



BYLAWS OF THE SOUTH PLAINS COLLEGE FOUNDATION

ARTICLE I

Name, Office, and Status as Qualified Charitable Organization

- Section 1.1 Name.** The Name of the Corporation is The South Plains College Foundation, Inc, hereinafter referred to as the Foundation.
- Section 1.2 Principal Office.** The principal office of this Foundation shall be 1401 S. College Ave., Levelland, Texas, 79336. The Corporation may also have other offices at such places as the Board of Directors may determine that the business of the Foundation shall require.
- Section 1.3 Registered Agent.** The Foundation shall have a registered agent whose office is identical with the principal office, as required by the Texas Non-Profit Corporation Act.
- Section 1.4 Status:** The Foundation is a not-for-profit community foundation incorporated under the Texas Non-Profit Corporation Act and exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. It has been classified as an organization that is not a private foundation under Section 509(a) of the Internal Revenue Code.

ARTICLE II Purpose

- Section 2.1 Purpose of the Foundation:** In accordance with the terms of its charter, duly executed under the laws of the State of Texas, the purposes of the Foundation are to promote the interest of education at South Plains College, to assist and extend financial support to South Plains College, to raise funds for the purpose of expanding and enriching the educational programs, services and facilities, and to provide scholarships, grants in aid and loans to students enrolled at South Plains College. The Foundation shall be operated exclusively for educational, scientific and charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1986 and its regulations as they now exist or as they may hereafter be amended. In furtherance of its purpose and not by way of limitation, the Foundation shall have the power to take, accept, hold, manage and acquire, by bequest, devise, gift or purpose, money and any property, real, personal or mixed, whether tangible or intangible and to

make expenditures to or for the benefit of South Plains College within the meaning of section 170 (b) (1) (A) (iv) of such Code and Regulations as they now exist or as they may hereafter be amended. The Foundation may transfer and convey, whether by grant, gift, donation or sale, any such funds or property to or for the benefit of the College or its successors. More specifically, the Foundation is organized and shall be operated to do any and all acts and things, and to exercise any and all powers conferred upon Corporations formed under the Texas Non-Profit Corporation Act, provided such powers, acts and things are not inconsistent with or prohibited by the purpose of the Foundation, the Articles of Incorporation, the Bylaws of the Foundation, or any law. Except for the fact that the Foundation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of such purposes, no part of its net earnings shall inure to the benefit of, or be distributable to, any Directors, officers, or other private persons. No part of the Foundation's activities shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Foundation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE III

Board of Directors

Section 3.1. General Powers. The Foundation shall have no members. The direction and management of the affairs of the Foundation and the control and disposition of its assets shall be vested in a Board of Directors who shall exercise all such powers of the Foundation and do all such lawful acts and things as are permitted by law, the Articles of Incorporation and these Bylaws.

The Board of Directors shall have the authority to secure monies and property through gifts, donations, bequests, conveyances, deed or devises and where funds or property are given or devised to this Foundation in accordance with specific conditions and provisions as to how the same shall be administered or distributed, and such property and funds shall be held and used in accordance with the terms of such will or wishes of the donor, and all distributions made of such funds shall be strictly in accordance with the purposes for which this Foundation was formed.

Section 3.2 Number. The Board of Directors shall consist of no less than thirteen (13) and no more than thirty (30) Directors, selected in the manner prescribed in the Bylaws.

Section 3.3 Manner of Selection. The manner of selecting members of the Board of Directors shall be by election by a majority vote of the Board of Directors.

The Foundation Board of Directors shall include three (3) members of the South Plains College Board of Regents, appointed by the Chairman of the Board of Regents, as ex-officio Directors. The President of South Plains College shall also serve as an ex-officio Director.

The Board of Directors is authorized to fill vacancies or to add members of the Board up to the maximum of thirty (30) at any regular or called meeting of the Board.

Section 3.4. Term. The regular term of office for a Director shall be three (3) years. The Directors' terms will be staggered in a manner determined by the Board of Directors.

Directors may be elected to successive terms. All directors, except ex-officio Directors, shall serve until the expiration of their respective terms and or until their respective successors are elected.

Section 3.5. Election. Recommendations by the Committee on Members for new Directors must be submitted in writing to all members of the Board at least ten (10) days in advance of the Annual Meeting at which the selections are to be considered.

