

## **BYLAWS OF CUA FACULTY ASSEMBLY**

### **PREAMBLE**

The following Bylaws shall be subject to, and governed by, the Virginia Nonstock Corporation Act and the Articles of Incorporation of the CUA FACULTY ASSEMBLY. In the event of a direct conflict between the herein contained provisions of these Bylaws and the mandatory provisions of the Virginia Nonstock Corporation Act, said Nonstock Corporation Act shall be the prevailing controlling law. In the event of a direct conflict between the provisions of these Bylaws and the Articles of Incorporation of the Faculty Assembly, it shall then be these Bylaws which shall be controlling.

### **ARTICLE 1 – NAME**

The legal name of the Nonstock Corporation shall be known as the CUA FACULTY ASSEMBLY and shall herein be referred to as the "Faculty Assembly."

### **ARTICLE 2 – PURPOSE**

The Faculty Assembly is established within the meaning of IRS Publication 557 Section 501(c)(5) of the Internal Revenue Code of 1986, as amended (the "Code") or the corresponding section of any future federal tax code. The Faculty Assembly shall be operated exclusively to protect and promote the interests of the faculty by deliberating on matters of importance to the welfare of the university and by acting collectively to secure better working conditions, salaries, and similar benefits.

In addition, this Faculty Assembly has been formed for the purpose of performing all things incidental to, or appropriate in, the foregoing specific and primary purposes. However, the Faculty Assembly shall not, except to an insubstantial degree, engage in any activity or the exercise of any powers which are not in furtherance of its primary non-profit purposes.

The Faculty Assembly shall hold and may exercise all such powers as may be conferred upon any nonstock corporation by the laws of the State of Virginia and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the Faculty Assembly. At no time and in no event shall the Faculty Assembly participate in any activities which have not been permitted to be carried out by a corporation exempt under Section 501(c)(5) of the Code, such as certain political and legislative activities.

### **ARTICLE 3 – OFFICES**

The principal office of the Faculty Assembly shall be located at 10179 Pale Rose Loop, Bristow, Virginia 20136. The Faculty Assembly may have other such offices as the Executive Board may determine or deem necessary, or as the affairs of the Faculty Assembly may find a need for from time to time, provided that any permanent change of address for the principal office is properly reported as required by law.

#### **ARTICLE 4 – DEDICATION OF ASSETS**

The properties and assets of the Faculty Assembly are irrevocably dedicated to and for non-profit purposes only. No part of the net earnings, properties, or assets of the Faculty Assembly, on dissolution or otherwise, shall inure to the benefit of any person or any member, Executive Board member, or officer of the Faculty Assembly. On liquidation or dissolution, all remaining properties and assets of the Faculty Assembly shall be distributed and paid over to an organization dedicated to non-profit purposes which has established its tax-exempt status pursuant to Section 501(c) of the Code.

#### **ARTICLE 5 — MEMBERSHIP**

All full-time faculty members of the several Schools of the Catholic University of America (“University”) qualify for voting membership. All part-time faculty members of the several Schools of the University qualify for non-voting membership. The Executive Board shall have the authority to establish and define other non-voting categories of membership.

By participating in a meeting or a vote or other action of the Faculty Assembly or by requesting membership, a qualified person is automatically admitted as a member. Any member may resign by filing a written resignation with an officer of the Executive Board.

#### **ARTICLE 6 — MEETINGS OF MEMBERS**

The Executive Board shall set the date, time, and location for each meeting of the members of the Faculty Assembly and may call a meeting to be held solely or in part by means of electronic communication.

The annual Faculty Assembly meeting shall be held in August or September of each year. At the annual meeting, the members shall, by secret ballot, elect new Executive Board members and officers to fill open positions. At one or more spring meetings, the Executive Board will accept nominations for new Executive Board members and new officers.

Notice of each meeting shall be given to each voting member via email no less than ten (10) nor more than (60) days before the meeting date except that notice of a meeting to act on an amendment of the articles of incorporation, a plan of merger, a proposed sale of assets, or the dissolution of the Faculty Assembly shall be given not less than twenty-five (25) nor more than (60) days before the meeting date. Notice of a special meeting shall state the purpose or purposes for which the meeting is called.

