

Alpha Chi Rho Educational Foundation, Inc.

## **Trustees' Handbook**

Adopted by the Board of Trustees  
October 26, 2002

Updated  
April 9, 2006  
February 9, 2013  
June 5, 2018  
May 2, 2021  
February 12, 2022  
March 24, 2022

**Actions Speak Loudly**

Alpha Chi Rho Educational Foundation, Inc.  
R.B. Stewart National Headquarters  
109 Oxford Way  
Neptune, NJ 07753-4339

## **The Foundation**

The **Alpha Chi Rho Educational Foundation, Inc.** (the Foundation) is a non-profit, charitable, literary, and educational association. Its activities include, but are not limited to, providing scholarships, loans, and aid assistance to college and university students, promotion of literary and other educational pursuits, and providing recognition of scholastic achievement by such students. The Foundation is a mechanism to raise funds and to expend them in a manner that benefits the education goals of the Fraternity, and operates in accordance with sound business practices.

The Foundation is a non-profit corporation organized under the provisions of Title 15 of the New Jersey Statutes Annotated *et seq* (Non-Profit corporations). The certificate of incorporation was restated on September 23, 1995. It is on file with the State of New Jersey and is incorporated by reference. The Foundation is recognized as tax-exempt under §501(c)(3) of the Internal Revenue Code, which enables donors to claim deductions for income tax purposes for donations to the Foundation.

The Foundation is composed of members, who are Brothers of the National Fraternity of Alpha Chi Rho who have paid to the Foundation annual dues of \$75. It is administered, however, by its Board of Trustees.

### **Mission of the Foundation**

The Alpha Chi Rho Educational Foundation cultivates academic excellence and leadership development through financial assistance and program support for the educational pursuits and initiatives of the Brothers, Chapters, the National Council of the Fraternity of Alpha Chi Rho, and other students. The Foundation fosters lifetime commitment to personal enrichment and community service by members of Alpha Chi Rho as Men of Word and Deed.

### **Mission of the Fraternity of Alpha Chi Rho**

Alpha Chi Rho cultivates a lifelong brotherhood where men challenge and inspire each other, through Character, Honor, and Integrity, to improve themselves, their Fraternity, and society.

### **Landmarks of the Fraternity**

- Membership from among those who are prepared to realize in word and deed, the Brotherhood of all men.
- The insistence on a high and clean moral standard.
- The paramount duty of Brotherly love among members.
- Judgment not by externals, but by intrinsic worth; no one is denied membership in Alpha Chi Rho because of race, creed, nationality, or sexual orientation.

### **Board of Trustees**

### Number and Qualifications.

The number of Trustees may be no less than six and no more than 21. Trustees must be at least 18 years of age and either members of The Fraternity of Alpha Chi Rho or members of one of the Lifetime Giving Societies with at least \$10,000 in total lifetime donations. To be elected as a Trustee, it is not necessary to be a member of the corporation, a resident of New Jersey, or a citizen of the United States.

### Election and Terms of Trustees.

The Foundation elects new Trustees at a meeting prior to the Annual Meeting of the corporation upon the nomination of the Board's Governance Committee, other Trustees, or any member in good standing of the corporation. Nominations from the floor are accepted. Trustees are elected in classes, for three-year terms, which are renewable. There is no limit on the number of consecutive terms a Trustee may serve. The terms are arranged to have one-third of the Board members elected each year at the Annual Meeting. Between Annual Meetings, the Board may fill vacancies that occur.

In addition to the elected Trustees, the President, the National Secretary, and the National Scholarship Officer of the National Fraternity of Alpha Chi Rho are voting members of the Board, *ex officio*.

## **Officers of the Corporation**

### Officers.

The officers of the corporation are the Chairman of the Board, the President, the Vice President, the Secretary, and the Treasurer. At the Annual Meeting, the Trustees elect these officers for one-year terms.

The Chairman presides at all meetings of the members of the Foundation and of the Trustees. In the Chairman's absence, the duty to preside devolves on an officer present selected in the order listed above.

## **Duties of the Board of Trustees**

As a corporation, the Foundation is limited to those powers conferred on it by statute. By-Laws, adopted pursuant to the enabling statute, define the powers and duties of the Trustees. The By-Laws were restated on March 2, 1996, and most recently amended on March 23, 2021 and are attached to this Handbook.