Section 3.6. Resignations. Any Director may resign at any time by giving written notice of such resignation to the President or Secretary. Such resignation shall take effect at the time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.7. Removal from Office. Except for the members of the South Plains College Board of Regents and the President of the College, who serve as ex-officio Directors, any Director may be removed, either with or without cause, at any time by an affirmative majority vote of the Board of Directors at a meeting called for that purpose. If a vacancy on the Board of Directors occurs, a successor shall be named in accordance with Article II, Section 3.3.

Section 3.8 Vacancies. Any vacancy occurring among the directors by reason of death, resignation, removal, disqualification or otherwise, shall be filled by election of a majority of the Board of Directors at any meeting. A special meeting may be called for such purpose. A Director elected to fill a vacancy shall be elected to fill the unexpired term of the predecessor.

Section 3.9 Change in Number. The number of Directors serving may be increased or decreased at any regular or special meeting of the Board if notice of the proposed change in number has been given in advance. The change in number may be made by a majority vote of the Board at which a quorum is present. The change in number will be reflected at the annual meeting at which time Directors are elected. No decrease in the number of Directors shall have the affect of shortening the term of any incumbent Director.

Section 3.10 Meetings. There shall be a minimum of two (2) regular meetings of the Board of Directors each year, one held in the fall and one held in the spring on dates chosen by the President of the Board. A minimum ten (10) day notice shall be required. Other meetings may be scheduled at the discretion of the Directors.

Section 3.10.1 Place of Meeting. Meetings of the Board of Directors shall be held at the Principal Office of the Foundation, unless some other place shall be stated in the notice of the meeting or in a duly executed waiver thereof.

Section 3.10.2 Annual Business Meeting. One (1) of the two (2) required Regular Meetings shall be an Annual Business Meeting which shall be held during the spring meeting of each year. The annual meeting shall be held for the purpose of electing new Directors to the Board, election of officers, and for the transaction of other business as properly may come before the Board.

Section 3.10.3 Special Meetings. Special meetings of the Board may be called at any time or at the written request of the President or any two (2) Directors. Notice of the call of the special meeting may be oral, by fax, electronic mail, or in writing and given to each Director no later than five (5) days before the day on which such meeting is to be held.

Section 3.10.4 Action without Meeting. Any action required to be or which may be taken at a meeting of the Directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of the Directors entitled to vote with respect to the subject matter thereof and such consent shall have the same force and effect as a majority vote of the Directors. Such consent shall be delivered to the Secretary of the Foundation for inclusion in the Minute Book of the Foundation

Section 3.10.5 Telephone Meetings. Subject to notice provisions of these Bylaws, the Board of Directors may hold an annual, regular or special meeting by means of conference telephone or similar communications equipment pursuant to which all persons participating in the meeting can hear and communicate with each other. Participation in any such meeting shall constitute presence in person at such meeting and waiver of notice of such meeting, except when a person participates at such meeting for the express purpose of objecting to the transaction of any business on the ground that such meeting is not

lawfully called or convened. Any committee provided for in these bylaws or established by the Board of Directors may also hold its meetings by means of conference telephone or similar communications equipment.

Section 3.11 Quorum. The presence of a majority of the number of Directors, then constituting the Board, shall be a quorum for the transaction of business at all meetings convened according to these Bylaws. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board unless the vote of a greater percentage is otherwise required or provided by law, these Bylaws, or the Articles of Incorporation. The Directors present at a meeting at which a quorum is present at any time during the meeting may continue to transact business until adjournment, even if a Director whose presence at the meeting was counted toward the quorum thereafter leaves the meeting.

Section 3.12 Voting. Every Director, including Ex-Officio Directors, are entitled to one (1) vote. The affirmative vote of a majority of Directors present at a meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by law or these Bylaws.

Section 3.13 Proxies. Proxies may be used in absencia.

Section 3.14 Interested Directors/Officers. Any contract or other transaction between the Foundation and any of its Directors or Officers (or any Corporation or firm in which any of them are interested, directly or indirectly) shall be valid for all purposes, notwithstanding the presence of such Director or officer at the meeting authorizing or ratifying such contract or transaction. Each such interested Director may be counted in determining whether a quorum is present but may not vote on such contract or transaction.

