

**BYLAWS  
OF  
HERITAGE UNIVERSITY**

**Incorporated under the laws of the State of Washington**

**Article I**

**Name, Location, and Offices**

**I.1 Name**

The name of this corporation shall be “Heritage University.” References in these bylaws to the University are to Heritage University unless the context clearly indicates otherwise.

**I.2 Registered Office and Agent**

The corporation shall maintain a registered office in the State of Washington and shall have a registered agent whose address is identical with the address of such registered office, in accordance with the requirements of the Washington Nonprofit Corporation Act.

**I.3 Other Offices**

The principal office of the corporation shall be located in Toppenish, Washington. The corporation may have other offices at such place or places, within or outside the State of Washington, as the Board may determine from time to time or the affairs of the corporation may require or make desirable.

**Article II**

**Purposes and Governing Instruments**

**II.1 Nonprofit Corporation**

The corporation shall be organized and operated as a nonprofit corporation under the provisions of the Washington Nonprofit Corporation Act, chapter 24.03 RCW (the “Act”). Unless otherwise expressly stated herein, all powers, duties, limitations of authority and restrictions granted or imposed by the Act shall apply to the corporation.

## **II.2 Charitable Purpose; Prohibition on Discrimination**

(a) The purposes of the corporation are exclusively charitable within the meaning of section 501(c)(3) of the Internal Revenue Code. The specific purposes of the corporation are:

(i) The fostering and promotion of education, science, literature and the arts and the promotion of research; the care and education of youth and of adults, in any of the branches of learning; the education of under-represented persons and the promotion of works of mercy and charity.

(ii) To acquire, maintain and operate the University and institutions of every character for educational, research and charitable purposes and at various locations.

(iii) To grant such literary, collegiate, professional and academic honors, degrees and certifications as are usually granted by institutions of higher education in the United States, and especially honors and degrees in the arts, letters, science and music, and in testimony thereof to give suitable diplomas and certificates under the seal of the corporation and the signatures of such officers of this corporation and the institution as they deem expedient.

(b) The corporation shall admit students of any race, color, national and ethnic origin, gender, sexual orientation or disability to all rights, privileges, programs, and activities generally accorded or made available to students at the University. The University does not, and shall not, discriminate on the basis of race, color, national and ethnic origin, gender, sexual orientation or disability in administration of its educational policies, admissions, policies, scholarship and loan programs.

(c) None of the members of the Board shall participate in activities or engage in the work of organizations which promote segregation of persons on the basis of race, color, national or ethnic origin, except insofar as such activities or organizations foster the promotion of equal opportunity for certain minority groups.

## **II.3 Corporate Powers**

The corporation shall have full power and authority to perform all acts necessary or incidental to its purposes and to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, as determined by the Board in its discretion, to carry out any of the purposes of the corporation. The corporation shall also have full power and authority to exercise all other power and authority enjoyed by corporations generally by virtue of the provisions of the Act (within and subject to the limitations of section 501(c)(3) of the Internal Revenue Code).

## **II.4 Members**

The corporation shall have no members.

## **II.5 Governing Instruments**

The corporation shall be governed by its articles of incorporation and these bylaws.

### **Article III**

#### **Board of Directors**

##### **III.1 Authority and Responsibility of the Board of Directors**

(d) The supreme authority of the corporation and the government and management of the affairs of the corporation shall be vested in the Board, and all the powers, duties, and functions of the corporation conferred by the articles of incorporation, these bylaws, state statutes, common law, court decisions, or otherwise, shall be exercised, performed, or controlled by or under the authority of the Board.

(e) The governing body of the corporation shall be the Board. The Board shall have supervision, control and direction of the management, affairs and property of the corporation; shall determine its policies; shall actively pursue the corporation's purposes and objectives; and shall supervise the disbursement of the corporation's funds. The Board may adopt such rules and regulations for the conduct of its business and the business of the corporation as shall be deemed advisable. Under no circumstances, however, shall any actions be taken which are inconsistent with the articles of incorporation and these bylaws, or with the fundamental and basic purposes of the corporation as expressed in the articles of incorporation and these bylaws.

