



THE NORTHERN ARIZONA UNIVERSITY FOUNDATION, INCORPORATED

Bylaws

PREAMBLE

Section 1. The Northern Arizona University Foundation, Incorporated (henceforth the Foundation), working in coordination with the Office of University Advancement at Northern Arizona University, is the fund-raising organization for Northern Arizona University for the solicitation, receipt, and management of all private gifts, donations, contributions, and gifts-in-kind.

ARTICLE I.

Definitions

Section 1. As used in these Bylaws, the word “Foundation” means the Northern Arizona University Foundation, Incorporated, the word “Directors” means the members of the Board of Directors of the Northern Arizona University Foundation, Incorporated, and the word “Committee” means either bylaw sanctioned or ad hoc appointed sub-groups of the Foundation. Non-members of the Board of Directors may be appointed to non-voting positions on Board Committees.

ARTICLE II.

Office

Section 1. The principal office of the Foundation shall be located in Flagstaff, Coconino County, Arizona.

ARTICLE III.

Seal

Section 1. The seal of the Foundation shall consist of a circle with the words “Northern Arizona University Foundation, Inc.” around the outer circumference, and the words “Incorporated Arizona 1959” inside the circle.

ARTICLE IV.

Fiscal Year

Section 1. The fiscal year of the Foundation shall commence July 1 and end June 30 of the following year.

ARTICLE V.

Conflict of Interest

Section 1. It is the policy of the Northern Arizona University Foundation, Inc. that all members of the Board of Directors, officers of the Foundation, committee members, and employees of the Foundation shall exercise good faith in all transactions related to their roles with the Foundation. The Board of Directors shall adopt a conflict of interest policy and all members of the Board of Directors, committee members of the Foundation, officers of the Foundation, and employees of the Foundation shall annually complete a form that provides information and affirmations reasonably requested by the Foundation.

ARTICLE VI.

Board of Directors

Section 1. The Board of Directors of the Foundation shall consist of not less than 20 nor more than 40 persons. One Director shall be the President of the Northern Arizona University Alumni Association.

Section 2. Directors may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for that purpose. Directors shall be elected by a majority of the directors present at the meeting.

Section 3. Except as otherwise provided below, all Directors shall be elected to serve for terms of three (3) years with election to not more than three (3) consecutive terms:

- a.) A director elected to fill a vacancy shall serve for the unexpired term of his predecessor in office and then be eligible for three (3) three-year terms.
- b.) Following the hiatus of at least one year from membership on the board, former directors become eligible for election under the same terms and conditions described for initial board membership.
- c.) At the end of each of the first two (2) of the three-year terms of office, a Director becomes eligible for election subject to the following conditions:
 1. Continued fulfillment of the minimum participation standards for Directors as described in the by-laws.
 2. An interview with the Chair of the Board and the Chair of the Committee on Directors.
 3. Majority approval for nomination to the Board by the Executive Committee

- d.) At the end of the three (3) three-year terms of office, a Director becomes eligible for election to a one (1) year term of office in each succeeding year subject to the conditions described in c.)
- e.) In the event of future elections to the Board, by reason of an increase in the number of Directors, the Board may also elect to provide for staggered succession of Directors by assigning varying initial terms of office to such individuals.
- f.) The Director who is serving by virtue of their role as President of the Northern Arizona University Alumni Association shall serve on the Board of Directors of the Foundation until the expiration of their term as President of the Northern Arizona University Alumni Association.
- g.) All reelections to the Board of Directors for a second or third term of three (3) years shall be voted on by the Board of Directors and as set forth in Sec. 2. Directors elected to serve their initial three (3) year term during the Spring/Annual or Summer Meeting shall become eligible for reelection to a new three (3) year term, three (3) years after the date of the Annual Meeting of the calendar year in which they were elected. Directors elected during the fall or winter meeting shall become eligible for reelection to a new three (3) year term, three (3) years after the upcoming annual meeting following their election.

Section 4. The Board of Directors may, from time to time, choose to award emeritus status to retired board members who served with distinction.

Section 5. The Board of Directors shall hold four quarterly regular meetings during each fiscal year at a time and place to be designated by the Board of Directors. One of the quarterly meetings of the Board will be designated as the Annual Meeting.

Section 6. Special meetings of the Board of Directors may be called by the Chair or by any two members of the Board.

Section 7. Notification of special meetings shall be communicated in writing or electronically to each member of the Board not less than five working days in advance of such meeting. Notices of special meetings shall state the purpose of the meeting.

Section 8. One-third of the currently filled positions on the Board of Directors shall constitute a quorum which shall be authorized to transact the business of the Foundation.

