ILLINOIS STATE UNIVERSITY FOUNDATION
BYLAWS

ARTICLE I – NAME AND INCORPORATION

Section 1. Name
The name of this organization is the Illinois State University Foundation ("Foundation").

Section 2. Type of Organization
The Foundation is a not-for-profit corporation, organized under the laws of the State of Illinois, and its purposes are charitable and educational.

Section 3. Location
The principal office of the Foundation is located in the Bloomington/Normal, Illinois area.

Section 4. Purpose

A. To help develop and increase educational opportunities and the facilities of Illinois State University for service to its students, alumni, citizens of the state of Illinois, and the nation by encouraging gifts and by other appropriate means that seem beneficial.

B. To receive, hold, and administer these gifts with the goal of serving the educational purposes of the University; to act as trustee of educational or charitable trusts, to administer gifts, grants, or loans of money or property, whether made by or for the benefit of public governmental bodies, state or national, or by or for the benefit of corporations or persons; to become a party to contracts, trust instruments, and agreements of any type or description, and to create or organize a trust, or the execution of the purposes of the trust.

The Foundation may acquire all properties, real and personal, transferred, assigned, or given by any and all persons subject to the right of the Foundation's Board of Directors to decline the gift or transfer. Provision for maintenance of the gift must be included in the gift unless this requirement is waived by the Board of Directors.

To consider other acts and endeavors that are in the interests and welfare of the University. To invest any funds given to or entrusted to the Foundation if not prevented from such investments by the donor(s).

ARTICLE II – BOARD OF DIRECTORS

Section 1. Numbers
The Foundation Board of Directors consists of at least twenty-five, and no more than thirty, elected members in addition to the members defined in Sections 2(a) and 3(a) of this Article.

Section 2. Appointed Members

A. In addition to elected members, the Board of Directors also has representation from the following:
    - A member of the Board of Trustees selected by the chairman of the Board of Trustees
    - The President of the University
    - The Vice President of University Advancement
    - A representative selected by the University Alumni Association
    - A faculty member selected by the Faculty Caucus of the Academic Senate
    - A civil service employee selected by the Civil Service Council
    - An academic/professional employee selected by the Academic/Professional Council
    - The Provost of the University

B. No appointed member of the Board of Directors has voting privileges unless they have been separately elected to the Board of Directors.

C. Appointed members serve yearly terms, but can be re-appointed to serve additional terms.

Section 3. Emeritus and Honorary Members

A. In addition to elected and appointed members, the Board of Directors may appoint representatives from the following:
    - Emeritus – Board of Directors members who have served at least eight years with distinction and excellence and who retain an interest in the work of the Foundation.
    - Honorary – Individuals who have provided special service or significant personal contributions to the Foundation.

B. Emeritus and honorary members are eligible to receive information and mailings and may attend Board of Directors meetings and special events. They are not entitled to vote or eligible to serve as officers or chairs of standing committees, and they are not considered for a quorum.

Section 4. Terms of Office
Each elected member serves a four-year term and may be re-elected.

Nominations for Board of Directors membership is made by the Governance Committee, containing at least three elected members from the Board of Directors.

Written notice of nominees must be given no less than fifteen days prior to the next regular meeting of the Board of Directors.

Section 5. Powers and Duties
The Board of Directors exercises all the powers of the Foundation. These powers may be delegated by these Bylaws of the Foundation.

Section 6. Removal of Directors
Any director may be removed by a majority vote of members of the Board of Directors.

Section 7. Vacancies
In the event of death, disability, resignation, or removal of a director, a successor will be nominated by the Governance Committee and elected by a majority vote. The elected individual will serve out the rest of the previous director's term.

Section 8. Meetings of the Board of Directors
There are no fewer than three regular meetings of the Board of Directors annually. The Board must make accommodations for those members who wish to attend meetings by telephone or other technological means.