(f) The Board shall have the power to direct and prescribe the course of study and the discipline to be observed at the University.

(g) Except as otherwise provided in these bylaws or the articles of incorporation of the corporation, the Board shall not permit any part of the net earnings or capital of the corporation to inure to the personal benefit of any member, director, officer, trustee, or other private person or individual.

(h) The Board is authorized to employ such person or persons, including a president, officers, attorneys, accountants, agents, and assistants, as in its judgment are necessary or desirable for the administration and management of the corporation, and to pay reasonable compensation for the services performed and expenses incurred by any such person or persons.

##### **III.2 Size of Board**

The Board shall consist of not less than nine (9) and no more than thirty-five (35) Directors. The Board is authorized to fix the precise number of Directors by resolution adopted from time to time by the Board. In determining the number of Directors serving, ex-officio directors and emeritus directors shall not be included.

### III.3 Manner and Time of Election

All Directors shall be elected by a majority of the Directors. Directors may be elected by a majority of Directors at any time. Directors shall serve for terms as provided in section 3.4 unless otherwise specifically provided by a majority of the Directors at the time of the Director's election.

### III.4 Term of Office

(i) Directors shall serve three-year terms but may be elected to a shorter term if acceptable to the nominee and the Board.

(j) Except as provided in sections 3.3 and 3.9, Directors shall serve for terms beginning at the first plenary meeting of the Board occurring after May 31 after the Director's election, and expiring at the end of the first plenary meeting occurring after May 31 in the year in which the end of the Director's term occurs. For example, the term of a member elected to a three-year term which begins on June 1, 2017 would terminate at the end of the first plenary meeting occurring after May 31, 2020. The term of a member elected to begin in October 2017 would also terminate at the end of the first plenary meeting occurring after May 31, 2020.

(k) A Director's membership on any Board committee shall automatically terminate when the individual is no longer serving as a Director.

(l) Directors elected after June 1, 2018 may only serve up to three consecutive terms for a period of no more than nine years unless otherwise approved by vote of two-thirds (2/3) of the Directors.

(m) A person who was first elected as a Director on or after June 1, 2018, and who has served as a Director for nine consecutive years must be off the Board for a period of at least one year before being re-elected as a Director. After being off the board for at least one year such Director may again be elected as a Director subject to the term limit provisions of sections **Error! Reference source not found.** and 3.4(a) above.

### III.5 Nomination of Directors

Any member of the Board may recommend candidates for election to Board Membership by submitting the proposed candidate's name to any member of the Governance Committee. The Governance Committee shall conduct such examination concerning the suitability of the candidate as it deems appropriate, which may include a discreet inquiry of the candidate's willingness to consider election to the Board if the Governance Committee deems such an inquiry appropriate. If the Governance Committee unanimously agrees, it shall recommend to the Board that the candidate be approved as a Director. The recommendation of the Governance Committee shall be voted on by the Board. If the Board approves the candidate's appointment as a Director, the Governance Committee shall invite the candidate to become a Director and on confirmation of the candidate's willingness to serve, the candidate will become a Director as provided in section 3.4 above.

### **III.6 Resignation**

Any director may resign as a director at any time by delivering a written resignation to the Board Chair or to the Secretary.

### **III.7 Removal**

Any director may be removed, with or without cause, at a meeting of the Board so long as notice of the intention to act upon such matter shall have been given to the Directors at least ten (10) days in advance of such meeting. A removed Director's successor may be elected at the same meeting to serve the unexpired term.