### Meetings.

The Foundation is required to have, at least, an Annual Meeting of its members for transaction of business and election of Trustees. A meeting of the Board of Trustees normally is convened immediately following the Annual Meeting. In addition, the Board holds two other meetings, for a total of three each year. The Board decides the dates of the meetings. Usually they are held in late winter or early spring, late spring or early summer, and the fall. The Board chooses the locations and advises the membership of the dates and places. Material related to the meetings is distributed to the Trustees in advance.

At Board meetings, one-third of the entire membership of the Board constitutes a quorum.

#### Responsibilities of the Board of Trustees.

The Trustees are responsible for the proper oversight of the Foundation; day-to-day operation is the responsibility of the Chief Operating Officer. The Trustees are charged with the Foundation's overall financial integrity. They are not liable individually for the acts of the corporation. The Trustees' areas of responsibility include, but are not limited to, the following:

- Financial oversight – the periodic review of Foundation operations.
- Preparation and approval of the annual budget of the Foundation.
- Evaluation of the performances of the Chief Operating Officer and of the Director of Development, including the annual review of salary.
- Provision of the resources to carry out the programs of the Foundation.

#### Qualifications.

Trustees must be at least eighteen years of age and either members of The Fraternity of Alpha Chi Rho or members of one of the Lifetime Giving Societies with at least \$10,000 in total lifetime donations.

A spouse of a deceased Brother who has made joint donations shall be deemed to have met the requirement on their own if their joint donations meet the requirement of at least \$10,000 in total lifetime donations.

A majority of elected Trustees must be members of Alpha Chi Rho.

Trustees need not be citizens of the United States or residents of the State of New Jersey. Each member seated shall agree to make an annual personal cash gift of at least \$500 to the Annual Fund and to donate through gifts, in kind services, travel expenses, or raise from other individuals an additional \$1500 for a total of \$2000 each year of the elected term as a Trustee. The Board of Trustees shall have the authority to

raise the minimum annual contribution for Trustees by majority vote except that any such increase in the minimum annual contribution shall not apply to a Trustee until after their next election. A Trustee failing to meet the minimum annual contribution amount shall, after receiving thirty days' notice of such failure, shall: 1) petition the Board for a waiver or 2) bring themselves current within ten days. The seat of any Trustee failing to exercise the aforesaid option 1 or 2 shall be deemed vacant. [Amended March 23, 2021]

### Board Committees.

The Trustees may form and revise committees; the President appoints their members with the Board's advice and consent. Committees may be standing or *ad hoc*. The Trustees define the scope of each committee's efforts. Committees may include Brothers who are not Trustees. At the Trustees' discretion, committee appointments may be designated as voting or non-voting members. Each committee has a designated chair appointed by the President. Normally, a Trustee serves as the committee chair.

The standing committees are:

#### Executive Committee. The Executive Committee:

- acts for the Foundation between Board meetings,
- approves in advance the agendas of upcoming Board meetings,
- disseminates fiscal and other information to the Trustees,
- monitors implementation of the Foundation's strategic plan, and reports to the Board on that implementation,
- supervises progress towards the goals in the area of Fraternity Initiatives and coordinates the work of the Foundation with the Fraternity,
- with the Fraternity, arranges for joint Board-National Council meetings, committees or task forces, and other means of assisting the Foundation to support the Fraternity.

The Executive Committee consists of the Chairman, President, Vice President, the Secretary, the Treasurer, and the Chief Operating Officer.

#### Events and Outreach Committee. The Events and Outreach Committee:

- identifies priority areas for outreach and Chapter-specific event opportunities,
- geographic identity of individuals to help plan and grow metropolitan events,
- works with Trustees to host events,
- plans and supervises the Foundation's multi-media communication and public relations programs,
- identifies outstanding graduate Brothers to be honored for their accomplishments,
- supervises progress towards achievement of the goals in the area of its responsibility, and

- plans the Foundation's events and supervises their execution.

Finance Committee. The Finance Committee:

- develops the annual budget proposal for consideration by the Board and
- reviews implementation of the budget, financial statements, and investments.
- Audit Subcommittee of the Finance Committee. The Finance Committee's Audit Subcommittee:
  - works with the Foundation's auditors and receives and reviews the annual audit of the Foundation's finances. It has no other responsibilities.

The Audit Subcommittee consists of elected (not *ex officio*) members of the Board, none of whom are officers or employees of the Foundation.

Development Committee. The Development Committee works with staff to:

- develop appeal plans, provide "assignments" and follow up with Trustees regarding the Annual Fund, other appeals, and Planned Giving initiatives,
- ensure greater outreach and grow the donor roster.
- The Committee also supervises the education of Trustees in the areas of fundraising and gift-giving and
- supervises progress towards achieving the goals in the area of Fundraising.