Section 9. All of the corporate powers shall be exercised by the Board of Directors, who shall have the control and management of the property of the Foundation, including fixing the compensation of its employees and any control of the funds in its care. The Directors shall serve without compensation.

Section 10. 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 Bylaws or by law.

Section 11. Any action required by law to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by all of the Directors or committee members entitled to vote on the subject of such action. Such consent shall have the same force and effect as a unanimous vote of the Board and shall be recorded with the minutes of the Foundation.

Section 12. Each year all Directors will sign a commitment letter which outlines the responsibilities the Director has to the Board and the Foundation. This commitment letter will outline the minimum requirements for participation as a voting Director serving on the Board and will constitute the basis for evaluation for term renewal and Director self-evaluation. Any Director may be removed from the Board for any cause whatsoever by a vote of two-thirds of the full Board.

ARTICLE VII.

Officers

Section 1. At the annual meeting of the Board, the Board of Directors may select from among the members of the Board a Chair, a Vice Chair, a Secretary, a Treasurer, and any other officers the Board may decide upon.

Section 2. The persons who are elected by the Board shall serve as officers for a term of two years or until their successors are elected and qualified, whichever is later. No person may hold more than one office simultaneously, except as noted in Article VII section 11.

Section 3. The Vice Chair shall be elected with the intent that the Vice Chair shall succeed the Chair. No other officer succession shall be defined.

Section 4. Non-voting Ex-officio officers: A chief executive officer who shall be titled President of the Foundation shall be appointed by the Board of Directors. The President of the Foundation shall be non-voting ex-officio officer of the Foundation. The President of Northern Arizona University will also sit as a non-voting ex-officio member of the Foundation Board of Directors. The Board may, by resolution, give signature authority or officer status to

additional Foundation staff members. The Board shall provide an annual performance evaluation of the President. This evaluation shall be coordinated by the Executive Committee.

Section 5. The Chair shall preside at all meetings and perform generally the duties customarily required of such office, subject to the direction of the Board of Directors. The Chair may also establish Ad Hoc committees as necessary. (see Article VIII)

Section 6. The Vice Chair, as may be appropriate, shall assume the responsibilities of the Chair in his/her absence, and shall be authorized to perform all duties attending this office.

Section 7. The Secretary shall cause the issuance of notices for all meetings, keep or direct the keeping of their minutes, direct the safekeeping of the corporate seal and books, sign, with the Chair, such instruments as require his/her signature, and make such reports and perform such other duties as are incident to this office or are properly required of him/her by the Board of Directors.

Section 8. The Treasurer shall direct, through the director of finance and administration, the maintenance and custody of all the funds and securities of the Foundation and cause the deposit of the same in the name of the foundation in such insured banks as the directors may elect. Management of securities and investment funds shall be in accordance with the provisions of the Investment Policy Statement as approved by the Board of Directors. The Treasurer shall cause regular books of account of the funds and property of the foundation be kept. The Treasurer shall chair the finance committee.

Section 9. Authority to sign all checks, drafts, or other instruments evidencing property of the Foundation, including access to safe deposit boxes, shall be delegated in the following order:

Foundation Controller

Foundation Director of Finance and Administration

Foundation President

Section 10. All officers, the President, and staff must be covered by bond for the faithful performance of their duties in such amount and with such sureties as the Board may approve. The premiums shall be paid by the Foundation.

Section 11. In the case of absence or disability of any officer, or for any other reason that the Board may deem sufficient, the Board of Directors may delegate for the time being, in whole or in part, the powers and duties of such officer to any other officer or to any other person otherwise qualified to perform the same.

Section 12. The ordinary and reasonable business of the Foundation shall be carried on by the officers. The Chair, the Vice Chair, the Treasurer, the Secretary, the President, the Director of Finance and Administration, and the Controller, acting singly or in concert, shall have authority to bind the Foundation by contract in the carrying on of such ordinary or reasonable business. The officers, President, Director of Finance and Administration, and Controller shall not have authority to bind the Foundation by contract related to any extraordinary business of the Foundation without approval of the Board of Directors.

ARTICLE VIII.

Committees

Definition of Standing and Ad Hoc Committees

Committees may be classified into two types: Standing and Ad-Hoc

Standing committees shall be those committees which the Board deems necessary for the continued operation of the Foundation. They may include, but are not limited to: Executive Committee, Investment Committee, Committee on Directors, Development Committee, Finance Committee, Audit Committee, Special Projects Committee, and Gift Acceptance Committee.