### **III.8 Failure to Participate**

In the event a Director shall attend no meetings of the Board nor of a committee to which the Director has been assigned for a period of six (6) consecutive months, the Secretary (with respect to Board attendance) and the Chair of each such committee (with respect to committee attendance) shall notify the executive committee, which shall determine whether the notification procedure shall be invoked. In the event that the executive committee determines that the notification procedure shall be invoked, the Board Chair shall send a letter to the Director in question, indicating that the Board desires to have a greater level of participation from said Director in board activities. In the event that no response satisfactory to the Board Chair is received to this letter, and if the Director does not attend any meetings of the Board or the committee to which the Director has been assigned for an additional two consecutive months, he or she shall be deemed to have resigned effective at the end of such two month period. The Board Chair shall confirm this deemed resignation in writing with the Director concerned. On receipt of a written request from the notified Director and with the approval of the executive committee, the Board Chair may extend the two-month post-notification period up to six months before the Director shall be deemed to have resigned.

### **III.9 Vacancies**

Any vacancy in the Board arising at any time and from any cause, including the authorization of an increase in the number of Directors, may be filled by a majority of the Directors. A Director who is elected specifically to replace a Director who has left the Board voluntarily or involuntarily before the expiration of his or her term shall hold office until the expiration of the term of the Director who left the Board.

### **I.2 Leave of Absence**

The Board may grant a Director's request for a leave of absence for a fixed period of time (not to exceed 1 year) which may be renewed. When a Director has been granted such a leave, that Director shall be excluded in determining the number of Directors for the purpose of determining a quorum.

### **I.3 Ex Officio Members**

The Board may include any number of non-voting ex officio members to serve at such time and for such terms as authorized by the Board. Any non-voting ex officio director serves at the pleasure of the Board and may be removed at any time.

### **III.10 Emeritus Members**

(a) Emeritus director status is an honorary status which may be conferred upon past Directors in recognition of distinguished service and exceptional dedication to the mission of Heritage University. A past Director who has demonstrated outstanding personal commitment to preserving the University and advancing its goals through extraordinary commitment, spirit and leadership is qualified for designation as an emeritus director.

(b) To qualify for appointment as an emeritus director, the former board member must have:

(i) Served at least 6 years on the Board;

(ii) Demonstrated leadership on at least two major committees;

(iii) Demonstrated exemplary commitment to Heritage University through personal leadership, responsibility or fund-raising;

(iv) Supported major Heritage University initiatives that demonstrably move the institution forward; and

(v) Passed at least one year since last serving as a voting member of the board.

(c) The privileges and responsibilities of an emeritus director include:

(i) Promoting the mission, vision and values of Heritage University;

(ii) Engaging in fund-raising for Heritage University;

(iii) Attending meetings of the Board and participating in its deliberations in an ex-officio capacity without vote;

(iv) Serving on standing or special committees of the Board at the request of the Board chair;

(v) Serving as an ambassador of Heritage University to its students, faculty, staff and other interested parties as well as the public at large; and

(vi) Supporting the academic programs, experiential learning opportunities and civic engagement of the university.

(d) A candidate must be nominated by a presently serving Director and the nomination must be sent to the Governance Committee. The Governance Committee will review the nomination. If it approves the nomination, it will be forwarded to the full Board for a vote. An Emeritus director is to serve for a term of no more than three years.

### **III.11 Compensation**

Nothing contained in the governing instruments of the corporation shall be construed to prevent any director from serving the corporation in any other capacity and receiving reasonable compensation for services rendered to, and in furtherance of the purposes and functions of, the corporation. No stated salary shall be paid Directors, as such, for their services, but any director may receive reimbursement for expenditures incurred on behalf of the corporation.

## **Article IV**

### **Meetings of the Board of Directors**

#### **IV.1 Place and Time of Meetings**

Meetings of the Board may be held at any place within or outside the State of Washington as set forth in the notice thereof or, in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver, or if no place is so specified, at the principal office of the corporation.