Governance Committee. The Governance Committee:

- assists the Board in self-assessment of its operation,
- oversees the education of new Trustees on their duties and responsibilities as members of the Board,
- serves as the Foundation's nominating committee and identifies potential Board and Committee members and
- supervises progress towards the Foundation's goals in the areas of its responsibilities.

Programs and Services Committee. The Programs and Services Committee:

- selects scholarship winners and oversees loans,
- supervises the educational area grant programs and chapter-specific scholarship programs, and
- supervises progress towards achievement of the goals in the area of its responsibilities.

Long-Range Planning Committee. The Long-Range Planning Committee was set up to do the following:

- To oversee the Long Range Plan and assure that there was achievement by the committees on the assignments they have been given.

- To review the plan and update or write a new one periodically, especially at the end of the 5 years as needed.
- The LRPC members will serve as liaisons to the other committees they're on at the discretion of the LRPC. This will enable the Committee to oversee the work of the Foundation toward the goals of the LRP.

The Trustees may create additional committees for *ad hoc* purposes or as standing committees.

### **Remuneration of Trustees**

There is no remuneration for service on the Board of Trustees. However, a Trustee is not precluded from being paid for other services rendered or from receiving reimbursement for out-of-pocket expenses approved by the Board in advance.

### **Key Employees of the Foundation**

#### Chief Operating Officer.

The Chief Operating Officer (COO) is an employee of the Foundation and reports to the Board of Trustees. The job description is prepared and approved by the Trustees and reviewed and modified periodically as needed.

The COO is responsible for day-to-day operations, including hiring and oversight of the staff. The COO also is responsible for the development of programs in conjunction with the Executive Committee or the appropriate working committee. In addition, the COO:

- Keeps Trustees informed of existing or potential problem areas.
- Maintains relations with the Fraternity, the Interfraternity Conference, Graduate Chapters, Alumni, and the Student Loan Manager.
- Supports work of committees and maintains an understanding of the limits of §503(c)(3) restrictions. The Foundation was chartered to provide educational benefits and IRS guidelines must be observed.

A job description is prepared and maintained by the President and approved by the Board, as are the annual Goals and Objectives for the position. The annual evaluation of the COO is carried out in a manner determined by the President.

#### Director of Development.

The Director of Development is an employee of the Foundation reporting to the Board of Trustees. The Director is charged with the prime responsibility of organizing and supervising the ongoing development needs of the corporation. A job description is prepared and maintained by the President and approved by the Board, as are the

annual Goals and Objectives for the position. The annual evaluation of the Director is carried out in a manner determined by the President.

### **Grant Requests**

Grant requests from the Fraternity will be submitted by the National Treasurer to both the Foundation's Finance Committee and to the Programs and Services Committee by **September 1<sup>st</sup>**. The requests will include information about the educational purpose of the program in order to expedite the approval process.

The Programs and Services Committee will review and approve the grant request based on its alignment with our educational mission. The Budget Subcommittee of the Finance Committee will review the size of the request and advise the Programs and Services Committee as to whether the grant request can be funded in full or in part.

The Chair of the Programs and Services Committee will respond to the Fraternity Treasurer with the decision regarding the grant funding, regardless of the decision, by **no later than October 1<sup>st</sup>**.

At the AXPEF **December** meeting, the grants approved by the Programs and Services Committee will be included in the budget that is voted on.

**AMENDED AND RESTATED BY-LAWS**

**OF**

**ALPHA CHI RHO EDUCATIONAL FOUNDATION, INC.**

**Article I: MEMBERS**

1. **Membership.** The corporation shall have one class of members. Any individual may become a member by paying to the corporation dues in the amount of seventy-five dollars (\$75.00) or such other amount as the Board of Trustees may prescribe from time to time by resolution. Membership shall commence upon payment of such dues in full and shall continue until sixty (60) days after the next annual meeting of members following such payment. Membership may be renewed by like payment prior to expiration. If the Board of Trustees so provides by resolution, an individual may become a lifetime member by paying to the corporation in a single payment dues in an amount fixed by the Board from time to time. No membership shall be transferable, and each membership shall terminate upon the death of the member. [Amended May 4, 2019]

2. **Membership Meetings.**

a. **Meetings.** An annual meeting of members shall be held each year, at which Trustees shall be elected. A special meeting of members may be called by the Board of Trustees, the Chairman of the Board or the President, and shall be called by the Secretary upon the written request of at least fifteen (15) members of record entitled to vote at such meeting.

