



Approved 7/15/2016

NEW MEXICO HIGHLANDS UNIVERSITY FOUNDATION, INC. AMENDED BYLAWS

PREAMBLE

The New Mexico Highlands University Foundation, Inc. (known hereafter as the Foundation) is organized exclusively for charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law). The Foundation shall operate exclusively for the benefit of New Mexico Highlands University (known hereafter as Highlands University), through the Board of Regents of Highlands University, an arm of the State of New Mexico, or any organization that may be established to succeed the Board of Regents of Highlands University in the operation of any of the facilities of Highlands University. The Foundation and its records are not subject to the New Mexico Open Meetings Act. The mission of the New Mexico Highlands University Foundation is to provide support to benefit students of the University and the University as a whole through the acquisition, development, and administration of financial and other resources.

ARTICLE I—OFFICE

The principal office of the Foundation shall be co-located with the principal site of Highlands University in Las Vegas, San Miguel County, New Mexico. The Foundation may also have an office co-located at one or more of the learning centers of Highlands University.

ARTICLE II—SEAL

The seal of the Foundation shall be a circle with the words "New Mexico Highlands University Foundation, Inc."

ARTICLE III—GENERAL ORGANIZATION

The Foundation membership shall consist of representatives of the University, the community and alumni to ensure that broad cross-representation of skills and other capabilities will be brought to bear in the carrying out of the objectives of the Foundation. The Foundation shall have the duty and the authority to act and/or direct activities in the furtherance of financial benefit to the University not in conflict with the general principles of charitable foundations.

ARTICLE IV—BOARD OF DIRECTORS

Section 1. General Power

The management of the Foundation and its property is vested in its Board of Directors (The Board). The Board shall have full power, except as prohibited by the terms of any instrument of gift, devise, bequest, or other transfer, at its sole discretion, to change the form of any investment and, for that, or other purposes of the Foundation, to dispose of any securities or other property held by the Foundation.

Section 2. Board Composition and Membership

The Board consists of a maximum of twenty-five (25) and a minimum of fifteen (15) Directors, five (5) Ex Officio Members, and Emeritus Directors. Directors shall be elected by a majority of the Board present, at a regular meeting (a quorum being present) from nominations submitted by the Nominating and Governance Committee. A quorum shall consist of 50% of the Directors. Ex Officio and Emeritus Directors are not counted toward establishing minimum or maximum Board Director membership, or a quorum.

Section 2.1. Directors.

There shall be a maximum of twenty-five (25) and a minimum of fifteen (15) Directors, who shall be elected as provided by the provisions in these Bylaws. Directors shall be elected for a term of three (3) years, and may serve up to three (3) consecutive three (3) year terms. After completion of three (3) consecutive three (3) year terms, or a total of nine (9) consecutive years, Directors may not be re-nominated to a Director position until having been off the Board for at least one (1) full calendar year after their last date of service as a Director. Directors can be nominated to Emeritus or Ex Officio Director roles immediately upon completion of the maximum nine (9) year term of service.

Section 2.2. Emeritus Directors.

The Board of Directors may confer upon a former member of the Foundation Board of Directors the status of Emeritus Director in recognition of that person's loyalty, hard work and dedication to Highlands University and the Foundation. Emeritus Directors may attend and participate in Board Meetings at their discretion. An Emeritus Director shall not be entitled to vote,

nor shall his or her presence at a Board Meeting be included in the count of those present for the purposes of establishing a quorum. Emeritus Directors have no term; once the designation is conferred, it remains in effect unless removed by the Board.

Section 2.3. Ex Officio Directors

There shall be five (5) Ex Officio Directors. The following persons shall be members of the Board during their respective terms of office and shall serve as non-voting Ex Officio members: (1) President of New Mexico Highlands University, (2) Chairman of the Board of Regents of New Mexico Highlands University, or his or her designee, (3) Vice President for Advancement for New Mexico Highlands University and Executive Director of the New Mexico Highlands University Foundation, (4) Vice President for Finance and Administration of New Mexico Highlands University, and (5) the Chair of the New Mexico Highlands University Alumni Board of Directors, or President of the New Mexico Highlands University Alumni Association in the absence of a sitting Chair.

Section 3. Removal of Directors

Any Director or Emeritus Director may be removed from the Board for any cause whatsoever by a vote of two thirds (2/3) of the existing Board.

Section 4. Vacancies

Any vacancy occurring among the Directors may be filled at any time, by vote of a majority of the Board, and will commence a three (3) year term as of the date of appointment. The continuation of a vacancy in an Ex Officio position shall not be deemed to be a default in the terms of the Articles of Incorporation, or in the terms of these amended bylaws, and the Board shall have full authority to continue to operate.