A member may waive any required notice before or after the date and time of the meeting that is the subject of such notice. A member's attendance at a meeting waives objection to lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.

The members present at any properly announced meeting shall constitute a quorum.

The President, or in the President's absence, the Vice President or a chair so voted by the members present, shall preside at each meeting of the members and shall determine the order of business and shall have the authority to establish rules for the conduct of the meeting. All issues to be voted on at a meeting or outside of a meeting shall be decided by a simple majority of votes cast. The President shall announce when polls open and close, and the close of polls may take place after the meeting if electronic voting is employed.

## **ARTICLE 7 – BOARD OF DIRECTORS**

### ***General Powers and Responsibilities***

The business and affairs of the Faculty Assembly shall be governed by a Board of Directors (the "Executive Board"), which shall have all the rights, powers, privileges and limitations of liability of directors of a nonstock corporation organized under the Virginia Nonstock Corporation Act.

### ***Number and Qualifications***

The Executive Board may have up to ten (10) members, but no fewer than one (1) member. The number of Executive Board members may be increased beyond ten (10) members by an affirmative vote at a meeting of the Faculty Assembly.

All Executive Board members must have a commitment to the mission, vision and purpose of the Faculty Assembly as well as to the duty of care and loyalty expected of all Executive Board members as stated in these Bylaws.

The Executive Board members shall be elected by and from the Voting Members of the Faculty Assembly.

An Executive Board member need not be a resident of the State of Virginia.

### ***Executive Board Compensation***

The Executive Board shall receive no compensation other than for reasonable expenses.

### ***Executive Board Elections***

The Executive Board shall call for nominations for new Executive Board members at one or more meetings of the Faculty Assembly in the spring. New Executive Board members shall be approved by a simple majority of votes cast at the annual meeting of the Faculty Assembly, provided the meeting is properly announced.

### ***Term of Executive Board***

All appointments to the Executive Board shall be for a term of two (2) years. No person shall serve more than two (2) consecutive terms unless a majority of the Voting Members at the annual meeting votes to appoint an Executive Board member to one (1) additional year. No person shall serve more than five (5) consecutive years. After serving the maximum total number of consecutive years on the Executive Board, a member may be eligible for reconsideration as an Executive Board member after one (1) year has passed since the conclusion of such Executive Board member's service.

### ***Vacancies***

A vacancy on the Executive Board may exist at the occurrence of the following conditions:

- a. The death, resignation, or removal of any Executive Board member;
- b. The declaration by resolution of the Executive Board of a vacancy in the office of an Executive Board member who has been declared of unsound mind by a final order of court, convicted of a felony, found by final order or judgment of any court to have breached a duty pursuant to the Corporation Code and/or Act of the law dealing with the standards of conduct for a director, or has missed 3 consecutive meetings of the Executive Board, or a total of 4 meetings of the Executive Board during any one fiscal year;
- c. An increase in the authorized number of Executive Board members; or
- d. The failure of the Faculty Assembly to elect the full authorized number of Executive Board members at its annual meeting.

Any vacancy on the Executive Board may be filled by simple majority vote of the voting members present at any properly announced Faculty Assembly meeting. No reduction of the authorized number of Executive Board members shall have the effect of removing any Executive Board member before that Executive Board member's term of office expires.

An Executive Board member elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

### ***Resignation***

Each Executive Board member shall have the right to resign at any time upon written notice thereof to an officer of the Faculty Assembly. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective. Unless the Attorney General of Virginia is first notified, no Executive Board member may resign when the Faculty Assembly would then be left without a duly elected Executive Board member in charge of its affairs.

### ***Removal***

An Executive Board member may be removed, with or without cause, at any duly constituted meeting of the Faculty Assembly, by the affirmative vote of a simple majority of voting members present at the meeting.