#### **IV.2 Regular Meetings; Notice**

(e) There shall be at least two plenary meetings of the Board each calendar year, with one meeting to occur during the first six months of the year and another to occur at least five months after the first plenary meeting of the Board during the same calendar year. The Board shall establish by resolution a schedule for regular plenary meetings of the Board and regular executive committee meetings. Meetings established by the Board shall occur no sooner than ten (10) days after the adoption of such resolution. On adoption of the resolution, such meetings may be held without further notice.

(f) Regular plenary meetings of the Board or executive committee meetings not established by resolution as provided above may be called at any time by the Board Chair upon his or her own initiative. Notice of any such meeting shall be delivered to each director and, with respect to executive committee meetings, to each executive committee member, at least ten (10) days before such changed meeting.

(g) Notice of any resolution of the Board changing the place, date and hour of any previously scheduled meeting shall be delivered to each director and, with respect to executive committee meetings, to each executive committee member, at least ten (10) days before such changed meeting.

(h) It shall not be necessary to state the purpose or purposes of any regular plenary or executive committee meeting.

### **IV.3 Special Meetings; Notice**

(i) Special plenary meetings of the Board shall be called by the Board Chair or upon the request of one-third of the Directors. Written notice of each special meeting of the Board must be delivered to each director at least ten (10) days before such meeting by the Secretary or by the Directors (or a representative of the Directors) calling the meeting.

(j) Special executive committee meetings shall be called by the Board Chair upon written request of at least two members of the executive committee. Notice of each special meetings of the executive committee shall be delivered to each member of the executive committee at least two (2) days before such meeting.

(k) Business transacted at any special plenary meeting of the Board or special meeting of the executive committee shall be limited to the purpose or purposes stated in the notice of the meetings; provided, however, that if all the Directors are present at a special meeting, other matters may be taken up by unanimous consent.

### **IV.4 Waiver**

Attendance by a Director at a meeting shall constitute waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called. See also Article IX (“Notice and Waiver”).

### **IV.5 Quorum**

At meetings of the Board, one-half (1/2) of all Directors then in office (not including ex-officio directors, emeritus directors and directors on leave as provided in section 3.10) shall be necessary to constitute a quorum for the transaction of business. At meetings of the executive committee, a majority of the voting members of the executive committee shall constitute a quorum for the transaction of business.

### **IV.6 Vote Required for Action**

Except as otherwise provided in these bylaws or by law, the act of a majority of the Directors present at a meeting at which a quorum is present at the time (not including ex-officio directors and emeritus directors) shall be the act of the Board.

### **IV.7 Presumption of Assent**

A Director who is present at a meeting of the Board when action is taken is deemed to have assented to the action unless (a) the Director objects to holding or transacting business at the beginning of the meeting or promptly upon the Director’s arrival; (b) the Director’s dissent or abstention from the action taken is entered in the minutes of the meeting; or (c) the Director delivers written notice of the Director’s dissent or abstention to the person acting as secretary of the meeting before its adjournment or by registered mail to the Secretary immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.



#### **IV.8 Action by Directors Without a Meeting**

(l) Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if a form of consent, in the form of a record, setting forth the action to be taken, given to all Directors at least fifteen (15) days in advance, and if the form of consent is then signed by that number of Directors necessary to approve the matter that is the subject of the consent after the expiration of the fifteen (15) day notice period and not more than thirty (30) days after the form of consent is given to the Directors. Written consent to an action that is obtained in conformity with these requirements shall then have the same force and effect as an affirmative vote at a Board meeting duly called.

(m) If the Board Chair and the President both state in writing that a matter constitutes a matter that required immediate action by the Board, such action may be taken immediately without a meeting of the Board if a form of consent, in the form of a record, setting forth the action to be taken is given to all Directors and within fifteen (15) days of giving such notice a written consent to such action is thereafter signed by that number of Directors necessary to approve the matter that is the subject of the consent.

