meeting upon attendance at the meeting.

ARTICLE VII: EXECUTIVE COMMITTEE

There shall be an Executive Committee consisting of the President, the Vice President and one other Trustee appointed by the President. The Executive Committee shall have and exercise all of the authority of the Board in the operation and management of the Foundation in intervals between meetings of the Board. The authority of the Executive Committee shall nevertheless be subject to such limitations as the Board may prescribe.

The Executive Committee shall be required to keep a record of any and all action taken by it, and report all such action to the Board.

ARTICLE VIII: ADVISORY COUNCIL

The Board may appoint an advisory council to assist it in carrying out its charitable, scientific and educational purposes. Said council shall be of a size determined by the Board and shall function in a manner described in the council By-laws as established by the Board.

ARTICLE IX: OFFICERS AND DUTIES

Section 1. Election and Appointment of Officers. The officers of the Foundation shall consist of a President, Vice President and a Secretary-Treasurer. The officers shall be chosen from the Trustees except the Secretary-Treasurer is not required to be a Trustee. The President and Vice-President shall be elected by the Board annually for one year terms. The Secretary-Treasurer shall be appointed by the Board.

Section 2. Compensation. Staff members as may be employed may be compensated for their services in amounts determined by the Board except that full-time employees of the North Dakota University System may only be compensated for their expenses.

Section 3. President. The duties of the President of the Board shall be to preside at all meetings of the Board; to authorize the issue and signing of notices of meetings of the Board; to execute all contracts entered into by the Board in accordance with resolutions or orders properly adopted by the Board; and to execute and acknowledge all conveyances authorized by the Board.

Section 4. Vice President. The Vice President shall act in place of the President in the President's absence, or upon the President's disqualification or inability to perform the duties of the office, and shall do and perform all the acts and duties that the President might do if present and acting, upon the above named contingencies.

Section 5. Executive Vice President. The Board shall appoint an Executive Vice President, by majority vote, to serve as chief administrative officer of the Foundation responsible for administration, management, and operation of the Foundation under the direction of the Board. The Executive Vice President is not required to be a Trustee, and is not part of the Executive Committee.

Section 6. Secretary-Treasurer. The Secretary-Treasurer shall, under the supervision and direction of the Board, have custody of and be responsible for the funds, moneys, and accounts of the Foundation and shall keep and maintain the financial records of the Foundation; sign all checks or drafts upon the funds of the Foundation and perform such other acts as are ordinarily performed by a treasurer of a corporation as well as those duties which are ordinarily performed by a secretary of a corporation.
Section 7. Removal. Officers may be removed by majority vote of the Board at any regular or specially scheduled meeting.

Section 8. Vacancies. Vacancies shall be filled in the same manner as officers are elected or appointed.

**ARTICLE X: COMMITTEES**

Committees of the Board may be created by the Board and shall have such membership and duties as established by the Board.

**ARTICLE XI: BOOKS AND RECORDS**

The Board shall provide for a system of books and records designed to give a clear, accurate, full and detailed account of all the properties and dealings of the Foundation. Such records shall be kept on file at all times in the office of the Foundation and shall be open for inspection at all reasonable times by any Trustee or officer.

The Secretary-Treasurer of the Foundation shall be in charge of the books and records. The Secretary-Treasurer shall see that all notices are duly given in accordance with these By-Laws and shall execute and sign such instruments as the Board shall direct and shall certify to the official acts of the Chair, Vice Chair, or President of the Board.

**ARTICLE XII: TITLE TO ASSETS**

The title to the corporate assets shall be taken and held in the name of the North Dakota University System Foundation.

**ARTICLE XIII: FISCAL YEAR**

The fiscal year of the Corporation shall be July 1 through June 30.

IN WITNESS WHEREOF, we have set our respective signatures this 22nd day of September, 2016.

Signatures:

[Signatures]

Trustee

[Signatures]

Trustee

[Signatures]