Section 3.15 Compensation. Directors may not receive salaries or other compensation for their services as a Director. By resolution of the Board of Directors, a Director may be reimbursed for reasonable expenses incurred in the performance of their duties.

Section 3.16 Attendance. Failure of a Director to attend a majority of the meetings of the Board shall be grounds for removal.

Section 3.17 Committees. In accordance with Article V of these Bylaws, the Board may, by resolution adopted by a majority of the Board, designate or appoint one or more committees which shall have such duties, authority, rights, and powers as the Board may determine, or as otherwise provided in these Bylaws. The designation of such committees and the delegation thereto of such duties, authority, rights and powers shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon him or her by law.

ARTICLE IV

Officers

- Section 4.1 Designation.** The Officers of the Foundation shall be a President, Vice President, Secretary and Treasurer, all of whom shall be members of the Board of Directors. The Foundation may also have an Executive Director, who shall be responsible for the proper and efficient operation of affairs of the Foundation. Officers shall be elected by the majority vote of the Board at its Annual Business Meeting.
- Section 4.2 President.** The President shall be the Chief Executive Officer of the Foundation and shall preside at all meetings of the Board of Directors. The President shall have general charge and supervision of the administration of the activities of the Foundation and shall perform such duties as are customarily incident to the office or are required of him or her by the Board of Directors or the Executive Committee. The President shall see that all orders and resolutions of the Board are carried into effect. The President shall execute all legal documents and instruments in the name of the foundation when authorized so to do by the Board and shall perform such other duties as may be prescribed from time to time by the Board. The President shall submit to the Board plans and suggestions for the activities of the Foundation and shall direct its general correspondence. The President shall submit a report of the activities of the Foundation at each annual meeting of the Board and at other times when requested by the Board.
- Section 4.3 Vice President.** The Vice President shall discharge the duties of the President in the event of the President's absence or disability for any cause and shall perform such additional duties as may be prescribed from time to time by the Board of Directors.
- Section 4.4 Secretary.** The Secretary of the Foundation or his/her representative shall give notice of any meeting of the Board of Directors of which notice is required, shall keep the seal of the Foundation, if any, shall keep an accurate list of the directors of the Foundation and shall have authority to certify any records or minutes, or copies of any records or minutes, as the official records or minutes, or true copies of the records or minutes of the Foundation. In addition, the Secretary shall perform such other duties as are required of him or her by the Board or the President.
- Section 4.5 Treasurer.** The Treasurer of this Foundation shall serve as or appoint the Chair of the Finance and Investments Committee. The Treasurer shall be responsible for reviewing all financial statements of the Foundation, ensuring an external audit is conducted annually, making recommendations relative to the investment of the Foundation's funds, and for ensuring that there are procedures in place to account for all of the Foundation's assets. In addition,

the Treasurer shall perform such other duties customarily incident to the office and as required of him or her by the Board or the President.

Section 4.6 Executive Director. The Executive Director of the Foundation shall be recommended by and be responsible to the President of South Plains College or to the appropriate designated officer of the College and to the Executive Committee of the Foundation. The Executive Committee shall supervise the activities of the Executive Director. The duties of the Executive Director shall be to supervise the day-to-day operations and activities of the Foundation; shall collect and keep an account of all moneys received and expended for the use of the Foundation; shall ensure that donations and other revenue received by the Foundation are deposited in the name of the Foundation in such depositories as shall be approved by the Board of Directors or Executive Committee; shall make reports of the finances of the Foundation to the Chairman, the Board of Directors, the Finance and Investments Committee and the Executive Committee whenever required; and shall perform other duties as are required of him or her by the Board of Directors or Executive Committee. The property, funds, books and other records in the possession of the Executive Director shall at all times be subject to the inspection, supervision and control of the Board of Directors and/or the Executive Committee. In addition, the President of the College may appoint a fiscal officer who shall assist the Executive Director and the Treasurer.

Section 4.7 Other Officers. Other officers may be designated by the Board of Directors as they from time to time deem best. In the event of absence, inability or refusal to act by any of the officers of the Foundation, the Board of Directors may appoint a person to perform his/her respective duties.