#### **IV.9 Telephone and Similar Meetings**

Directors may participate in and hold a meeting by means of conference telephone, videoconference or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

#### **IV.10 Adjournments**

A meeting of the Board, whether or not a quorum is present, may be adjourned by a majority of the Directors present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

### **Article V**

#### **Officers and Agents**

The officers of the corporation shall be the Board Chair, a First Vice Chair, a Second Vice Chair, a President, a Secretary and a Treasurer. All officers of the Board other than the President and Secretary must be Directors. Except for the offices of Board Chair, President and Secretary, any two or more offices may be held by the same person.

#### **I.4 Election**

The officers of the corporation shall be elected by a majority of the Directors.

#### **I.5 Term**

(a) The office of Board Chair shall be a one-year renewable term, with the optimal period for continuous service being three years.

(b) The President shall serve an indefinite term (i.e. until his or her resignation or removal from office).

(c) The Chairs, Vice-Chairs, Secretary and Treasurer shall serve one year renewable terms. If, for any reason the Board fails to elect any officer in any given year, the person last elected to that office shall continue to serve until his or her successor is elected.

#### **I.6 Resignation**

Any officer may resign at any time by delivering a written resignation to the Board Chair and to the Secretary.

#### **I.7 Removal**

Any officer may be removed by majority vote of the Directors.

#### **I.8 Board Chair**

The Board Chair shall preside over all meetings at which the Board Chair is present. In the absence of the Board Chair, meetings shall be presided over by the following officers in the order named: The First Vice Chair, the Second Vice Chair, and then the Treasurer.

#### **I.9 President**

Subject to the oversight and control of the Board, the President shall be the chief executive officer of the corporation and shall supervise the affairs of the corporation. The President shall have the right to supervise and direct the management and operation of the corporation and to make all decisions as to policy and otherwise which may arise between meetings of the Board, and the other officers, employees, if any, and agents of the corporation shall be under his or her supervision and control during such interim.

In performing his or her duties as President, the President shall:

- (a) Provide effective and stimulating leadership to staff, faculty and students;
- (b) Implement all policies established by the Board;
- (c) Employ, discharge, supervise and determine the compensation of employees of the corporation who are not employed by the Board itself or whose employment is not otherwise provided for;

(d) Appoint the principal administrators (deans, department heads, operational directors and managers) of the University and may (subject to approval of the Board) confer upon said administrators the title of “vice president” or other management title of the University, school, department or division as the President shall determine to be appropriate for the efficient conduct of the University.

(e) Establish and dissolve such committees that are not created by the Board as and when deemed necessary for the efficient conduct of the University;

(f) Report regularly to the Board upon the condition of the University and make such recommendations as the President considers appropriate;

(g) Supervise the preparation of the annual budget for the approval of the Board;

(h) Represent the University to its constituencies, to the general public, to educational groups and agencies and, in general, be the principal spokesperson for the University.

(i) Supervise the raising of funds for the support and development of the University.

(j) Promptly notify the Board of all principal administrator appointments, resignations and removals, and in the case of newly created principal administrator positions, provide a brief description of the responsibilities of said office. Said changes will be recorded in the minutes of the next meeting of the Board or the executive committee as the case may be;

(k) Sign checks, drafts, and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation;

(l) Sign statements and reports required to be filed with government officials or agencies; and

(m) Enter into any contract or agreement and to execute in the corporate name, along with the Secretary, any instrument or other writing on behalf of the corporation.

Notwithstanding the foregoing, during each fiscal year of the corporation the President may not expend more than \$100,000 in unbudgeted funds of the corporation without the prior approval of the Directors.

The President shall perform such other duties and have such other authority and powers as the Board may from time to time prescribe. The Board may delegate all or any part of the duties of the President to another person or persons in the event of a prolonged absence of the President, the President’s disability, or for any other reason that the Board believes warrants such action.

### **I.10 Vice Chairs**

The Vice Chairs shall perform such duties and have such powers as the Board Chair shall, from time and time delegate to them.

