

**BYLAWS
of the
Texas State University-San Marcos Development Foundation**

**ARTICLE I
Name and Offices**

- Section 1.** The name of this organization shall be: Texas State University-San Marcos Development Foundation.
- Section 2.** Official use of the organization's name shall be made only when authorized by the Texas State University-San Marcos Development Foundation (hereinafter "Foundation").
- Section 3.** The principal office of the Foundation in the State of Texas shall be located in the City of San Marcos, County of Hays, on the campus of Texas State University-San Marcos (hereinafter "the University"). The Foundation may have such other offices, either within or out of the State of Texas, as the Board of Trustees (hereinafter "Board") may determine.
- Section 4.** The Foundation shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be identical with the Foundation's principal office in the State of Texas. The address of the registered office and/or of the registered agent may be changed from time to time by the Board, upon notification to the Secretary of State as required by law.

**ARTICLE II
Purposes and Objectives**

- Section 1.** The purposes of the Foundation are to accept and receive, invest and manage gifts, legacies, and contributions covering both real and personal property for the benefit of the University and for its charitable and educational operation. The Foundation's objectives are to:
- a.** Assist the President of the University (hereinafter the "President"), the Deans of the Colleges (hereinafter the "Dean"), the faculty and the students

of the University in strengthening fundamental education in the areas included in the University.

- b. Generate and maintain widespread interest in and commitments to the University.
- c. Inform alumni, friends of the University, and the public to promote recognition of the University, its present work, its services to the State and Nation, and its future plans and needs.
- d. Promote the welfare and advancement of the University and to assist it financially by urging voluntary private gift support.
- e. Promote understanding, interaction, and cooperation with all areas of the University.

Section 2. The University is the sole beneficiary of all funds deposited, invested and managed by the Foundation. Coordination of effort and staff liaison is provided through the offices of the Deans and the University Advancement Division of the University.

ARTICLE III Board of Trustees and Membership

Section 1. The affairs of the Foundation shall be governed by its Board. In addition to the Board, there may be Honorary, and/or Ex-Officio Trustees. The Board acts by and through a majority of its Trustees, which govern all of the affairs of the Foundation. Honorary and/or Ex-Officio Trustees shall not have voting rights and shall serve only in an advisory capacity to the Board.

Section 2. The number of Trustees shall be neither less than five (5) nor greater than thirty (30), as determined by a resolution of the Board, and whose term shall be three (3) years. Each Trustee shall serve until the expiration of his or her term, or until his or her earlier resignation or removal. Any Trustee whose term expired shall be eligible for re-election, provided however, except as otherwise set forth herein, no Trustee may serve more than two (2) consecutive terms. A Trustee may be eligible to serve a third consecutive term, or a portion thereof upon the recommendation of the Executive Committee to the Nominating Committee, and

the approval of such recommendation by the Nominating Committee, unless the term is extended further by a two-thirds (2/3) majority vote by the Board. The term of membership shall begin on September 1 and end on August 31. Trustees need not be graduates of the University or residents of the State of Texas. Any Trustee, who, at the time of his or her selection to the Board, is enrolled as a student at the University, shall serve a term of one (1) year. The number of Ex-Officio Trustees shall not exceed six (6) in number. Among those six (6) Ex-Officio Trustees shall be the Chair of the Texas State University System Board of Regents, the Regent who serves as the University's local Committee Chair, and the President.

Section 3. Qualifications for Trustees of the Foundation are:

- a. A strong belief in the private support of higher education and enthusiasm for the University.
- b. A willingness to devote time to the organization, leadership and activities of the Foundation.
- c. Highly respected in their communities.
- d. A willingness to seek financial support for the University and to give personal support.

Section 4. The responsibilities of Trustees are to:

- a. Assist in the attainment of the objectives of the Foundation and the University it supports.
- b. Lend their endorsement to the Foundation and its activities by having their names appear on the Foundation's letterhead.
- c. Participate from time to time in presenting the University's case to prospective donors.
- d. Attend all Trustee and committee meetings unless excused for sufficient cause. Notice of absences shall be communicated in writing and/or verbally to the Executive Director.
- e. Contribute annually to the Foundation (amount to be determined by the Board).