### ***Meetings***

The Executive Board's regular meetings may be held at such time and place as shall be determined by the President. The President or any three (3) regular Executive Board members may call a special meeting of the Executive Board. The notice of regular or special meetings shall be served upon each Executive Board member via email, indicate the purpose of the meeting, and provide at least one (1) day's notice. The person(s) authorized to call any regular or special meeting may also establish the place the meeting is to be conducted, including via electronic conferencing, so long as it is a reasonable place to hold any special meeting of the Executive Board. An Executive Board member may waive any required notice before or after the date and time stated in the notice, and such waiver shall be equivalent to the giving of such notice. An Executive Board member's attendance at or participation in a meeting waives any required notice to him of the meeting unless at the beginning of the meeting, or promptly upon his arrival, he 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.

### ***Minutes***

The Secretary shall be responsible for the recording of all minutes of each and every meeting of the Executive Board in which business shall be transacted in such order as the Executive Board may determine from time to time. However, in the event that the Secretary is unavailable, the President of the Executive Board shall appoint an individual to act as Secretary at the meeting. The Secretary, or the individual appointed to act as Secretary, shall prepare the minutes of the meetings, which shall be delivered to the Secretary to be placed in the minute books. A copy of the minutes shall be delivered to each Executive Board member via either regular mail, hand delivered, emailed, or faxed within seven (7) business days after the close of each Executive Board meeting.

### ***Action by Written Consent***

Any action required by law to be taken at a meeting of the Executive Board, or any action that may be taken at a meeting of the Executive Board, may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all Executive Board members. Such consent shall be placed in the minute book of the Faculty Assembly and shall have the same force and effect as a vote of the Executive Board taken at an actual meeting. The Executive Board members' written consent may be executed in multiple counterparts or copies, each of which shall be deemed an original for all purposes. In addition, facsimile signatures and electronic signatures or other electronic "consent click" acknowledgments shall be effective as original signatures.

### ***Quorum***

At each meeting of the Executive Board or Executive Board Committees, the presence of four

(4) persons shall constitute a quorum for the transaction of business. If at any time the Executive Board consists of an even number of members and a vote results in a tie, then the vote of the President of the Executive Board shall be the deciding vote. The act of the majority of the Executive Board members serving on the Executive Board or Executive Board Committees and present at a meeting in which there is a quorum shall be the act of the Executive Board or Executive Board Committees, unless otherwise provided by the Articles of Incorporation, these Bylaws, or a law specifically requiring otherwise. If a quorum is not present at a meeting, the Executive Board members present may adjourn the meeting from time to time without further notice until a quorum shall be present. However, an Executive Board member shall be considered present at any meeting of the Executive Board or Executive Board Committees if during the meeting he or she is present via telephone or web conferencing with the other Executive Board members participating in the meeting.

### ***Voting***

Each Executive Board member shall only have one vote.

### ***Executive Board Member Attendance***

An elected Executive Board Member who is absent from three (3) consecutive regular meetings of the Executive Board during a fiscal year shall be encouraged to reevaluate with the President of the Executive Board his/her commitment to the Faculty Assembly. The Executive Board may by a simple majority vote deem an Executive Board member who has missed four (4) consecutive meetings to have resigned from the Executive Board.

### ***Policies***

The Executive Board shall create and maintain a manual of policies (“Policy Manual”) and operating procedures for the Faculty Assembly. The Policy Manual may address policies and procedures including but not limited to the conduct of meeting, the responsibilities of officers and committees, and other matters, to the extent that such matters are not provided for in the Articles of Incorporation or these Bylaws.

## **ARTICLE 8 – OFFICERS**

### ***Officers and Duties***

The Faculty Assembly shall elect from among the Executive Board members the officers of the Faculty Assembly, ensuring that at all times there is at least one officer to take minutes and to execute the actions of the Executive Board. The same person may hold multiple offices. In addition to the duties in accordance with this Article, officers shall conduct all other duties typically pertaining to their offices and other such duties which may be required by law, Articles of Incorporation, or by these Bylaws, subject to control of the Executive Board, and they shall perform any other such additional duties which the Executive Board may assign to them at their discretion.