### **I.11 Secretary**

The Secretary of the Corporation:

(a) Shall be the custodian of the permanent records, including the minutes and records of the Board and the committees of the Board, and shall be the custodian of the corporate seal, and

(b) Shall assist in providing notices of meetings of the Board and the executive committee, and

(c) Shall execute documents on behalf of the corporation as provided by the authority of the Board or applicable law, and

(d) Shall, to the extent permitted by applicable law and these by-laws, have all powers and perform all duties incident to the office of secretary of the corporation, and/or as designated by the Board.

### **I.12 Treasurer**

The Treasurer shall have responsibility for:

(a) The care, custody and oversight of all funds and investments of the corporation, all of which shall be deposited in the name and to the credit of the corporation in depositories designated by the Board;

(b) Ensuring that full and accurate accounts of receipts and disbursements are maintained with respect to all of the corporation's funds and investments;

(c) Ensuring the preparation of financial statements each month or at such other intervals as the Board shall direct; and

(d) Such other duties and matters as the Board may from time to time prescribe.

### **I.13 Other Agents**

The Board may appoint such other agents as it may deem necessary or desirable, each of whom shall hold office at the pleasure of the Board and shall have such authority, perform such duties and shall receive such reasonable compensation, if any, as the Board may from time to time determine.

## Article VI

### Board Committees

#### I.14 Committees - General

(a) The Board may designate and appoint one or more standing or temporary committees, at least two of the members of which shall be Directors, but which may also have as members ex-officio and emeritus directors and other persons, including officers, staff and students of Heritage University, and members of the community at large.

(b) The work of a committee may be performed by subcommittees or task forces established by the committee.

(c) Unless otherwise provided in these bylaws or in the resolution establishing the committee, the chairperson of the committee must be a Director appointed by the Board Chair who is to serve a one year term. Members of the committee shall be appointed by the chairperson of the committee with the consent of the Board Chair. Subject to the provisions of section 3.4(c), Members of the committee shall serve such terms as the chairperson shall determine.

(d) The designation and appointment of any committee and the delegation thereto of authority shall not operate to relieve the Board or any individual Director of any responsibility imposed upon it, him or her by law.

(e) Unless otherwise specifically provided in the resolution creating the committee or as otherwise authorized by the Board, any committee other than a standing committee, and any subcommittee or task force of a committee, shall only exist for a period of one year.

#### I.15 Delegation of Powers to Committees; Limitations

A committee shall have such powers and authority as may established by resolution of the Board, PROVIDED, that no committee shall have the authority of the Board in reference to:

- (a) Amending, altering, or repealing the bylaws;
- (b) Electing, appointing, or removing any member of any such committee or any director or officer;
- (c) Amending the articles of incorporation;
- (d) Adopting a plan of merger or adopting a plan of consolidation with another corporation;
- (e) Authorizing the sale, lease, or exchange of all or substantially all of the property and assets of the corporation not in the ordinary course of business;

- (f) Authorizing the voluntary dissolution of the corporation or revoking proceedings therefor;
- (g) Adopting a plan for the distribution of the assets of the corporation; or
- (h) Amending, altering, or repealing any resolution of the Board which by its terms provides that it shall not be amended, altered, or repealed by such committee.

#### **I.16 Quorum; Manner of Acting**

Unless otherwise specifically provided in the resolution creating the committee or as otherwise authorized by the Board, a majority of the number of Directors composing any committee shall constitute a quorum for that committee, and the vote of a majority of the Directors who are members of a committee and are present at a meeting at which a quorum is present shall be the act of the committee.

#### **I.17 Resignation**

Any member of any committee (other than the chairperson of the committee) may resign at any time by delivering written notice, including by electronic transmission, thereof to the Board Chair, to the Secretary or to the chair of such committee. The chairperson of a committee may only resign by giving written notice to the Board Chair and to the Secretary. Any such resignation shall take effect at the time specified therein or, if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

#### **I.18 Removal of Committee Member**

The Board may remove any member of any committee.