The Board may establish additional Standing Committees as it sees fit to carry out the business of the Foundation. Approval and termination of all Standing Committees must be by a majority vote of the Board. The Committees shall meet as necessary to fulfill their mandate. See Article VIII, Section 8.

Ad-Hoc committees shall be those committees established on a temporary basis that are deemed necessary to perform short-term projects of the Foundation. Ad-Hoc committees may be established by the Board Chair. Ad-Hoc committees shall be evaluated on an ongoing basis as to their usefulness to the Board and may be terminated at anytime by the Board Chair or a majority vote of the Board. The Committees shall meet as necessary to fulfill their mandate. See Article VIII, Section 8.

Section 1. The Executive Committee consists of the Chair, the Vice Chair, the immediate past Chair, the Secretary, the Treasurer, and the chairpersons of each standing committee and standing subcommittees of the Foundation. The Executive Committee is empowered to act on behalf of the Board of Directors when called upon to do so between meetings of the Board in all matters except as defined in A.R.S 10-3825 (attached to these Bylaws). The Executive Committee shall cause an annual review of the Bylaws to be completed and if necessary bring recommended changes to the full Board. The Executive Committee shall be responsible for appointing members to standing committees and subcommittees. The

Executive Committee may also appoint honorary committee members (non-voting) to committees to provide professional advice and counsel.

A simple majority of the members of the Executive Committee shall constitute a quorum to act on behalf of the Board of Directors. Chairs of standing committees are empowered to select alternates from their respective committees to represent them in a non-voting capacity at meetings of the Executive Committee. Meetings of the Executive Committee may be called by the Foundation Chair or any two members of the Executive Committee. Meetings of the Executive Committee may be held at a designated location or may be conducted by a telephone or other appropriate communication technology, whichever method is most appropriate and effective for business at hand.

Section 2. The Board of Directors shall establish an Investment Committee. The number of members to be included in this committee shall be at the recommendation of the Chair of the Investment Committee and consist of a minimum of five members. This committee shall maintain an investment policy that is approved by the Board and under that policy, shall have the authority to direct the investment of the Foundation and to direct the sale or exchange of such investments under such conditions as may be determined by the Board of Directors as previously communicated to the members of the Investment Committee by way of a resolution adopted by the Board of Directors. The minutes of all Investment Committee meetings shall be reported to the Board of Directors at regular meetings of the Board and made a part of the records of the Foundation.

Section 3. The Board of Directors shall establish a Committee on Directors. This committee is charged with determining the most effective composition of the Board. It shall develop practices and recommend strategies and policies that attract, orient, train, organize,

motivate, and assess the performance of Directors. The Committee shall maintain guidelines for the nomination, election, and re-election of Directors.

The Committee shall submit a slate of officers for election at the annual meeting of the Board of Directors after having secured the consent of each candidate to allow his/her name to be submitted for election.

Section 4. The Board of Directors of the NAU Foundation recognizes that each director has a role and responsibility to be involved in the development, or fund raising, function of the Foundation. They also recognize that a committee of the whole would be cumbersome for discussion and decision-making purposes.

Thus, the Board of Directors shall establish a Development Committee to oversee the Board's activities related to fund raising and donor relations, and serves to educate the full Board in the art of fund raising; motivate directors to initiate, accept, and carry out development assignments and hold Directors accountable for the assignments they take; liaise with the University in setting fund raising priorities and policies; help staff understand Board needs and interests (for training, screening lists, etc.); solicit directors; monitor goals and progress toward goals of the development program; match Board members to specific colleges or other units of interest to foster relationships among Board members, deans, and development officers and; encourage Board members to attend receptions and other NAU events; and to facilitate relationship-building among donors, alumni, and staff.

Section 5. The Board of Directors shall establish a Finance Committee, chaired by the Treasurer, to review the operating budget and financial statements submitted by staff and make recommendations for approval to the Board of Directors. This Committee reviews and makes recommendations regarding proposals submitted to the Foundation by the University

President for expenditures of unrestricted funds in keeping with the priority of needs of the University. The Committee tracks the property assets of the Foundation, makes recommendations to the full Board regarding the potential sale or transfer of such assets, and causes appraisals of such assets to be completed from time to time.

Section 6. The Board of Directors shall establish an independent Audit Committee. The Committee shall cause an annual external financial audit to be conducted including selecting and overseeing the auditing company, reviewing the audit, and presenting the audit to the full Board for acceptance. The Committee shall establish a conflict of interest policy and a regular and rigorous means of enforcing such policy. The Committee shall develop and recommend strategies, policies, and practices for role of the auditor, certification and disclosure of financial statements, whistle blower protection, and document destruction. The Committee shall also provide financial literacy training to all Board members.