Special meetings may be called by the chairman of the Board of Directors or by the written request of at least six or more voting members. These meetings will be held at any reasonable time determined by the chairman, but no later than two weeks after a request has been received, or within the time necessary to receive approval of the date of any meeting. Topics, issues, and subjects to be considered at these special meetings must be specified within this amount of time.

Section 9. Quorum
A majority of the voting members of the Board of Directors constitutes a quorum. Except as otherwise stated by the Bylaws, all actions of the directors are determined by a majority vote of those present. The chairman of the Board of Directors, or a designated officer, presides at all meetings of the directors.

Section 10. Executive Committee
The Executive Committee may exercise all the powers of the Board of Directors to run the business affairs of the Foundation while the Board of Directors is not in session. The Executive Committee is not allowed to make, alter, or amend these Bylaws.

The Executive Committee consists of the chairman, vice chairman, secretary, and treasurer, the representative designated by the University President as a non-voting member, and up to eight members elected by the Board of Directors to two-year terms.

The chairman of the Board of Directors also serves as chairman of the Executive Committee. A quorum consists of a majority of voting members. Board of Directors members are eligible to serve on the Executive Committee after serving on the Foundation Board for two years.

ARTICLE III – OFFICERS

Section 1. Officer Eligibility
The officers of the Foundation consist of the chairman, vice chairman, secretary, and treasurer. No officer of the Foundation can be employed by the University or the Board of Trustees.

Section 2. Terms of Office
The officers are elected biannually from the elected members of the Board of Directors at each spring meeting. They serve until their successors are duly elected and qualified. All officers assume their new positions immediately following the meeting at which they are elected. Nominations of the Foundation Officers are made by the Governance Committee. Written notice of these nominations must be given to the members of the Board of Directors at least fifteen days prior to their spring meeting. Nominations may also be made from the floor on the day of the spring meeting.

Section 3. Vacancies
In the event of the death, disability, resignation, or removal of any officer of the Foundation, a successor will be chosen to serve by the Executive Committee until the Board of Directors can elect a successor.

Section 4. Powers and Duties
The officers named in Section 1 of this Article will have the powers and duties ordinarily delegated to them except as otherwise provided by these Bylaws.

A. The chairman of the Foundation Board of Directors serves as the chairman of the Executive Committee. The chairman performs further duties as assigned by the Board of Directors. The chairman is the responsible representative of the Foundation in all of its transactions with the Board of Trustees.

B. The vice chairman of the Board of Directors is charged with the same responsibilities and authority vested in the chairman of the Board of Directors in the event that the chairman is unable to act due to absence or for any other reason. The vice chairman also performs such other duties as may be assigned by the Board of Directors.

C. The secretary is responsible for recording the minutes of all proceedings of the Board of Directors and the Executive Committee.

D. The treasurer maintains the books required by the Board of Directors and the Executive Committee and generally performs duties that may be required by the Board of Directors.

   The treasurer must perform any duties consistent with the proper accounting practices and keep financial records and accounts of the Foundation or other entities that the Executive Committee deems advisable. The treasurer submits an annual financial report for the Foundation or other entities to the Board of Directors at its fall meeting, unless otherwise instructed by the Board of Directors and other intermediate financial reports that the Board of Directors may direct. All financial records and accounts of the Foundation or other entities are open to inspection by any member of the Board of Directors at any reasonable time.

Section 5. Removal
Any officer may be removed by a two-thirds majority vote of the Board of Directors.

Section 6. Fidelity Bonds
All Board of Directors and employees of the Foundation who handle Foundation funds must be adequately covered by fidelity bonds to be approved by the Executive Committee of the Foundation and purchased out of Foundation funds.

ARTICLE IV – COMMITTEES

Section 1. <u>Guidelines</u>

A. The Foundation may establish an appropriate committee other than those stated in the Bylaws.

B. With the advice and consent of the Board of Directors, the chairman of the Board of Directors will name all committee members other than the Executive Committee, or any other committee whose membership is established by the Bylaws.