Section 4.8 Election and Term. The Board of Directors at its annual meeting shall elect the officers of the Foundation from within the membership of the Board of Directors. Each officer of the Foundation shall be elected for a two-year term (except for the Executive Director) and shall hold office during the term for which elected or appointed, or until such earlier death, resignation, incapacity, or removal from office. Any person holding office may be elected to succeed himself or herself in that office for a subsequent term or terms, or be elected to serve a term or terms in some other office of the Foundation.

Section 4.10 Resignations (See Article III, Section 3.6)

Section 4.11 Removal from Office. Any director may be removed from office at any time, either with or without cause, by a vote of a majority of the Directors then in office at a special meeting of the Board called for that purpose.

Section 4.12 Vacancy. Any vacancy occurring in any office of the Foundation shall be filled by the Board of Directors. An officer selected to fill a vacancy shall fill the unexpired term of the predecessor.

Section 4.13 Director Emeritus. This designation can be conveyed to a retiring director who has provided outstanding support and leadership to the South Plains College Foundation and its Board of Directors. As a Director Emeritus, the individual is welcomed and invited, but not obligated to attend Board of Directors meetings. A Director Emeritus serves a special role as advocate for the Board and special consultant, should the need arise.

To receive this designation, the retiring Director must be nominated by at least two current directors and the designation must be approved by resolution of the Board of Directors.

ARTICLE V Committees

Section 5.1 Executive Committee. The Executive Committee shall consist of the President, Vice President, Secretary, Treasurer, one member of the South Plains College Board of Regents appointed by the Chairman of the Board of Regents, the President of the College, and up to two (2) at-large members appointed by the Foundation Board of Directors. The Executive Director of the Foundation may also serve on the Executive Committee. The Executive Committee shall have and may exercise all of the authority and powers of the Board in the business and affairs of the Foundation when said Board is not in session, subject only to such restrictions or limitations as the Board of Directors may from time to time specify. The foregoing shall not be construed as authorizing actions by the Executive Committee with respect to any action which, by statute, the Articles of Incorporation or the Bylaws, is required to be taken by vote of a specified portion of the number of Directors fixed by these Bylaws. The designation of the Executive Committee or the delegation of authority shall not operate to relieve the Board, or any director thereof, of any responsibility imposed by law or these Bylaws. So far as practicable, members of Executive Committee shall be appointed by the Board at its Annual Business Meeting and, unless sooner discharged by a majority vote of the Directors, shall hold office until their respective successors are appointed and qualify or until their earlier respective deaths, resignations, retirements or disqualifications. The term of appointment for the at-large members of the Executive Committee shall be two (2) years. Successive terms of appointment are permissible.

The Executive Committee shall not have authority to alter, amend, or repeal Articles of Incorporation or Bylaws, or to appoint or remove Directors. Written reports of the actions of the Executive Committee shall be submitted to the Board of Directors for approval at its next meeting following the actions of the Executive Committee. The Executive Committee shall appoint its own secretary, who may be the Secretary of the Foundation or his/her representative.

No revision or alteration by the Board of Directors of action taken by the Executive Committee shall affect the rights of third parties.

Section 5.1.1 Meetings. Regular meetings of the Executive Committee, of which notice shall be necessary, shall be held at such times and places as may be fixed from time to time by resolution adopted by affirmative vote of a majority of the Committee and communicated to all directors thereof. Special meetings of the Executive Committee may be called by the President of the Board or any two (2) directors thereof at any time on twenty-four (24) hour notice to each member. Except as may otherwise be provided by statute, the Articles of Incorporation, or these Bylaws, neither the business to be transacted, nor the purpose of any meeting of the Executive Committee need be specified in the notice or waiver of notice of such meeting. The act of a majority of those present at any meeting, at which a quorum is present, shall be the act of the Executive Committee. The members of the Executive Committee shall act only as a committee, and the individual members shall have no power as such. In the absence of the President and the Vice President, the Committee shall elect its own Chairman to preside at the meeting.

Section 5.1.2 Vacancy. Any vacancy on the Executive Committee may be filled by a majority vote of the Directors.

Section 5.1.3 Records. The Executive Committee shall keep a record of its acts and proceedings and shall report the same, from time to time, to the Board of Directors. The Minutes of Executive Committee meetings shall be kept in its registered office or principal place of business.