The officers will be selected by the Voting Members at the annual meeting of the Faculty Assembly. Any officer may be removed with or without cause by a simple majority of the Voting Members present at a properly announced meeting of the Faculty Assembly. All officers have the right to resign at any time by providing notice in writing to any officer of the Executive Board. All resignations shall become effective upon the date on which the written notice of resignation is received or at any time later as may be specified within the resignation; and unless otherwise indicated within the written notice, a stated acceptance of the resignation shall not be required to make the resignation effective.

Any and all vacancies in any office because of death, resignation, disqualification, removal, or for any other cause, shall be filled in accordance with the herein prescribed Bylaws for regular appointments to such office.

Officers shall not receive financial compensation for their services.

### ***President***

It shall be the responsibility of the President, when present, to preside over all meetings of the Executive Board, Executive Committee, and Faculty Assembly. The President is authorized to execute, in the name of the Faculty Assembly, any and all contracts or other documents which may be authorized, either generally or specifically, by the Executive Board to be executed by the Faculty Assembly.

It shall be the responsibility of the President, in general, to supervise and conduct all activities and operations of the Faculty Assembly, subject to the control, advice and consent of the Executive Board and the Faculty Assembly. The President shall keep the Executive Board completely informed, shall freely consult with them in relation to all activities of the Faculty Assembly, and shall see that all orders and/or resolutions of the Executive Board are carried out to the effect intended.

The President shall ensure that the Faculty Assembly is kept completely informed of the Executive Board's activities, and shall ensure that the Executive Board secure the approval of the Faculty Assembly prior to issuing any statements or taking other actions that would establish new policies or alter existing policies.

The President shall be empowered to act, speak for, or otherwise represent the Faculty Assembly between meetings of the Executive Board. The President, at all times, is authorized to contract, receive, deposit, disburse and account for all funds of the Faculty Assembly, to execute in the name of the Faculty Assembly all contracts and other documents authorized either generally or specifically by the Executive Board to be executed by the Faculty Assembly, and to negotiate any and all material business transactions of the Faculty Assembly.

### ***Vice President***

In the absence of the President, or in the event of his/her inability or refusal to act, it shall then be the responsibility of the Vice President to perform all the duties of the President, and in doing so shall have all authority and powers of, and shall be subject to all of the restrictions on, the

President.

***Treasurer***

It shall be the responsibility of the Treasurer to keep and maintain, or cause to be kept and maintained, adequate and accurate accounts of all the properties and business transactions of the Faculty Assembly, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements.

The Treasurer shall be responsible for ensuring the deposit of, or cause to be deposited, all money and other valuables as may be designated by the Executive Board. Furthermore, the Treasurer shall disburse, or cause to be disbursed, the funds of the Faculty Assembly, as may be ordered by the Executive Board, and shall render to the President and Executive Board members, whenever they request it, an account of all the Treasurer's transactions as treasurer and of the financial condition of the Faculty Assembly.

The Treasurer shall give the Faculty Assembly a bond, if so requested and required by the Executive Board, in the amount and with the surety or sureties specified by the Executive Board for faithful performance of the duties of the Treasurer's office and for restoration to the Faculty Assembly of all its books, papers, vouchers, money and other property of every kind in the Treasurer's possession or under the Treasurer's control upon the Treasurer's death, resignation, retirement, or removal from office. The Faculty Assembly shall pay the cost of such a bond.

***Secretary***

The Secretary, or his/her designee, shall be the custodian of all records and documents of the Faculty Assembly, which are required to be kept at the principal office of the Faculty Assembly, and shall act as secretary at all meetings of the Executive Board, and shall keep the minutes of all such meetings on file in hard copy or electronic format. S/he shall attend to the giving and serving of all notices of the Faculty Assembly and shall see that the seal of the Faculty Assembly, if any, is affixed to all documents, the execution of which on behalf of the Faculty Assembly under its seal is duly authorized in accordance with the provisions of these bylaws.