b. **Time and Place.** Each annual or special meeting of members shall be held at a time and place, within or without the State of New Jersey, fixed by the Board of Trustees; except that a special meeting called by the Secretary upon the written request of members shall be held on a date specified by such members at the headquarters of the corporation in the State of New Jersey.

c. **Notice.** Except as otherwise provided in the New Jersey Nonprofit Corporation Act, written notice of the time, place and purpose(s) of each meeting of members shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, to each member of record entitled to vote at the meeting. When a meeting is adjourned to another time or place, it shall not be necessary to give notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken and if the only business transacted at the adjourned meeting is such as might have been transacted at the original meeting. If after adjournment the Trustees fix a new

record date for the adjourned meeting, a notice of the adjourned meeting shall be given to each member of record on the new record date entitled to vote at the adjourned meeting. Notice of a meeting of members need not be given to any member who signs a waiver of the notice, either in person or by proxy, whether before or after the meeting. The attendance of any member at a meeting, either in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of the meeting, shall constitute a waiver of notice by that member. The notice of any annual or special meeting of members shall include, or be accompanied by, any additional statements or information prescribed by the New Jersey Nonprofit Corporation Act.

d. **Conduct of Meetings.** Meetings of members shall be presided over by one of the following officers if present, in the following order of priority: Chairman of the Board, President, Vice President. If none of the foregoing is present at a meeting, it shall be presided over by a chairman chosen by the members. The Secretary (or in the absence of the Secretary, an Assistant Secretary) if present, shall act as secretary of each meeting. If neither the Secretary nor any Assistant Secretary is present, the chairman of the meeting shall appoint a secretary.

e. **Voting List.** The Secretary shall make and certify a complete list of the members entitled to vote at a members' meeting or any adjournment thereof. The list shall be arranged alphabetically, with the address of each member. The list shall be produced at the time and place of the meeting, shall be subject to the inspection of any member during the whole time of the meeting, and shall be prima facie evidence as to who are the members entitled to examine the list or vote at the meeting. If the requirements of this subsection have not been complied with, the meeting shall, on the demand of any member, either in person or by proxy, be adjourned until such requirements are complied with; but such failure shall not affect the validity of any action taken at the meeting prior to the making of such demand.

f. **Quorum.** Unless otherwise provided in the New Jersey Nonprofit Corporation Act, members entitled to cast ten percent (10%) of the votes at the members' meeting shall constitute a quorum at the meeting. The members present, either in person or by proxy, at a duly organized members' meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. Less than a quorum may adjourn a meeting.

g. **Voting.** Each member entitled to vote at a members' meeting shall be entitled to one vote on each matter submitted to such meeting. Trustees shall be elected by a plurality of the votes cast (without cumulative voting). Elections of trustees need not be by ballot unless a member demands election by ballot at the election and before the voting begins. Unless a greater plurality is required by the New Jersey Nonprofit

Corporation Act or by these Bylaws, all other actions taken at a members' meeting shall be authorized by a majority of the votes cast at the meeting by members entitled to vote thereon.

h. **Inspectors.** The Trustees may, in advance of any members' meeting, appoint one or more inspectors to act at the meeting or any adjournment thereof. If an inspector or inspectors are not so appointed or shall fail to qualify, the person presiding at the meeting may (and on the request of any member entitled to vote thereat shall) make the appointment. If any person appointed as an inspector fails to appear or act, the vacancy may be filled by appointment made by the Trustees in advance of the meeting or at the meeting by the person presiding at the meeting. Each inspector, if any, before entering upon a discharge of duties, shall take and sign an oath faithfully to execute the duties of inspector at the meeting with strict impartiality and according to the best of his or her ability. A person shall not be elected as a Trustee at a meeting at which that person has served as an inspector. The inspectors, if any, shall determine the number of members and the voting power of each, the members present at the meeting, either in person or by proxy, the existence of a quorum and the validity and effect of proxies, and shall receive votes or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes or consents, determine the result, and do all acts as are proper to conduct the election or vote with fairness to all members. If there are three or more inspectors, the act of a majority shall govern. On request of the person presiding at the meeting or of any member entitled to vote at the meeting, the inspector or inspectors, if any, shall make a report in writing of any challenge, question or matter determined by him, her or them. Any report made by him, her or them shall be prima facie evidence of the facts therein stated, and shall be filed with the minutes of the meeting.