Section 5. Manner of Acting

The act of a majority of the Board present, at a meeting at which a quorum is present, shall be an act of the Board unless a greater number is required by these amended bylaws, or by law.

Section 6. Informal Action

Any action required by law to be taken at a meeting of the Board, or any action that may be taken at a meeting of the Board, may be taken without a meeting, if notice setting forth the action to be taken has been conveyed to every Board member by email or phone and consent in writing is given by two thirds (2/3) of the Directors. Such consent shall have the same force and effect as a majority vote of the Board. Committees may also take informal action without a meeting by the same process, to put forth a motion to the board. All such actions by the Board or a committee shall be recorded with the minutes at the next Board meeting.

ARTICLE V – OFFICERS

Section 1. Officers

The officers of the Foundation shall be a President of the Board, a Vice-President, a Secretary, and a Treasurer. Officers are elected for two (2) year terms and may serve up to two (2) consecutive terms in any one officer position, and up to an additional two (2) consecutive two (2) year terms in any other officer position. Should an officer reach the maximum term as a Director of nine (9) years of service on the Board while serving a term as an officer, the Board may permit the officer to serve one (1) additional year as a Director. In this event, at the conclusion of the additional year, the Director must remain off the Board for two (2) full calendar years before being reappointed as a Director.

Section 2. The President of the Board

The President of the Board of Directors shall be elected from the Directors by the Board at the first meeting of the fiscal year in which a vacancy in the office shall occur. The President shall preside at all meetings. The President shall serve as the Board representative at all Foundation and University activities. The President will be an ex officio member of all committees, and shall appoint all committee chairs and members, with the exception of the Executive Committee. The President is authorized to sign instruments, act on behalf of the Board of Directors, and otherwise commit the

Board and Foundation except as limited by law, and by these Bylaws.

Section 3. The Vice-President

The Vice-President of the Board of Directors shall be elected from the Directors by the Board at the first meeting of the fiscal year in which a vacancy in the office shall occur. The Vice-President shall preside at all meetings where the President is not present, and shall be an Ex Officio member of all committees.

Section 4. The Secretary.

The Chair of the Nominations and Governance Committee shall serve as Secretary of the Board.

The Secretary may preside at all meetings where the neither the President or Vice-President is present. The Secretary ensures that proper recordkeeping of Board action and meetings are kept, signs minutes approved by the Board, maintains his or her own set of Board records, and regularly works with Foundation staff to review Board records. Foundation staff shall take minutes at all board and committee meetings, under the supervision of the Secretary.

Section 5. The Treasurer

The Chair of the Budget Committee shall serve as Treasurer of the Board. The Treasurer is responsible for oversight of all financial affairs of the Foundation. In accordance with the requirements of Article VII, Section 6 below, the Treasurer, in cooperation with the Vice President for Advancement of New Mexico Highlands University and Executive Director of the New Mexico Highlands University Foundation, and Vice President for Finance and Administration of New Mexico Highlands University, should ensure that an annual audit of the financial affairs and accounts of the Foundation is undertaken by an independent, qualified audit firm.

Section 6. Delegation of Duties

The Board for any reason may delegate the powers or duties of any elected officer to any other officer. Said delegation will specify in writing the duties so delegated, the length of time for which said duties have been delegated, and to whom the duties have been delegated, and a written record of such actions shall be maintained by the Secretary.

ARTICLE VI - MEETINGS

Section 1. Regular Meetings

The Board shall meet no fewer than three times per year, with dates, times, and locations for each meeting fixed at least thirty (30) days in advance, and recorded in the minutes of previous Board meetings whenever possible.

Section 2. Special Meetings

The President of the Board may call special meetings of the Directors upon forty-eight (48) hours notice, with notice given either via email or phone. Special meetings may also be called no later than ten (10) days in advance if notice via US Mail is given to any Director. Special meetings may also be called at any time by the petition of a majority of the Directors of the Board, or by the President of New Mexico Highlands University, or Vice President of Advancement for New Mexico Highlands University and the Executive Director of the New Mexico Highlands University Foundation, without a petition by the majority of the Board. Petitions may be made either through email, mail, or phone requests, and follow the notice requirements and timeframes above.

ARTICLE VII – COMMITTEES

Section 1. Standing Committees

Standing committee members may be selected from Board membership, but standing committees shall have a majority of the membership comprised of Directors. The President of the Board appoints all standing chairs and members, with the exception of the Executive Committee. The President of the Board may also invite non-Board members to serve on any committee in an Ex Officio, advisory role. No more than three (3) non-board members may sit at any time on a standing Board committee.