Board members on the audit committee should be free from conflicts of interest and should not receive any compensation for their service on the committee. The Committee shall include at least one member with financial expertise.

Section 7. The Board of Directors shall establish a Special Projects Committee to research and advise the Board on special projects and opportunities that may benefit NAU and the Foundation. This committee will also act as liaison to any subsidiaries of the Foundation.

Section 8. The Board of Directors shall establish a Gift Acceptance Committee. This Committee shall maintain gift acceptance guidelines for the Foundation that are approved by the full Board and shall coordinate such guidelines with the gift guidelines and policies of Northern Arizona University. The Committee shall also make recommendations to the Board regarding

the acceptance of gifts that require Board approval (non-liquid gifts of real estate, art, other personal property; gifts with unusual donor restrictions or requests; etc.)

Section 9. All standing and ad hoc committees shall meet at stated times or on notice to all members by the Foundation Chair, the Committee Chair, or by any two members of the committee. Each committee shall fix its own rules of procedure. A majority of the committee shall constitute a quorum. The chair of each committee shall cause minutes of committee meetings to be kept and shall report the same to the Board of Directors at the next regular meeting held after they have been taken. Actions taken at interim meetings of these committees shall be approved by the Board of Directors at its next regular meeting.

In accordance with A.R.S. 10-3825 (E): No committee shall take any of the following actions:

1. Authorize distributions.
2. Approve or recommend to members any action that requires the members' approval under this chapter.
3. Fill vacancies on the Board of Directors or on any of its committees.
4. Adopt, amend, or repeal Bylaws.

ARTICLE IX.

Gifts, Contributions, and Donations

Section 1. The Board of Directors shall establish policies and guidelines for the receipt of gifts, contributions, and donations, including gifts-in-kind, to the Foundation. All such gifts, contributions and donations not otherwise designated by the donor shall be posted to a fund

determined by the President and shall be used for the benefit of Northern Arizona University in accordance with the general purposes of the Foundation.

Section 2. All restricted gifts, contributions, and donations, including gifts-in-kind, endowment funds, and trust funds, shall be maintained in separate Foundation accounts and used for the purposes as specified by the donors. Disbursement of funds from these accounts will follow prescribed policies and procedures as adopted by the Board of Directors.

Section 3. Appropriate acknowledgment and official receipts will be made of all gifts, contributions, and donations, including gifts-in-kind, accepted by the Foundation.

ARTICLE X.

LLC

Section 1. The Board of Directors has the authority to form one or more subsidiary Limited Liability Companies (LLC) as defined in A.R.S. §29-632 to segregate assets of the Foundation or to hold assets for the beneficial interest of Northern Arizona University. Voting control of any subsidiary LLC will be held by the Foundation.

ARTICLE XI.

Amendments

Section 1. These Bylaws may be amended by a two-thirds vote of the Board of Directors present at any meeting. (*See Article VI. section 6*)

Revised April 19, 2002
Revised January 25, 2006
Revised August 4, 2006
Revised October 24, 2008
Revised October 23, 2009



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10-3825. [Committees of the board](#)

- A. Unless the articles of infoundation or bylaws provide otherwise, the board of directors may create one or more committees and appoint members of the board of directors to serve on them. Each committee shall have one or more members, and each member of a committee shall serve at the pleasure of the board of directors.
- B. The creation of a committee and appointment of members of the board of directors to it must be approved by the greater of:
1. A majority of all the directors in office when the action is taken.
 2. The number of directors required by the articles of infoundation or bylaws to take action under section 10-3824.
- C. Sections 10-3820 through 10-3824 governing meetings, action without meetings and notice, waiver of notice, quorum and voting requirements of the board of directors also apply to committees and their members.
- D. Subject to the limitations set forth in subsection E of this section, each committee of the board may exercise the authority of the board of directors under section 10-3801 to the extent specified by the board of directors or in the articles of infoundation or bylaws.
- E. A committee shall not take any of the following actions:
1. Authorize distributions.
 2. Approve or recommend to members any action that requires the members' approval under this chapter.
 3. Fill vacancies on the board of directors or on any of its committees.
 4. Adopt, amend or repeal bylaws.
 5. Fix the compensation of directors for serving on the board of directors or any committee of the board of directors.
- F. The creation of, delegation of authority to or action by a committee does not alone constitute compliance by a director with the standards of conduct described in section 10-3830.
- G. The board of directors may designate one or more directors as alternate members of any committee who may replace any absent member at any meeting of the committee.