3. **Action by Members without a Meeting.** Subject to the provisions of Section 15A:5-6 of the New Jersey Nonprofit Corporation Act, any action required or permitted to be taken at a meeting of members, other than the annual election of Trustees, may be taken without a meeting upon the written consent of members who would have been entitled to cast the minimum number of votes which would be necessary to authorize the action at a meeting at which all members entitled to vote thereon were present and voting. Whenever action is taken pursuant to the provisions of this subsection, the written consents of the members consenting thereto or the written report of inspectors appointed to tabulate the consents shall be filed with the minutes of proceedings of members.

4. **Record Date.** For the purpose of determining the members entitled to notice of or to vote at any meeting of members or any adjournment thereof, or to give a written consent to any action without a meeting, or to receive or enjoy any benefit or right or

with regard to any other corporate action or event, the Trustees may fix, in advance, a date as the record date. Any such record date shall not be more than sixty (60) days prior to the corporate action or event to which it relates. The record date for a members' meeting shall not be less than ten (10) days prior to the meeting. The record date to determine members entitled to give a written consent shall not be more than sixty (60) days before the date fixed for tabulation of the consents (or, if no date has been fixed for tabulation, more than sixty (60) days prior to the last day on which consents received may be counted). If no record date is fixed for a corporate action or event, the provisions of Section 15A:5-7(b) of the New Jersey Nonprofit Corporation Act shall apply.

**5. Proxies.** Every member entitled to vote at a members' meeting or to express consent without a meeting may authorize another person or persons to act for the member by proxy. Every proxy shall be executed in writing by the member or the member's agent, except that a proxy may be given by a member or the agent by mail or e-mail or the equivalent. A proxy shall not be valid for more than eleven months unless a longer time is expressly provided therein, but in no event shall a proxy be valid after three years from the date of execution. Unless it is coupled with an interest, a proxy shall be revocable at will. A proxy shall not be revoked by the death or incapacity of the member, but shall continue in force until revoked by the personal representative or guardian of the member. The presence at any members' meeting of any member who has given a proxy shall not revoke the proxy unless the member shall file written notice of revocation with the secretary of the meeting prior to the voting of the proxy. A person named in a proxy as the attorney or agent of a member may, if the proxy so provides, substitute another person to act in that person's place. The substitution shall not be effective until an instrument effecting it is filed with the Secretary. [Amended May 4, 2019]

**6. Proxy Solicitations.** The Secretary shall include in any solicitation by the corporation of proxies for a meeting of members any motion submitted to the Secretary in writing at least seventy-five (75) days before the meeting with the endorsement of at least eight (8) members.

## **Article II: BOARD OF TRUSTEES**

**1. Functions.** The activities of the corporation shall be managed by a board of trustees, which is referred to in these Bylaws as the "Board of Trustees", the "Board" or the "Trustees".

**2. Qualifications.** Trustees must be at least eighteen years of age and either members of The Fraternity of Alpha Chi Rho or members of one of the Lifetime Giving Societies with at least \$10,000 in total lifetime donations.

A spouse of a deceased Brother who has made joint donations shall be deemed to have met the requirement on their own if their joint donations meet the requirement of at least \$10,000 in total lifetime donations.

A majority of elected Trustees must be members of Alpha Chi Rho.

Trustees need not be citizens of the United States or residents of the State of New Jersey. Each member seated shall agree to make an annual personal cash gift of at least \$500 to the Annual Fund and to donate through gifts, in kind services, travel expenses, or raise from other individuals an additional \$1500 for a total of \$2000 each year of the elected term as a Trustee. The Board of Trustees shall have the authority to raise the minimum annual contribution for Trustees by majority vote except that any such increase in the minimum annual contribution shall not apply to a Trustee until after their next election. A Trustee failing to meet the minimum annual contribution amount shall, after receiving thirty days' notice of such failure, shall: 1) petition the Board for a waiver or 2) bring themselves current within ten days. The seat of any Trustee failing to exercise the aforesaid option 1 or 2 shall be deemed vacant. [Amended March 23, 2021]

**3. Number.** The number of Trustees shall be such number, not less than six (6) and not more than twenty-one (21), as shall be determined from time to time by the Board of Trustees, but no decrease in the number of Trustees shall have the effect of shortening the term of any incumbent Trustee. The term "entire Board", when used herein with reference to a particular time, refers to the number of Trustees then most recently so determined. The number of Trustees elected by the members shall not be less than three (3). The persons holding the offices of President, National Secretary and National Scholarship Officer of The Fraternity of Alpha Chi Rho shall, without the necessity of election by the members, each be a Trustee during their term in office as such. [Amended March 23, 2021]

**4. Classification.** The Trustees elected by the members shall be divided into three classes, as nearly equal in number as practicable. The term of office of one class shall expire each year.