Section 5.1.4 Quorum. The presence of a majority of all the members of the Executive Committee shall constitute a quorum for the transaction of business at any meeting of the Committee.

Section 5.1.5 Voting. Each member of the Executive Committee shall be entitled to one (1) vote on any question properly before any meeting of the Committee. All questions shall be decided by the vote of a majority of the members entitled to vote thereon who shall be present at the meeting. Any action which might be taken at a meeting of the Executive Committee may be taken without a meeting if written consent to such action is signed by all members of the Executive Committee.

- Section 5.2 Committee on Members.** There shall be a Committee on Members, consisting of three (3) or more Directors appointed by the President of the Board of Directors. The Committee on Members shall be responsible for recommending individuals to serve as Directors, and for recommending a slate of officers for the approval of the Board of Directors. All recommendations for Director positions shall be submitted to the Committee on Members. The Committee shall then make a recommendation to the Board of Directors.
- Section 5.3 Finance and Investment Committee.** There shall be a Finance and Investment Committee, consisting of the Treasurer and three (3) or more Directors, appointed by the President of the Board of Directors. The Committee shall be responsible for reviewing all financial statements of the Foundation, ensuring an external audit is conducted annually, making recommendations relative to the investment of the Foundation's funds, and for ensuring that there are procedures in place to account for all of the Foundation's assets.
- Section 5.4 Standing Committees.** The Board of Directors may designate one or more Standing Committees as are necessary and which are not in conflict with other provisions of these Bylaws, and the duties of any such Standing Committees shall be prescribed by the Board of Directors. Each Standing Committee shall consist of three (3) or more persons, who may be, but are not required to be, Directors of the Foundation. Appointments of persons to such Standing Committees shall be for the terms prescribed by the Board of Directors.
- Section 5.5 Special Committees.** The Board of Directors may designate one or more Special Committees as are necessary and which are not in conflict with other provisions of these Bylaws. The duties of any such Special Committees shall be prescribed by the Board of Directors. Each such Special Committee shall consist of three (3) or more persons, who may, but need not be, limited to Directors of the Foundation. A Special Committee shall limit its activities to the accomplishment of the tasks for which it is designated and shall have no power to act except as conferred by action of the Board of Directors. Upon completion of the task for which designated, such Special Committee shall stand dissolved.

ARTICLE VI

Notices

- Section 6.1 Method.** Whenever the provisions of law, the Articles of Incorporation, or these Bylaws, require that notice is to be given or delivered to any Director and no provision is made as to how such notice shall be delivered or given, any such notice may be given either in person, by fax, in writing, by electronic mail, or by mail, postage pre-paid, addressed to such Director at such address as appears on the books of the Foundation. Such notice required or permitted to be delivered by mail shall be deemed to be delivered at the time when the same shall be deposited, with correct postage affixed, with the United States Postal Service.

Section 6.2 Waiver. Whenever any notice is required to be given to any Director of the Foundation under the provisions of the Non-Profit Corporation Act of Texas, or under the Articles of Incorporation, or these Bylaws, 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. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting except when a Director attends 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 VII

Executive Director

Section 7.1 Duties of the Executive Director. The Executive Director shall be the Chief Administrative Officer of the Foundation and shall be responsible to the President of South Plains College or to the appropriate designated officer of the College and to the Executive Committee of the Foundation. The Executive Committee shall supervise the activities of the Executive Director. The duties of the Executive Director shall include such duties and responsibilities in the management of the affairs of the Foundation as required by the Executive Committee. The Executive Committee may delegate in writing to the Executive Director authority to: (a) execute documents on behalf of the Foundation; (b) enter into cooperative agreements with other organizations; and (c) make discretionary expenditures of Foundation funds for operations and fund raising activities of the Foundation. The Executive Director shall serve as an advisory member of the Board of Directors and the Executive Committee.

ARTICLE VIII

Execution of Instruments

Section 8.1 Real or Personal Property. All documents, instruments or writings executed by the Foundation which are acknowledged and which affect an interest in real or personal property shall be deemed sufficient if executed by the President or Vice President of the Foundation and by the Secretary or Treasurer, or otherwise executed as provided by specific resolution of the Board of Directors or Executive Committee. All other transactions executed by the Foundation, including gifts, grants, transfers or any releases of mortgages or liens of any kind, may be executed by the President or Vice President, and Secretary or Treasurer, or by any other person authorized by specific resolution of the Board of Directors or Executive Committee, or as otherwise may be provided in these Bylaws.