C. Committee members will be appointed at the spring meeting and will serve for one year, or until a successor is named.

D. Each Board of Directors member will serve on at least one committee that usually meets at least two times a year.

ARTICLE V – FINANCES

Section 1. Fiscal Year

The fiscal year of the Foundation is from July 1st through June 30th.

Section 2. Funds and Securities

The funds and investments of the Foundation are deposited in a financial institution under state or national supervision having capital, surplus, and undivided profits of no less than $100 million dollars. These assets may also be invested in accordance with the written policies of the Investment Committee as approved by the Board of Directors.

Section 3. Financial Records

The treasurer or designee must keep clear and organized financial records and accounts that are consistent with proper accounting practices. Unless the Board of Directors instructs otherwise, this individual submits an annual financial report to the Board of Directors and other such intermediate financial reports that the Board may direct.

Section 4. Disbursement

The chairman, vice chairman, secretary, or treasurer of the Foundation approves disbursements from the respective funds of the Foundation upon the order and approval of the administrators of those funds consistent with the terms and conditions governing them. Disbursements are from the funds of the Foundation for the general use of the University consistent with the terms and conditions stipulated by the Board of Directors. The Executive Committee may draw upon and access the appropriate funds of the Foundation for the payment of ordinary and necessary operating expenses of the Foundation in accordance with the written policies adopted by the Board of Directors.

Section 5. Auditing of Accounts

The accounts of the Foundation or other entities must be audited and examined each year with regular reports to the Board of Trustees and the Board of Directors of the Foundation.

ARTICLE VI – INDEMNIFICATION OF DIRECTORS, OFFICERS, AND EMPLOYEES

Section 1. Indemnity
Except as set forth in Section 2 of this Article, each Board of Director, officer, and employee and their respective successors in interest ("Indemnified Party"), shall be indemnified by the Foundation to the maximum extent permitted under 805 ILCS 105/108.75 and any successor provisions thereto.

Section 2. Standard of Conduct
The indemnity provided by Section 1 of this Article shall only be available to persons who acted in good faith and in a manner they reasonably believed to be in, or not opposed to, the best interests of the Foundation. If a criminal matter, such person must have had no reasonable cause to believe his or her conduct was unlawful.

Section 3. Determination
Any indemnification under Section 1 of this Article (unless ordered by a court) shall be made by the Foundation only as authorized in the specific case as proper under the circumstances because the Indemnified Party is determined to have met the applicable standard of conduct set forth in Section 2 of this Article. Such determination shall be made (i) by the Board of Directors by a majority vote of a quorum consisting of Board of Directors who were not parties to the related claim, proceeding, or investigation, or (ii) if such a quorum is not obtainable, or even if obtainable if a quorum of disinterested Board of Directors so directs, by independent legal counsel in a written opinion.

Section 4. Expenses
Expenses incurred in defending a civil or criminal claim, action, or proceeding, or investigation may be paid by the Foundation in advance of the final disposition of such claim, action, proceeding, or investigation, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the Indemnified Party to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation as authorized in this Section 4.

ARTICLE VII – DISSOLUTION

Section 1.
Upon dissolution of the Foundation, the Board of Directors shall distribute the remaining assets to Illinois State University or its successor for the sole benefit of the University. If the University or its successor is not then in existence, then the remaining assets will be distributed to an organization exempt under Section 501(c)(3) of the Code or otherwise exempt from federal income tax as a state instrumentality, as the Board of Directors shall determine. No Director, officer, employee, or agent of the Foundation or any private person shall be entitled to share in the distribution of any of the assets of the Foundation upon its dissolution.

ARTICLE VIII – AMENDMENTS

Section 1. Amendments
These Bylaws may be amended by a two-thirds vote of the Board of Directors of the Foundation.

Section 2. Notice
A written notice of proposed amendments to these Bylaws must be given to the Board of Directors no less than thirty days prior to the date of the voting on the changes.

Date of Board Approval: June 26, 2026 Reviewers: Constitution and Bylaws Committee
Review Cycle: Every (five) 5 years
Next Review: June 2031
*Reviewed May 2026 by Governance Committee