**5. Election and Term.** Each Trustee elected by the members shall hold office until the third annual members' meeting following their election and until their successor is elected and qualified, or until their earlier death, resignation or removal. [Amended March 23, 2021]

6. **Vacancies.** Any vacancy, however caused, occurring in the Board of Trustees may be filled by the affirmative vote of a majority of the remaining Trustees, even though less than a quorum of the Board, or by a sole remaining Trustee. A Trustee so elected shall hold office until the next succeeding annual members' meeting and until their successor is elected and qualified, or until their earlier death, resignation or removal. Notwithstanding the foregoing, any office to be filled by reason of an increase in the number of Trustees constituting the entire Board shall be filled only by vote of the members. [Amended March 23, 2021]

7. **Resignation.** A Trustee may resign at any time by written notice to the Secretary. Unless a subsequent time is stated in such notice, resignation shall be effective upon the Secretary's receipt thereof.

8. **Removal.** One or more or all of the Trustees may be removed for cause by the affirmative vote of a majority of the votes cast by members entitled to vote for the election of Trustees. The Board may remove a Trustee for cause and may suspend a Trustee pending a final determination that cause exists for removal. No act of the Board done during the period when a Trustee has been suspended or removed for cause shall be impugned or invalidated if the suspension or removal is thereafter rescinded or invalidated.

9. **Meetings of Trustees.**

a. **Meetings.** Regular Trustees' meetings shall be held at least three times each year, on dates established by the Board of Trustees. Special Trustees' meetings shall be held on dates established by the person(s) calling such meetings.

b. **Time and Place.** Trustees' meetings shall be held at such time and place, either within or without the State of New Jersey, as shall be determined by the Board of Trustees or by the person(s) calling such meetings.

c. **Call.** Special meetings of the Board may be called by the Chairman of the Board, the President or any five (5) Trustees.

d. **Notice.** Regular meetings of the Board may be held without notice. Written notice of the time and place of each special meeting of the Board shall be given not less than ten (10) days before the date of the meeting. Notice of any Trustees' meeting need not be given to any Trustee who signs a waiver of notice, whether before or after the meeting. The attendance of any Trustee at a meeting without protesting prior to the conclusion of the meeting the lack of notice of the meeting shall constitute a waiver of notice by that Trustee. Neither the business to be transacted at, nor the purpose of, any Trustees' meeting need be specified in the notice or waiver of notice of the meeting.

Notice of an adjourned meeting need not be given if the time and place are fixed at the meeting adjourning and if the period of adjournment does not exceed ten days in any one adjournment.

e. **Quorum.** One-third (1/3) of the entire Board shall constitute a quorum. The act of the majority present at a Trustees' meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by the New Jersey Nonprofit Corporation Act. Any or all Trustees may participate in a meeting of the Board by means of conference telephone or any means of communication by which all persons participating in the meeting are able to hear each other.

f. **Chairman.** The Chairman of the Board, if present, shall preside at all Trustees' meetings. Otherwise, the President, if present (or if not, such other Trustee as shall be chosen by the Board) shall preside.

**10. Remuneration.** No Trustee shall receive any financial remuneration for serving as such (including without limitation for serving on any committee); but nothing shall preclude a Trustee who provides other services to the corporation under a contract approved by the Board, or who serves as an officer of the corporation, from receiving financial remuneration for such services. Nor shall a Trustee be precluded from having some or all out-of-pocket expenses of attending members', Trustees' or committee meetings be paid or reimbursed by the corporation.

#### **11. Committees of Trustees / Delegation of Authority.**

a. **Executive Committee.** There shall be an Executive Committee of the Board, composed of the Chairman of the Board, the President, the Vice President, the Secretary (if a Trustee), the Treasurer (if a Trustee) and such other Trustees as the Board of Trustees, by resolution adopted by a majority of the entire Board, may appoint. Subject to the limitations on delegation set forth in Section 15A:6-9 of the New Jersey Nonprofit Corporation Act, the Executive Committee shall have and may exercise all of the authority of the Board between meetings of the Board. If the Secretary, Treasurer, or Director of Development is not a Trustee, such officer shall participate in the deliberations of the Executive Committee but shall have no vote with regard to acts of the Executive Committee.