**ARTICLE 9 – COMMITTEES**

The Executive Board may, from time to time, and by resolution adopted by a majority of the Executive Board members then in office provided that a quorum is present, designate one or more committees to exercise all or a portion of the authority of the Executive Board, to the extent of the powers specifically delegated in the resolution of the Executive Board or in these Bylaws. Each such committee shall consist of at least two (2) Executive Board members and may also include persons who are not on the Executive Board but whom the Executive Board members believe to be reliable and competent to serve at the specific committee. However, committees exercising any authority of the Executive Board may not have any non-Executive-Board members. The Executive Board may designate one or more alternative members of any committee who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the Executive Board members then in office, provided that a quorum is present.



The Executive Board may also designate one or more advisory committees that do not have the authority of the Executive Board. However, no committee, regardless of Executive Board resolution, may:

- a. Approve of any action that, pursuant to applicable Law, would also require the affirmative vote of the members of the Executive Board if this were a membership vote.
- b. Fill vacancies on, or remove the members of, the Executive Board or any committee that has the authority of the Executive Board.
- c. Fix compensation of the Executive Board members serving on the Executive Board or on any committee.
- d. Amend or repeal the Articles of Incorporation or Bylaws or adopt new bylaws.
- e. Amend or repeal any resolution of the Executive Board that by its express terms is not so amendable or repealable.
- f. Appoint any other committees of the Executive Board or their members.
- g. Approve a plan of merger, consolidation, voluntary dissolution, bankruptcy, or reorganization; or a plan for the sale, lease, or exchange of all or considerably all of the property and assets of the Faculty Assembly otherwise than in the usual and regular course of its business; or revoke any such plan.
- h. Approve any self-dealing transaction, except as provided pursuant to Law.

Unless otherwise authorized by the Executive Board, no committee shall bind the Faculty Assembly in a contract or agreement or expend Faculty Assembly funds.

### ***Meetings and Actions of Committees***

Meetings and actions of all committees shall be governed by, and held and taken in accordance with, the provisions of Article 7 - Committees of these Bylaws, concerning meetings and actions of the Executive Board members with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Executive Board and its members, except that the time for regular meetings of committees may be determined either by resolution of the Executive Board or by resolution of the committee. Special meetings of committees may also be called by resolution of the Executive Board. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept for each meeting of any committee and shall be filed with the Faculty Assembly records.

If an Executive Board member relies on information prepared by a committee of the Executive Board on which the Executive Board member does not serve, the committee must be composed exclusively of any or any combination of (a) Executive Board members, (b) Executive Board members or employees of the Faculty Assembly whom the Executive Board member believes to be reliable and competent in the matters presented, or (c) counsel, independent accountants, or other persons as to matters which the Executive Board member believes to be within that

person's professional or expert competence.

### ***Executive Committee***

Pursuant to Article 7 - Committees, the Executive Board may appoint an Executive Committee composed of a minimum of two (2) Executive Board members, to serve on the Executive Committee of the Executive Board. The Executive Committee, unless limited in a resolution of the Executive Board, shall have and may exercise all the authority of the Executive Board in the management of the business and affairs of the Faculty Assembly between meetings of the Executive Board, provided, however, that the Executive Committee shall not have the authority of the Executive Board in reference to those matters enumerated in Article 7 - Committees. The Secretary of the Faculty Assembly shall send to each Executive Board member a summary report of the business conducted in any meeting of the Executive Committee.

## **ARTICLE 10 - STANDARD OF CARE**

### ***General***

An Executive Board member shall perform all the duties of an Executive Board member, including, but not limited to, duties as a member of any committee of the Executive Board on which the Executive Board member may serve, in such a manner as the Executive Board member deems to be in the best interest of the Faculty Assembly and with such care, including reasonable inquiry, as an ordinary, prudent, and reasonable person in a similar situation may exercise under similar circumstances.