Section 5. Trustees shall be elected by majority vote of the existing Board.

Section 6. Any vacancy occurring in the Board and any Trusteeship to be filled by reason of an increase in the number of Trustees shall be filled in the same manner (Article III, Section 5). A Trustee selected to fill a vacancy shall be selected for the unexpired term of the predecessor in office. Any Trustee whose time has expired shall cease to serve in that capacity unless re-nominated, elected, and approved, for another term.

Section 7. Trustees shall not receive compensation for their services.

Section 8. If the Executive Committee learns or has reasonable cause to believe that a trustee, officer, employee or committee member with board-delegated powers has failed to disclose an actual or possible conflict of interest, the Executive Committee shall notify the trustee in writing of such belief after which such person will have an opportunity to explain the alleged omission to disclose the conflict of interest. The Executive Committee may recommend to the Board actions concerning the trustee that may include temporary or permanent removal from the Board.

Section 9. An Honorary Trustee is one who has consistently, over an extended period of time, rendered exceptional service to the Foundation and the University. The Honorary Trustee shall be nominated by the Executive Committee and approved by the Board. Each Honorary Trustee shall have all the privileges of a regular Trustee, except that the Honorary Trustee shall have no vote.

ARTICLE IV Officers and Executive Director

Section 1. The officers of the Board shall be the Chair, Vice-Chair, Secretary, and Treasurer.

Section 2. The Chair shall perform the following duties:

- a.** Preside over meetings of the Board;
- b.** Assist in the achievement of the Board's goals, and appoint committees to assist in the achievement of goals; and

- c. Sign, with the Treasurer or any other proper officer authorized by the Board, any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws or by statute to some other officer or agent of the Foundation. The Chair shall not be a current employee of the University and shall serve a term of office of one (1) year, with no more than three (3) consecutive terms.

Section 3. The Vice Chair shall perform the following duties:

- a. Preside and exercise the powers of the Chair in absence of the Chair;
- b. Succeed to the office of chair upon the death or resignation of the Chair to fill the unexpired term;
- c. Serve a term of office one (1) year, with no more than three (3) consecutive terms; and
- d. Serve as Chair of the Nominating Committee.

Section 4. The Treasurer shall perform the following duties:

- a. Serve as the Chair of the Finance Committee and shall coordinate a Board review of financial and budgetary matters with the Audit Committee of the Foundation;
- b. Be responsible for providing a report of the Foundation's financial condition at regular meetings;
- c. Confirm that an operating budget is developed annually and submitted to the Board for approval; and
- d. Confirm that an audit is performed annually by an independent certified public accountant and submitted to the Board for approval.

Section 5. The Secretary shall perform the following duties:

- a. Submit minutes of all meetings of the Board and Executive Committee;
- b. Confirm proper notice of all meetings required by bylaws; and
- c. Perform any other duties deemed appropriate of this elected office.

Section 6. The officers of the Board shall be elected prior to the annual meeting (the fall meeting). The term of office begins on September 1 and ends on August 31 of the following year. The election shall occur in writing or electronically by

the trustees as noted in Article V. Section 2 of these Bylaws. Officers shall serve a term of office of one (1) year, with no more than three (3) consecutive terms unless extended by a two-thirds majority vote of the Board.

Section 7. The Foundation Staff shall be assigned by the University President, in consultation with the Executive Committee. The assigned staff shall consist of an Executive Director and such other personnel as the University shall designate.

The responsibilities of the Executive Director are as follow:

- a. Direct the work of the Foundation Staff
- b. Cause to be kept and distributed to all members of the Board accurate minutes of all meetings
- c. Issue notice of all meetings
- d. Be responsible for the oversight and operations of the-Foundation's fundraising efforts;
- e. Oversee all of the day-to-day operations of the Foundation, assist its Board in carrying out the mission of the Foundation, and report on the same to the Foundation's Board, the respective University component, and the Texas State University System's Board.

Annually, the Board shall provide a written evaluation of the Executive Director, which shall be presented to the Executive Director, and the University President and Vice President of University Advancement.