Section 8.2 Checks, Drafts, Orders for Payment. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the

name of the Foundation, shall be signed by such officer or officers of the Foundation and in such manner as may be determined from time to time by the Board of Directors.

ARTICLE IX

Indemnification of Directors and Officers

Section 9.1 Indemnification. The Foundation shall have the power to indemnify any Director or Officer or former Director or Officer of the Foundation and hold harmless from and against all costs and expenses which may be imposed upon or reasonably incurred by him or her in connection with or arising out of any claim, action, suit, or proceeding in which he or she may be involved by reason of his or her being a Director or Officer of the Foundation, whether or not he or she continues to be a Director or Officer at the time such costs and expenses are imposed or incurred. As used herein, the term "costs and expenses" shall include, but not be limited to , attorney's fees and amount of judgments against, and the amounts paid in settlement by or on behalf of any Director or Officer, other than amounts paid to the Foundation itself; provided, however, that no such Director or Officer shall be indemnified: (1) with respect to any matter as to which such Director or Officer shall, in any such action, suit, or proceeding, be finally adjudged to be liable for actual misconduct in the performance of his or her duties as a Director or Officer; or (2) in the event of a settlement of any such claim, action, suit, or proceeding, unless (a) such settlement shall, with the knowledge of the indemnification provided for hereby, be approved by the court having jurisdiction of such action, suit or proceedings; or (b) such settlement shall have been made upon the written opinion of independent legal counsel, selected by or in a manner determined by the Board of Directors, to the effect that there is not reasonable ground of liability for misconduct on the part of such Director or Officer and that the entire cost of such settlement will not substantially exceed the estimated cost of defending such claim, action, suit or proceeding to a final conclusion. The foregoing rights of indemnification shall not be exclusive of other rights to which any such Director or Officer may be entitled as a matter of law or contractual obligation.

Section 9.2 Bond for Treasurer or Designated Fiscal Agent. The Treasurer of the Foundation shall carry out such duties as set out elsewhere in the Bylaws. If required by the Board of Directors, the Treasurer or any other designated Fiscal Agent of the Foundation, shall be bonded, through his or her term as Treasurer or Fiscal Agent, in an amount exceeding the total value of funds controlled by the Treasurer or Fiscal Agent during his or her term of office.

Section 9.3 Liability Insurance. The Board of Directors may provide liability insurance for each Director of the Foundation, as well as all Officers of the Foundation. This liability insurance may be in such amounts as the Directors deem requisite for the position and function of the individual being insured so as to insure

Directors and Officers from pecuniary loss for carrying out their duties and responsibilities to the Foundation.

ARTICLE X

General Provisions

- Section 10.1 Fiscal Year.** The fiscal year for the Foundation shall begin the first day of the month of September and end the last day of the month of August each year.
- Section 10.2 Financial Records.** The Foundation shall maintain on an accrual basis true and accurate financial records, showing all receipts and expenditures and assets and liabilities, in accordance with generally accepted accounting principles.
- Section 10.3 Audit.** The financial records of the Foundation shall be audited not less than annually by an independent Certified Public Accountant who shall be appointed by the Executive Director with the approval of the Board, and who shall provide a report to the Board.
- Section 10.4 Loans.** No loans shall be contracted on behalf of the Foundation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.
- Section 10.5 Contracts.** The Board of Directors or the Executive Committee, except as otherwise provided in these Bylaws, may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation, and such authority may be general or confined to a specific instance; and unless so authorized by the Board of Directors or Executive Committee, no Director, Officer, Agent, or Employee shall have any power or authority to bind the Foundation by any contract or engagement or to pledge its credit or render it liable pecuniarily for any purpose or any amount.
- Section 10.6 Investments.** The Board of Directors shall oversee the management and investment of the Foundation funds and other gifts for the purpose of prudently maximizing the return on invested funds while at all times safeguarding such assets. The Board shall have the right to transfer funds of the Foundation for investment purposes to one or more Agency Trust accounts at a bank with trust powers and a trust department or to any appropriate reliable investment firms approved by a majority vote of the Board. The Board may delegate its investment authority to its Treasurer, the Executive Director, or to such bank or investment firm which they approve. The Board shall establish investment guidelines and policies that it deems appropriate to avoid any speculative investments.