### **Article VII**

#### **Interests of Directors and Officers**

#### **I.19 Conflict of Interest**

A Director shall fully disclose to the Board the existence of any personal financial interest the Director has in any matter which comes before the Board or a committee of the Board for discussion or action, and shall otherwise comply with all provisions of any conflict of interest policy adopted by the Board and with Washington State law regarding disclosure of conflicts of interest by corporate Directors. The interested Director or officer shall abstain from voting on the transaction. The same policy is applicable to senior administrators (i.e. the President and Vice Presidents).

## **I.20 Review of Certain Transactions**

Prior to entering into any compensation agreement, contract for goods or services, or any other transaction with any person who is in a position to exercise influence over the affairs of the corporation, the Board shall establish that the proposed transaction is reasonable when compared with a similarly-situated person or organization for functionally comparable positions, goods or services rendered.

## **Article VIII**

### **Contracts, Checks, Deposits and Funds**

#### **VIII.1 Contracts**

The Board may authorize any officer or agent, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the corporation. Such authority must be in writing and may be general or confined to specific instances.

#### **VIII.2 Checks, Drafts, Notes, Etc.**

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents, and in such other manner as may from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the President.

#### **VIII.3 Deposits**

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board may select.

#### **VIII.4 Gifts**

The Board may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes of, or for any special purpose of, the corporation.

## **Article IX**

### **Notice and Waiver**

#### **IX.1 Procedure**

Whenever these bylaws require notice to be given, the notice shall be given in accordance with RCW 24.03A.015. Notice under these bylaws shall be in a record (including electronic transmission) unless oral notice is reasonable under the circumstances. Notice, in the form of a

record, shall be deemed received as set forth in RCW 24.03A.015. Oral notice is effective when communicated if communicated in a comprehensible manner.

## **IX.2 Waiver**

Any notice may be waived before or after the date and time stated in the notice. Except as provided herein, the waiver must be in a record executed by the person entitled to the notice, and delivered to the corporation for inclusion in the minutes or filing with the corporate records. A person's attendance at or participation in a meeting waives any required notice to him or her of the meeting unless such person at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

## **Article X**

### **Seal**

The Heritage University seal represents Heritage University's unique role in the Yakima Valley as a place from which knowledge emanates. Its three stars represent the three "founding mothers" of the university, Sister Kathleen Ross, Violet Lumley Rau, and Martha Yallup. It embraces the University's motto, "Knowledge Brings Us Together," as well as the year the University was founded. Encapsulated within a circular design, the seal represents the eternal and enduring nature of knowledge. The seal is not to be used in place of the University Logo. Rather it is to be confined to limited uses on official correspondence and official university documents such as transcripts, certificates and diplomas. The seal may be used for other purposes only with the express written approval of the President or the Vice President for Marketing.

## **Article XI**

### **Indemnification**

#### **I.21 Right to Indemnification**

Each person who was, or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director or officer of the corporation or, while a director or officer, he or she is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the corporation, to the full extent permitted by applicable law as then in effect, against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) actually and reasonably incurred or suffered by such person in connection



therewith. Such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that except as provided in section 11.2 below with respect to proceedings seeking solely to enforce rights to indemnification, the corporation shall indemnify such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board. The right to indemnification conferred in this Article shall be a contract right and shall include the right to be paid by the corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses in advance of the final disposition of a proceeding shall be made only upon delivery to the corporation of any undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Article or otherwise.