ARTICLE V Meetings

Section 1. The Board shall hold a minimum of two (2) meetings annually at times and places to be decided by the Chair. The fall meeting will be considered the annual meeting.

Section 2. Notice of regular meetings of the Board will be at least ten (10) days in advance of the meeting. The notice will be delivered personally, sent by mail or electronic mail to each Trustee at his or her address as shown on the Foundation records. If mailed, the notice is determined as delivered when deposited in the United States mail with correct postage. If notice is given by electronic mail, the

notice is determined as delivered when the message is sent. A trustee may vote by proxy executed in writing or electronically by the trustee. No proxy may be valid after 30 days from the date of its execution. Additional meetings may be called by the Chair or by a petition signed by five (5) members of the Board.

Section 3. Upon invitation by the Chair, guests may attend meetings of the Board.

Section 4. A majority of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. The vote of a majority of the regular members present at a meeting shall constitute the decision and the action of the Board.

Section 5. Any action required by law to be taken at a meeting of Trustees, or any action which may be taken at a meeting of the Trustees, may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be faxed or e-mailed by a majority of Trustees.

Section 6. Subject to the provisions of these Bylaws for notice of meetings, any one or more Trustee(s) may participate in a meeting of the Board by means of a conference call or similar communications, by which all persons participating in the meeting can communicate. Participation by such means shall constitute presence at the meeting, except where a person participates in a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

ARTICLE VI

Executive Committee

Section 1. The Executive Committee of the Board shall administer the policies of the Board and shall, between the scheduled meetings of the Board, serve as the chief administrative authority of the Board.

Section 2. The Executive Committee shall consist of the Chair, the Vice-Chair, the immediate past Chair, the Secretary and Treasurer and the chairs of the following standing committees: Finance, Nominating, Audit, Investment, Governmental Relations, Governance, and Gifts Acceptance.

ARTICLE VII Committees

Section 1. In addition to the Executive Committee, the standing committees of the Board shall be: the Finance, Nominating, Audit, Investment, Governmental Relations, Governance, and Gifts Acceptance. The Board Chair shall be an ex-officio member of all Board committees. Each standing committee shall consist of a chair and at least four (4) members of the Trustees appointed by the Committee Chair. Each standing committee shall report to the Trustees. The term of a standing committee member shall be for three (3) years.

Section 2. The Board Chair will appoint all standing committee chairs with the exception of the Nominating Committee. The Vice-Chair will serve as the Chair of the Nominating Committee. The members of the Nominating Committee will be selected by the Board via ballot at the spring meeting of the Board of Trustees.

Section 3. The Board Chair may establish special committees and appoint chairs and members to committees as shall be helpful to the Board in the performance of its activities.

Section 4. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 5. Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum.

Section 6. Each committee may adopt rules for its own governance consistent with these Bylaws or with the rules adopted by the Board.

ARTICLE VIII Books and Records

The Foundation shall keep correct and complete books and records of account(s), and shall keep minutes of the proceedings of the Board and of committees of the Board,

and shall keep at the registered or principle office a record giving the names and addresses of the Trustees entitled to vote. An outside audit will be conducted annually. Policy and procedural guidelines will be reviewed on a regular basis by the Audit Committee.

**ARTICLE IX
Fiscal Year**

The fiscal year of the Foundation shall begin on the first day of September and end on the last day of August of each year.

**ARTICLE X
Waiver of Notice**

Whenever notice is required to be given under the provisions of Texas Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or in the Bylaws of the Foundation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

**ARTICLE XI
Amendment to Bylaws**

These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by a majority of the Trustees present at any regular meeting or at any special meeting if at least ten (10) days' written notice (in any of the ways set forth above for the giving of notice of regular or special meetings) is given of the intention to alter, amend or repeal or to adopt new Bylaws at such meeting. Such notice shall set forth the proposed alteration or amendment to the Bylaws.

**ARTICLE XII
Adoption**

Amendments to the Bylaws shall take effect immediately upon adoption.

Amended and Restated in their entirety effective June 29, 2009, by the Board of Trustees of the Development Foundation.