In the performance of the duties of an Executive Board member, an Executive Board member shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- a. One or more officers or employees of the Faculty Assembly whom the Executive Board member deems to be reliable and competent in the matters presented;
- b. Counsel, independent accountants, or other persons, as to the matters which the Executive Board member deems to be within such person's professional or expert competence; or
- c. A committee of the Executive Board upon which the Executive Board member does not serve, as to matters within its designated authority, which committee the Executive Board member deems to merit confidence,

so long as in any such case the Executive Board member acts in good faith, after reasonable inquiry when the need may be indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

Except as herein provided in Article 8 - Standard of Care, any person who performs the duties of an Executive Board member in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as an Executive Board member, including, without limitation of the following, any actions or omissions which exceed or defeat a

public or charitable purpose to which the Faculty Assembly, or assets held by it, are dedicated.

### ***Loans***

The Faculty Assembly shall not make any loan of money or property to, or guarantee the obligation of, any Executive Board member or officer, unless approved by the Virginia Attorney General; provided, however, that the Faculty Assembly may advance money to an Executive Board member or officer of the Faculty Assembly or any subsidiary for expenses reasonably anticipated to be incurred in the performance of the duties of such officer or Executive Board member so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

### ***Conflict of Interest***

The purpose of the Conflict of Interest policy is to protect the Faculty Assembly's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of one of its officers or Executive Board members, or that might otherwise result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable corporations/organizations and is not intended as an exclusive statement of responsibilities.

### ***Restriction on Interested Executive Board members***

Not more than 25% (percent) of the persons serving on the Executive Board at any time may be interested persons. An interested person is (1) any person currently being compensated by the Faculty Assembly for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise; and (2) any brother, sister, parent, ancestor, descendent, spouse, brother-in-law, sister-in-law, son-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the interested person.

### ***Duty to Disclose***

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Executive Board members who are considering the proposed transaction or arrangement.

### ***Establishing a Conflict of Interest***

After the disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person shall leave the Executive Board meeting while the potential conflict of interest is discussed and voted upon. The remaining Executive Board members shall decide if a conflict of interest exists.

### ***Addressing a Conflict of Interest***

In the event that the Executive Board should establish that a proposed transaction or arrangement establishes a conflict of interest, the Executive Board shall then proceed with the following actions:

- a. Any interested person may render a request or report at the Executive Board meeting, but upon completion of said request or report the individual shall be excused while the Executive Board discusses the information and/or material presented and then votes on the transaction or arrangement proposed involving the possible conflict of interest.
- b) The Chair of the Executive Board shall, if deemed necessary and appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c) After exercising due diligence, the Executive Board shall determine whether the Faculty Assembly can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Executive Board shall determine by a majority vote of the disinterested Executive Board members whether the transaction or arrangement is in the best interest of the Faculty Assembly, for its own benefit, and whether it is fair and reasonable. It shall make its decision as to whether to enter into the transaction arrangement in conformity with this determination.

### ***Violations of Conflict of Interest Policy***

Should the Executive Board have reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest, the Executive Board shall then inform the interested person of the basis for such belief and afford the interested person an opportunity to explain the alleged failure to disclose.

If, after hearing the interested person's explanation, and after making further investigation as may be warranted in consideration of the circumstances, the Executive Board determines the interested person intentionally failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

### ***Procedures and Records***

All minutes of the Executive Board Meetings, when applicable, shall contain the following information:

- a. The names of all the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Executive Board's decision as to whether a conflict of

interest in fact existed.

- b) The names of the persons who were present for discussions and any votes relating to the transaction or arrangement, the content of the discussions, including any alternatives to the proposed transaction or arrangement, and a record of any vote taken in connection with the proceedings.