### **I.22 Right of Claimant to Bring Suit**

If a claim for which indemnity is required under this Article is not paid in full by the corporation within sixty (60) days after a written claim has been received by the corporation (except in the case of a claim for expenses incurred in defending a proceeding in advance of its final disposition, in which case the applicable period shall be twenty (20) days), the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim and, to the extent successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. The claimant shall be presumed to be entitled to indemnification under this Article upon submission of a written claim (and, in an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition, where the required undertaking has been tendered to the corporation), and thereafter the corporation shall have the burden of proof to overcome the presumption that the claimant is not so entitled. Neither the failure of the corporation (including its Board or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the claimant is proper in the circumstances nor an actual determination by the corporation (including its Board or independent legal counsel) that the claimant is not entitled to indemnification or to the reimbursement or advancement of expenses shall be a defense to the action or create a presumption that the claimant is so entitled.

### **I.23 Nonexclusivity of Rights**

The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the articles of incorporation, bylaws, agreement, vote of disinterested Directors or otherwise.

### **I.24 Insurance, Contracts and Funding**

The corporation shall maintain insurance, at its expense, in a reasonable amount to protect itself and any director, officer, employee or agent of the corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or

loss, whether or not the corporation would have the power to indemnify such person against such expense, liability or loss under the Washington Business Corporation Act as it has been made applicable to nonprofit corporations.

## **Article XII**

### **Miscellaneous**

#### **XII.1 Books and Records**

The corporation shall keep correct and complete books and records of account and also shall keep minutes of the proceedings of the Board. The corporation shall keep at its registered or principal office a record giving the names and addresses of the officers and directors and any other information required under Washington and federal law.

#### **XII.2 Fiscal Year**

The Board is authorized to fix the fiscal year of the corporation and to change the same from time to time as it deems appropriate.

#### **XII.3 Construction**

Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. If any portion of these bylaws shall be invalid or inoperative, then, so far as is reasonable and possible, the remainder of these bylaws shall be considered valid and operative; and effect shall be given to the intent manifested by the portion held invalid or inoperative.

#### **XII.4 Definitions**

- (a) “Board.” References to the “Board” are to the board of directors of the corporation.
- (b) “Director.” Unless clearly indicated otherwise, references to “Directors” are to then-serving voting members of the Board and shall not include ex-officio directors or emeritus directors. References to “directors” includes Directors as well as ex-officio directors and emeritus directors.
- (c) “University” means Heritage University.
- (d) “Electronic transmission” means an electronic communication (i) not directly involving the physical transfer of a record in a tangible medium and (ii) that may be retained, retrieved and reviewed by the sender and recipient thereof, and that may be directly reproduced in a tangible medium by a sender and recipient. A “record” means information inscribed on a writing, a copy of a writing, a facsimile, or a physical reproduction, each on paper or other tangible medium or contained in an electronic transmission.

(e) “Internal Revenue Code” means the Internal Revenue Code of 1986, as the same may be amended, to the corresponding provisions of any applicable United States Internal Revenue law and to all regulations issued under such sections and provisions.

## **XII.5 Table of Contents; Headings**

The table of contents and headings are for organization, convenience and clarity. In interpreting these bylaws, they shall be subordinated in importance to the other written material.

## **XII.6 Relation to Articles of Incorporation**

These bylaws are subject to, and governed by, the articles of incorporation of the corporation, as they may be amended from time to time.

## **Article XIII**

### **Amendments**

These Bylaws may be altered, amended or repealed by a two-thirds vote of the Board, provided that notice of any proposed alteration, amendment or repeal must be given to all Directors at least thirty (30) days in advance.

## **Tax-Exempt Status**

The affairs of the corporation at all times shall be conducted in such a manner as to assure the corporation’s status as an organization qualifying for exemption from taxation pursuant to section 501(c)(3) of the Internal Revenue Code.

## **Article XIV**

### **Adoption of Bylaws**

These bylaws were adopted by resolution of the board of directors of the corporation, and became effective, as of \_\_\_\_\_.

**APPROVED:**

By: \_\_\_\_\_  
\_\_\_\_\_, Board Chair

**ATTEST:** \_\_\_\_\_  
\_\_\_\_\_, Secretary