Standing committee members serve three (3) year terms on the committee. Committee chairs may serve up to two (2) three (3) year terms. The Board shall be required to maintain the following standing committees:

Section 1.1. Executive Committee

The Executive Committee shall be composed of the President, Vice-President, Secretary, and Treasurer. Ex Officio members shall include the President of Highlands University, and Vice President for Advancement for New Mexico Highlands University and Executive Director of the New Mexico Highlands University Foundation. Should action be necessary between meetings of the Board, the Executive Committee may make a motion for vote by the full Board. The Executive Committee cannot alter, amend or suspend the Bylaws, or appoint Directors. The Executive Committee shall meet no fewer than three (3) times per year.

Section 1.2. Finance Committee

The Finance Committee shall oversee the financial and investment affairs of the Foundation. Ex Officio members shall include the President of Highlands University, Vice President for Advancement, and Vice President for Finance and Administration. The Committee shall meet no fewer than three (3) times per year. The Finance committee shall also act in accordance with the Foundation Investment Policy to execute its duties.

Section 1.3. Nomination and Governance Committee

The Nomination and Governance Committee shall review the Bylaws, policies, and procedures of the Foundation and Board on a regular basis, as determined by the committee, but no less than every three (3) years. The Nominating and Governance Committee must submit appropriate documentation, including biographical information on each nominee, to support the nomination. The Nomination and Governance Committee shall also regularly recruit, evaluate, and suggest via motion new Directors and Emeritus Directors, as well as regularly evaluate and share feedback with Directors.

Section 1.4 Alumni and Community Relations Committee

The Alumni and Community Relations Committee shall, in collaboration with staff and with the Alumni Board and Alumni Association, engage, cultivate, prospect, develop, and solicit all alumni and friends as appropriate as well as provide oversight to marketing, communications, and public relations for the community, alumni, and friends.

Section 1.5 Budget Committee

The Budget Committee shall oversee and recommend for approval to the full Board an annual Foundation budget. The Budget committee shall also oversee and monitor compliance with budget targets throughout the fiscal year and assist in the annual audit of Foundation financials as needed. The Budget committee shall also oversee data management, non-liquid Foundation assets, technology, compliance, and fiduciary controls for the Foundation.

Section 2. Ad-Hoc Committees

The Board shall, from time to time, create and authorize ad-hoc committees designed to complete a specific task, serve a defined purpose, or otherwise support the work of the Board. These committees may be created or dismissed by majority vote of the Executive Committee. Ad-hoc committee members may be selected from Board membership, or may be non-Board members, who shall serve on the committee in an Ex-Officio, advisory role. However, committees shall have a majority of the membership comprised of Directors. The President of the Board appoints all ad-hoc committee chairs and members. No more than three (3) non-board members may sit at any time on a Board committee.

Ad-hoc committee members serve three (3) year terms on the committee, or until the committee is dismissed, if in service fewer than three (3) years. Committee chairs may serve up to two (2) three (3) year terms. The President will charge, in writing, each ad-hoc committee with its purpose, scope, and duties.

Section 3. Vacancies

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided for original appointments.

Section 4. Quorum

A majority of Directors who are members of a committee shall constitute a quorum of the committee.

Section 5. Authority to Act

The actions, motions, and decisions of a Board committee, or committee chair or member, whether standing or ad-hoc, do not constitute an action of the Board unless and until put before the full Board of Directors for an affirmative vote. The Board may delegate in writing limited authority to a committee by majority vote.

Section 6. Rules and Meetings

Each committee may adopt rules for its own management not inconsistent with these amended bylaws or with the rules adopted by the Board. Minutes shall be kept of each committee meeting, with staff taking minutes for each meeting and forwarding draft minutes to the committee chair and Secretary for review. Meetings shall be held no fewer than three (3) times per year, unless otherwise directed by the President or Executive Committee as a part of an ad-hoc committee's charge.

ARTICLE VIII — FINANCES

Section 1. Use of Income.

All gifts to the Foundation or other income not otherwise designated by a donor for a particular purpose shall go into the general fund of the Foundation and shall be used exclusively for the use and benefit of Highlands University in accordance with the general purposes of the Foundation. The Foundation may receive, manage, invest, and disburse conditional gifts only if such gifts are for the exclusive use and benefit of New Mexico Highlands University or the Foundation.

The phrase "exclusive use and benefit of Highlands University" shall include gifts for the

benefit of any separate or independent organization which is supportive of or affiliated with New Mexico Highlands University or its programs and functions, provided that such organization is (1) organized exclusively for charitable, scientific, or educational purposes for the exclusive use and benefit of New Mexico Highlands University and (2) qualified as an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code 1954 (or the corresponding provision of any future United States Internal Revenue law). The Board may from time to time provide for the establishment of special funds to be administered by the Board in accordance with the Articles of Incorporation.