b. **Other Committees.** The Board of Trustees, by resolution adopted by a majority of the entire Board, may appoint from among the Trustees one or more other committees, each of which shall have at least one member. Subject to the limitations on delegation set forth in Section 15A:6-9 of the New Jersey Nonprofit Corporation Act, a committee so appointed, to the extent provided in the resolution appointing it, shall have and may exercise all the authority of the Board.

c. **Quorum.** A majority of the Executive Committee or any other committee exercising any of the authority of the Board shall constitute a quorum. The act of a majority of the members present at a meeting of the Executive Committee or any such committee at which a quorum is present shall be the act of the Executive Committee or such committee.

d. **Reports.** Actions taken by the Executive Committee or any other committee exercising any of the authority of the Board shall be reported to the Board at its next meeting following the committee meeting; except that, when the next meeting of the Board is held within two days after the committee meeting, the report shall, if not made at such Board meeting, be made at the following Board meeting.

e. **Continuing Responsibility.** The designation of the Executive Committee or of any other committee of the Trustees and the delegation thereto of authority shall not operate to relieve the Board, or any Trustee, of any responsibility imposed by law.

**12. Action Without a Meeting.** Any action required or permitted to be taken pursuant to authorization voted at a meeting of the Trustees or any committee thereof may be taken without a meeting if, prior or subsequent to the action, all members of the Board or of such committee, as the case may be, consent thereto in writing and the written consents are filed with the minutes of the proceedings of the Board or such committee.

**13. Honorary Trustees.** The Board of Trustees, at a meeting at which a quorum is present, may, by the act of three-fourths of those present, elect one or more Honorary Trustees. Honorary Trustees shall not be Trustees, nor shall they have any voting power.

### **Article III: ADVISORY COMMITTEES**

1. **Advisory Committees.** The President may appoint advisory committees, the members of which may consist solely of Trustees or may include persons who are not Trustees. The President shall designate the chairman of each committee so appointed.

### **Article IV: OFFICERS**

1. **Election or Appointment by Board.** The Board of Trustees shall elect or appoint, from among the Trustees, a Chairman of the Board, a President and a Vice President, shall elect or appoint, either from among the Trustees or otherwise, a Secretary and a Treasurer, and may elect or appoint, either from among the Trustees or otherwise, such other officers as it chooses. Any two or more offices may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more

than one capacity if the instrument is required by law to be executed, acknowledged or verified by two or more officers.

2. **Term.** Each officer shall hold office until the Trustees' meeting following the next annual members' meeting and until his or her successor is elected or appointed and qualified, or until his or her earlier death, resignation or removal.

3. **Resignation.** An officer may resign at any time by written notice to the Board, c/o the Secretary. Unless a subsequent time is stated in such notice, resignation shall be effective upon the Secretary's receipt thereof.

4. **Removal.** The Board of Trustees may remove any officer at any time, with or without cause. The removal of an officer without cause shall be without prejudice to that officer's contract rights, if any. Election or appointment of an officer shall not of itself create contract rights.

5. **Duties.** Officers shall have the authority and perform the duties in the management of the corporation provided in these Bylaws or as may be determined by resolution of the Board not inconsistent with these Bylaws.

a. **Chairman of the Board.** The Chairman of the Board shall preside at all meetings of the Trustees and at all meetings of the members.

b. **President.** The President shall be the chief executive officer and the chief operating officer of the corporation. In the absence of the Chairman of the Board, the President shall have the authority and perform the duties of the Chairman of the Board. The President shall be an ex-officio member of each standing advisory committee. At each annual members' meeting, the President shall submit a report of the operations of the corporation during the preceding year.

c. **Vice President.** The Vice President shall have such authority and perform such duties as the Board or the President shall prescribe. In the event the President is unable to act, the Vice President shall have the authority and perform the duties of the President.

d. **Secretary.** The Secretary shall attend all meetings of the members, the Board, the Executive Committee and each other committee having any of the authority of the Board, and shall record the proceedings of such meetings in a book kept for such purpose. The Secretary shall affix to and attest the corporate seal on any instrument when so authorized. The Secretary shall perform such other duties as shall be assigned by the Board or the President.

e. **Treasurer.** The Treasurer shall have custody of the funds and securities of the corporation and shall cause them to be kept in such depositories (including without limitation brokerage firms) as shall be designated by the Board. The Treasurer shall disburse the funds of the corporation as authorized or ordered by the Board or the President. The Treasurer shall keep full and accurate accounts of receipts and disbursements in books of the corporation kept for such purpose, and shall render to the Board or the President such reports as may be requested. The Treasurer shall perform such other duties as shall be assigned by the Board or the President. Except to the extent, if any, required by the Board, the Trustee shall not be required to provide the corporation with any bond or other security for performance.