### ***Acknowledgement of Conflict of Interest Policy***

Each Executive Board member, principal officer, and member of a committee with Executive Board delegated powers shall be required to sign a statement which affirms that such person:

- a. Has received a copy of the conflict of interest policy;
- b. Has read and understands the policy;
- c. Has agreed to comply with the policy; and
- d. Understands that the Faculty Assembly is tax-exempt, and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

### ***Violation of Loyalty - Self-Dealing Contracts***

A self-dealing contract is any contract or transaction (i) between the Faculty Assembly and one or more of its Executive Board members, or between the Faculty Assembly and any corporation, firm, or association in which one or more of the Executive Board members has a material financial interest ("Interested Executive Board member"), or (ii) between the Faculty Assembly and a corporation, firm, or association of which one or more of its corporation members are Executive Board members of the Faculty Assembly. Said self-dealing shall not be void or voidable because such Executive Board member(s) of corporation, firm, or association are parties or because said Executive Board member(s) are present at the meeting of the Executive Board or committee which authorizes, approves or ratifies the self-dealing contract, if:

- a. All material facts are fully disclosed to or otherwise known by the members of the Executive Board and the self-dealing contract is approved by the Interested Executive Board member in good faith (without including the vote of any membership owned by said Interested Executive Board member(s));
- b. All material facts are fully disclosed to or otherwise known by the Executive Board or committee, and the Executive Board or committee authorizes, approves, or ratifies the self-dealing contract in good faith—without counting the vote of the Interested Executive Board member(s)—and the contract is just and reasonable as to the Faculty Assembly at the time it is authorized, approved, or ratified; or
- c. As to contracts not approved as provided in above sections (a) and/or (b), the person asserting the validity of the self-dealing contract sustains the burden of proving that the contract was just and reasonable as to the Faculty Assembly at the time it was authorized, approved, or ratified.

Interested Executive Board member(s) may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof, which authorizes, approves, or ratifies a contract or transaction as provided for and contained in this section.

### ***Indemnification***

To the fullest extent permitted by law, the Faculty Assembly shall indemnify its "agents," as described by law, including its Executive Board members, officers, employees and volunteers, and including persons formerly occupying any such position, and their heirs, executors and administrators, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," and including any action by or in the right of the Faculty Assembly, by reason of the fact that the person is or was a person as described in the Nonstock Corporation Act. Such right of indemnification shall not be deemed exclusive of any other right to which such persons may be entitled apart from this Article.

To the fullest extent permitted by law, and, except as otherwise determined by the Executive Board in a specific instance, expenses incurred by a person seeking indemnification in defending any "proceeding" shall be advanced by the Faculty Assembly. Reasonable terms for repayment shall be set by the Executive Board and shall include the provision for forgiveness of amounts spent defending any proceeding if it is ultimately determined that the person is entitled to be indemnified by the Faculty Assembly for those expenses.

The Faculty Assembly shall have the power to purchase and maintain insurance on behalf of any agent of the Faculty Assembly, to the fullest extent permitted by law, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, or to give other indemnification to the extent permitted by law.

## **ARTICLE 11 – EXECUTION OF CORPORATE INSTRUMENTS**

### ***Execution of Corporate Instruments***

The Executive Board may, at its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except when otherwise provided by law, and such execution or signature shall be binding upon the Faculty Assembly.

Unless otherwise specifically determined by the Executive Board or otherwise required by law, formal contracts of the Faculty Assembly, promissory notes, deeds of trust, mortgages, other evidences of indebtedness of the Faculty Assembly, other corporate/organization instruments or documents, memberships in other corporations/organizations, and certificates of shares of stock owned by the Faculty Assembly shall be executed, signed, and/or endorsed by the President and Treasurer.

All checks and drafts drawn on banks or other depositories on funds to the credit of the Faculty Assembly, or in special accounts of the Faculty Assembly, shall be signed by such person or persons as the Executive Board shall authorize to do so.

### ***Loans and Contracts***

No loans or advances shall be contracted on behalf of the Faculty Assembly and no note or other evidence of indebtedness shall be issued in its name unless and except as the specific transaction is authorized by the Executive Board. Without the express and specific authorization of the Executive Board, no officer or other agent of the Faculty Assembly may enter into any contract or execute and deliver any instrument in the name of and on behalf of the Faculty Assembly.