Section 10.7 Gifts and Donations. The Board of Directors may accept on behalf of the Foundation any contribution, gift, bequest, or devise for the general purposes or for any specific purpose of the Foundation. The Foundation is empowered to reject any gifts which it deems inappropriate. Any designated gift, if accepted by the Foundation, shall be used only for the purposes for which it was designated. Any gift or donation received by the Foundation which is not designated for a particular purpose shall be used by the Foundation in such manner as it deems best. Undesignated gifts may be merged and/or commingled with other undesignated gifts and used as a single fund, or if the Board deems best, the undesignated gift may retain its identity and be used as a separate fund. In addition, the Board may make on behalf of the Foundation any contribution or gift in furtherance of its general purposes or any special purpose of the Foundation, provided such contribution or gift is not prohibited by these Bylaws, Articles of Incorporation, or any law.

Section 10.8 Books and Records. The Foundation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of the Board of Directors. All such records shall be kept in its registered office or principal place of business.

Section 10.9 Corporate Seal. The seal of this Foundation shall be in the form of a circle with a star in the center and the year in which this Foundation was organized thereon and shall indicate the formation under the laws of the State of Texas. The form of such seal may be subject to alteration from time to time at the discretion of the Board of Directors, but shall always include the words "South Plains College Foundation."

Section 10.10 Invalid Provision. If any part of these Bylaws shall be held to be invalid or inoperative for any reason, then, so far as possible and reasonable, the remaining part shall be valid and operative, and effect shall be given so far as possible to the intent manifested by the part held invalid or inoperative.

ARTICLE XI

Funding

Section 11.1 Funding. The primary focus of funding by the South Plains College Foundation shall be to provide scholarships, grants in aid and loans to students enrolled at South Plains College, to support the construction of educational facilities necessary for the educational program, to support and enrich the educational programs and services offered by the College, to perpetuate a sense of excellence for the college, and to assist the College in expanding and fulfilling its mission.

Section 11.2 Spending Policy. The Board of Directors shall establish distribution and spending policies that shall not exceed the accrued interest and other realized or unrealized returns on investments of Foundation assets.

Section 11.3 Distribution of Funds. The Foundation shall distribute its income for each taxable year at such time and in such manner so as not to incur a tax liability under the provisions of the Internal Revenue Code of 1986, or corresponding provisions of subsequent tax laws.

ARTICLE XII Exempt Activities

Section 12.1 Exempt Activities. Notwithstanding any other provision of these Bylaws, no executive director, director, secretary, officer, employee or representative of the Foundation shall take any action or carry on any activity by or on behalf of the Foundation not permitted to be taken on or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1986 and its regulations as they now exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as they now exist or as they may hereafter be amended.

ARTICLE XIII Amendment of Bylaws

Section 13.1 Method. The Bylaws may be altered or amended or repealed, and new Bylaws may be adopted only by the affirmative vote of a majority of the Directors present to discuss business at a Regular Meeting or Special Meeting of the Board. Notice of such amendment shall be furnished to all directors at least thirty (30) days prior to such meeting at which time the Bylaws are to be amended. Neither the Bylaws nor the Articles of Incorporation may be amended, as to substantive matters regarding the number and/or terms of directors or the purpose of the Foundation, without first obtaining approval of the South Plains College Board of Regents. The proprietary interest in the name "South Plains College" shall remain with the South Plains College District.

END OF BYLAWS

Certificate of Adoption of Bylaws

This will certify that at the Regular Meeting of the members of the South Plains College Foundation, Inc, held April 23, 2024, the foregoing revised Bylaws of the South Plains College Foundation were adopted and approved by a majority vote of the members, having a quorum present, to certify which witness the signatures of the undersigned officers this 23rd Day of April 2024.

/Signed/ Ann Capps

President of the South Plains College Foundation

/Signed/ Annette Sykora

Secretary of the South Plains College Foundation