Section 2. Contributions and Disbursements

As appropriate and as directed by the Board, all contributions received by the Foundation shall be deposited in a special account or accounts in such banks, trust companies, or other depositories as the Board may select. All disbursements shall be made under proper authority of the Board, and shall be reviewed by the Vice President for Advancement for New Mexico Highlands University and Executive Director of the New Mexico Highlands University Foundation, or his or her designee. The Vice President for Advancement for New Mexico Highlands University and Executive Director of the New Mexico Highlands University Foundation, or his or her designee, shall record all contributions to and disbursements from the Foundation and such records shall be subject to examination at any reasonable time, upon request, by any Director.

Section 3. Operating Budget

A comprehensive statement of projected revenue and expenditures for both Foundation and University sources and uses shall be prepared annually by the Vice President for Advancement of New Mexico Highlands University and the Executive Director of the New Mexico Highlands University Foundation, and the Vice President for Finance and Administration of New Mexico Highlands University. This budget shall be submitted annually for review by the Board, and when approved by the Board, such budget shall be the authorization for expenditures of the Foundation subject to subsequent changes made by the Board and provisions of Section 4 below.

Section 4. Administration of the Budget

The Vice President for Advancement for New Mexico Highlands University and Executive Director of the New Mexico Highlands University Foundation is authorized to make commitments for operating expenses in accordance with the approved budget, and as necessary at the direction of the Board President. Checks or other disbursements in amounts less than \$5,000 shall be signed or authorized by the Vice President for Advancement for New Mexico Highlands University and Executive Director of the New Mexico Highlands University Foundation. Checks or disbursements in excess of \$5,000 shall additionally require the signature or authorization of a Board officer. Checks or disbursements in excess of \$100,000 shall additionally require the signature of the Board President, and either the Vice-President or Treasurer. Except as otherwise provided by resolution of the Board authorizing the execution thereof, all deeds, mortgages, pledges, transfers, and other written instruments binding upon the Foundation, other than ordinary contracts and agreements necessary to the day-to-day operations of the Foundation as detailed in the current budget, shall be executed on behalf of the Foundation by the President of the Board, or the Vice President for Advancement for New Mexico Highlands University and Executive Director of the New Mexico Highlands University Foundation, under the direction of the President of the Board.

Section 5. The Fiscal Year

The fiscal year of the Foundation shall be July 1 of each calendar year to June 30 of the next calendar year.

Section 6. Audit

An audit of the financial records of the Foundation shall be done at least once every year as authorized by the Board of Directors.

ARTICLE IX — RESPONSIBILITIES AND LIABILITY OF DIRECTORS

Section 1. Fiduciary Responsibility

Each Director, Emeritus Director, and Ex Officio member of the Board carries a fiduciary responsibility to the New Mexico Highlands University Foundation, and is required to act in the

best interests of the Foundation. Members of the Board shall place this duty above personal and professional gain or advantage whilst serving in any capacity on the Board. Members of the Board shall sign these Bylaws upon appointment to the Board acknowledging this duty.

Section 2. Duty of Confidentiality

Each Director, Emeritus Director, and Ex Officio member of the Board shall maintain strict confidentiality of information learned in the course of their duties on the Board. No information may be shared with non-Board members unless permission to do so is given in writing as a charge to the Board. Members of the Board shall sign these Bylaws upon appointment to the Board acknowledging this duty.

Section 3. Conflict of Interest

Each Director, Emeritus Director, and Ex Officio member of the Board shall fully disclose any real, actual, or apparent conflicts of interest upon his or her appointment to the Board, in accordance with the Conflict of Interest Policy. All members of the Board shall annually complete a conflict of interest disclosure as indicated by the policy, and shall promptly inform the President should an actual or potential conflict arise after completion of the annual form.

Section 4. Liability

No Director shall be liable to anyone for any acts on behalf of the Foundation or any omission with respect to the Foundation committed by such Director except for his or her own willful neglect or default, breach of the above named duties in this article, or criminal action. Nor shall any Director be liable to anyone for any neglect or default, or criminal action, on the part of any one or more of the other Directors of the Foundation in the absence of specific knowledge on the part of such Director of such neglect or default, or criminal action. The Board shall purchase liability insurance and keep said insurance for at least one million dollars in coverage continually in effect.

ARTICLE X – EFFECTIVE DATE

The amended bylaws shall become effective upon their approval by the Board.

ARTICLE XI — AMENDMENTS

These amended bylaws may be amended or repealed and new bylaws may be adopted by a majority of the Directors present at any regular or special meeting at which there is a quorum ~~if~~ at least three (3) days written notice is given of the intention to amend or repeal the amended bylaws or to adopt new bylaws at such meeting. No amendment may be made to avoid limitations imposed by the Articles of Incorporation.

Signature and Acknowledgement

I, _____, hereby affirm that I have read and understand the above bylaws of the New Mexico Highlands University Foundation, and further pledge to uphold abide by the same.