## **ARTICLE 12 – RECORDS AND REPORTS**

The Faculty Assembly shall keep at its principal office the original or a copy of its Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the Executive Board members at all reasonable times during office hours.

### ***Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns***

The Faculty Assembly shall keep at its principal office a copy, if such an application has been required or made, of its tax exemption application and of its annual information returns for three years from their date of filing, which shall be open to public inspection and copying to the extent required by law.

### ***Maintenance and Inspection of Other Corporate Records***

The Faculty Assembly shall keep adequate and correct books and records of accounts and written minutes of the proceedings of the Executive Board and committees of the Executive Board. All such records shall be kept at a place or places as designated by the Executive Board and committees of the Executive Board, or in the absence of such designation, at the principal office of the Faculty Assembly. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the Faculty Assembly shall turn over to his or her successor or the President, in good order, such corporate/organization monies, books, records, minutes, lists, documents, contracts or other property of the Faculty Assembly as have been in the custody of such officer, employee, or agent during his or her term of office.

Every Executive Board member shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Faculty Assembly and each of its subsidiary corporations/organizations. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents.

### ***Preparation of Annual Financial Statements***

The Faculty Assembly shall prepare annual financial statements using generally accepted accounting principles. The Faculty Assembly shall make these financial statements available to

the Virginia Attorney General and members of the public for inspection no later than thirty (30) days after the close of the fiscal year to which the statements relate.

### ***Reports***

The Executive Board shall ensure an annual report is sent to all Executive Board members within 30 days after the end of the fiscal year of the Faculty Assembly, which shall contain the following information:

- a. The assets and liabilities, including trust funds, of this corporation at the end of the fiscal year.
- b. The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- c. The expenses or disbursements of the Faculty Assembly for both general and restricted purposes during the fiscal year.
- d. The information required by the Non-Profit Corporation Act concerning certain self-dealing transactions involving more than \$50,000.00 or indemnifications involving more than \$10,000.00 which took place during the fiscal year.

The report shall be accompanied by any pertinent report from an independent accountant or, if there is no such report, the certificate of an authorized officer of the Faculty Assembly that such statements were prepared without audit from the books and records of the Faculty Assembly.

### **ARTICLE 13 – FISCAL YEAR**

The fiscal year for the Faculty Assembly shall end on August 31.

### **ARTICLE 14 – AMENDMENTS AND REVISIONS**

The Articles of Incorporation for the Faculty Assembly may be amended or restated, and these Bylaws may be adopted, amended, or repealed by a simple majority of the Voting Members present at a duly called and held meeting of the Faculty Assembly for which written notice of such meeting, setting forth the proposed bylaw revisions with explanations thereof, is given in accordance with these Bylaws. If any provision of these Bylaws requires the vote of a larger portion of the Voting Members than is otherwise required by law, that provision may be altered, amended or repealed by that greater vote.

### **ARTICLE 15 – CORPORATE/ORGANIZATION SEAL**

The Executive Board may adopt, use, and alter a corporate/organization seal. The seal shall be kept at the principal office of the Faculty Assembly. Failure to affix the seal to any corporate/organization instrument, however, shall not affect the validity of that instrument.

### **ARTICLE 16 – CONSTRUCTION AND DEFINITIONS**



Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the Non-Profit Corporation Act as amended from time to time shall govern the construction of these Bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a corporation as well as a natural person. If any competent court of law shall deem any portion of these Bylaws invalid or inoperative, then so far as is reasonable and possible (i) the remainder of these Bylaws shall be considered valid and operative, and (ii) effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

**CERTIFICATE OF SECRETARY**

I, \_\_\_\_\_, certify that I am the current elected and acting Secretary of the Faculty Assembly, and the above Bylaws are the bylaws of the Faculty Assembly as adopted by the Executive Board on \_\_\_\_\_, and that they have not been amended or modified since the date above.

***EXECUTED*** on this \_\_\_\_\_ day of \_\_\_\_\_, in the County of \_\_\_\_\_ in the State of Virginia.

\_\_\_\_\_  
(Duly Elected Secretary)