6. **Remuneration.** The officers of the corporation shall receive such financial remuneration, if any, for performing their services as such as shall be determined by the Board of Trustees.

#### **Article V: FUNDS OF THE CORPORATION**

1. **Definition of "Funds"**. Funds of the corporation shall consist of such monies and other real or personal property which the corporation holds from time to time (including without limitation property received by the corporation from time to time as a gift, contribution, legacy, bequest or grant) and the proceeds thereof (including without limitation investment proceeds).

2. **Use.** To the extent not inconsistent with these Bylaws, funds of the corporation received from a donor shall be used in accordance with any stipulation of such donor. No funds may be accepted by the corporation on any basis inconsistent with these Bylaws. The funds of the corporation shall be kept at such depositories (including without limitation brokerage firms), either within or without the State of New Jersey, as shall be approved by the Board of Trustees, and shall be invested in such investments as are legal investments for nonprofit corporations organized under the New Jersey Nonprofit Corporation Act as are determined by the Board or by an agent appointed by the Board for such purpose. No funds shall be withdrawn from such depositories except pursuant to authorization of the Board and upon the signature(s) of an officer or officers designated by the Board for such purpose.

3. **Categories.** The funds of the corporation shall be divided into two categories: the Permanent Fund and the General Fund.

a. **Permanent Fund.** A fund, designated the Permanent Fund, shall be maintained as an endowment not to be expended. The Permanent Fund shall consist of twenty-five percent (25%) of any property received by the corporation, except that the Permanent

Fund shall not include: (i) property other than monies or their equivalent received by the corporation, except to the extent, if any, the donor specifies that such property is to be included in the Permanent Fund; (ii) property accepted by the corporation under terms which will require, or which it is anticipated may require, the expenditure of more than seventy-five percent (75%) thereof; and (iii) earnings from the investment of any funds of the corporation, including without limitation funds of the corporation in the Permanent Fund. At no time may more than twenty-five percent (25%) of the Permanent Fund be invested in the aggregate in loans or advances secured by any property owned by any member, chapter or branch of The Fraternity of Alpha Chi Rho, any building corporation related to any such chapter or branch, or any other person or group acting for the benefit of or as agent for any such member, chapter, branch or corporation.

b. **General Fund.** All funds of the corporation which are not part of the Permanent Fund shall constitute the General Fund. The Board of Trustees may establish special funds within the General Fund, either to accommodate a permitted stipulation of a donor or otherwise. Without precluding other uses of the General Fund consistent with law and the corporation's Certificate of Incorporation, the Board of Trustees may cause funds of the corporation therein to be used to establish scholarships or memorials, to encourage or recognize literary and academic achievement, and to make secured or unsecured loans, in furtherance of the corporation's purposes stated in its Certificate of Incorporation, and may establish rules and regulations in connection therewith.

## **Article VI: MISCELLANEOUS**

1. **Books and Records.** The corporation shall keep books and records of account and shall keep minutes of the proceedings of its members and of the Board of Trustees and of any committee having any of the authority of the Board of Trustees. The corporation shall make available for inspection at its registered office in the State of New Jersey, or at its principal office if it is in the State of New Jersey, records containing the names and addresses of all its members, and the dates when they respectively became members, within ten (10) days after demand by a member entitled to inspect them, as defined in Section 15A:5-24(c) of the New Jersey Nonprofit Corporation Act. Upon the written request of any member, the corporation shall mail to that member its balance sheet as at the end of the preceding fiscal year, and its statement of income and expenses for that fiscal year.

2. **Corporate Seal.** The corporate seal shall be in the form in use on the date of adoption of these Bylaws or in such other form as the Board of Trustees may determine from time to time by resolution.

3. **Fiscal Year**. The fiscal year of the corporation shall be the calendar year or such other period as may be established by the Board of Trustees from time to time by resolution.

#### **Article VII: CHANGES TO BYLAWS**

1. **Changes**. The Board of Trustees shall have the power to alter (including without limitation to repeal) these Bylaws, and to make additional or substitute bylaws; but alterations and additional or substitute bylaws made by the Board may be altered or repealed, and new bylaws may be made, by the members by the affirmative vote of a majority of the members entitled to vote thereon. The members may prescribe in any alteration or bylaw made by them that any bylaw made by them shall not be altered or repealed by the Board.