

BY-LAWS OF THE NORTH CAROLINA STATE UNIVERSITY FOUNDATION, INC.

As Amended and Adopted on November 22, 1996, June 18, 1999, June 14, 2001, November 9, 2005, June 21, 2006, June 20, 2008, June 19, 2009, October 30, 2009, June 18, 2010, June 17, 2011, June 8, 2012, November 6, 2015, and June 9, 2023

Article 1 Names and Purposes

Section 1 - Name, Location, and Official Seal:

The name of the organization is the North Carolina State University Foundation, Inc., incorporated under the laws of the State of North Carolina and is hereinafter referred to as the Foundation. The principal office and place of businesses is at North Carolina State University, Raleigh, Wake County, North Carolina. The official seal adopted by the Board of Directors is kept by the Secretary and shall be affixed to all legal documents or transactions as required.

Section 2 - Purposes and Objectives:

The Foundation is organized to promote the welfare and future development of North Carolina State University in its educational and scientific purposes within the meaning of Sections 501(c) (3), and to receive gifts which qualify under Section 170, of the Internal Revenue Code of 1986 or the corresponding provisions of any future Internal Revenue Service law; to seek gifts for the benefit of North Carolina State University through current funds, endowment giving and other fund-raising programs; to prudently manage the investment and the disbursement of these assets within a policy that encourages the enhancement of the resources of the Foundation; and to support the office of the Chancellor.

Section 3 - Limitations:

The Foundation shall not carry on any activity prohibited by a foundation exempt from federal income tax under Section 501 (c) (3) or 170 (c) (2) (B) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law. No part of the net earnings of the Foundation shall inure to the benefit of, or be distributed to, its members, directors, officers, or other private persons, except that the Foundation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 1, Section 2. The avoidance of conflict of interest shall be a guiding principle in all Foundation endeavors. No substantial part of the activities of the Foundation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Foundation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

Section 4 - Fiscal Year:

The Foundation's fiscal year is July 1 - June 30, inclusive, unless otherwise defined by the Board of Directors.

Section 5 - Existence:

It is the intent of this Foundation that it has perpetual existence. In the event of dissolution of the Foundation, all assets and property which remain after the discharge of the Foundation's liabilities and unless otherwise designated by the donor of an asset shall be paid over or distributed by the Board of Directors to North Carolina State University or to another Approved Associated Entity of NC State organized to support the University or any of its Colleges, Schools, Departments, and shall be used or distributed for no other object or purpose whatsoever.

Article 2 Board of Directors

Section 1 - Number and Composition:

The Board of Directors, hereinafter referred to as the Board, shall be composed of twenty-nine (29) voting members as follows:

- a. Elected Directors: Twenty-four (24) Directors shall be elected for four-year terms with six of the terms expiring on the last day of each fiscal year. Their successors shall be elected by a majority vote of the voting Directors present and voting at the annual meeting. At least seventeen (17) of the twenty-four (24) Elected Directors shall be alumni of North Carolina State University. An Elected Director shall not be a member of the North Carolina State University Board of Trustees during his/her term as an Elected Director. Furthermore, an Elected Director shall not be a member of the Board of Governors of the University of North Carolina System during his/her term as an Elected Director. A slate of Elected Director candidates shall be chosen from a larger pool of candidates which is created and managed in an ongoing manner by the Nominations Committee.
- b. Automatic Directors: Four (4) other Directors shall hold positions on the Board of Directors. Specifically: The Chairperson of the Board of Directors, the Vice-Chairperson of the Board of Directors, the immediate Past Chairperson of the North Carolina State University Foundation, ; and the President of the North Carolina State University Alumni Association shall serve as Automatic Directors.
- c. Ex-Officio Directors: Individuals serving in the following positions at North Carolina State University shall serve as Ex-Officio Directors: the Chancellor of North Carolina State University, the Vice Chancellor for University Advancement, the Associate Vice Chancellor for Development, the Assistant Vice Chancellor for Finance and Administration, the Vice Chancellor for Finance and Administration, and the University Treasurer. Additionally, University administrators who in the Chancellor's opinion, unless they already serve as elected

members, have major responsibilities in private support for the University may serve as Ex-officio members of the Board if nominated by the Chancellor and appointed by the Chairperson. Any Ex-officio Director described herein shall serve as such only while holding the described office. Except as otherwise provided in these by-laws, ex-officio Directors are not voting members of the Foundation Board

- d. Honorary Directors: Honorary Directors shall be selected to serve a two-year term as ex officio members and shall be eligible for re-election at the end of the term. Honorary Directors are not voting members of the Board.
- e. One student member representative may be appointed by the Board each year for a one year non-voting term from July 1 to June 30.
- f. At least one Senior Academic Officer or Senior Administrative Officer of NC State University, or a designee of the Chancellor, must sit as an ex-officio voting regular member of the Foundation's Board, and on any standing committee or other committee that has delegated authority to act on behalf of the Board. The Vice Chancellor for University Advancement shall serve as the President of the Foundation and is designated as the voting ex-officio regular member of the Foundation Board.

Section 2 - Terms of Office:

- a. Elected Directors: Each Elected Director shall serve a term of four (4) years. In honor of exceptional service, an individual may be asked to serve a second term. No Elected Director is eligible to serve more than two (2) consecutive terms, unless in the situation where an Elected Director is elected to serve as an Automatic Director in which case they may serve in that capacity through the elected term as an Automatic Director. After an absence of two (2) years, a person shall be eligible for re-election to the Board. In the event of a vacancy on the Board of Directors, the Nominating Committee shall make a recommendation to the Board for consideration at the next regularly scheduled meeting. The Board shall approve or disapprove the new candidate(s) by a simple majority vote.
- b. Automatic Directors: The Chairperson, The Vice Chairperson, and the immediate Past Chairperson of the Foundation and the President of the North Carolina State University Alumni Association shall serve as automatic members during their respective terms of office.

Section 3 - Meetings and Procedural Rules:

The annual meeting of the Foundation shall be the Spring meeting. The Board shall meet at such other times as the presiding officer shall deem necessary. A special meeting may be called at any time by the Chairperson of the Board or upon the written request of any three (3) Directors. The nature of the meeting shall be stated in the notice. Robert's Rules of Order governs the conduct of business.

Section 4 - Quorum:

One-half of the voting Directors in office shall constitute a quorum.

Section 5 - Informal Action by Directors or Committees:

Action taken by a majority of the Directors or members of a committee without a meeting is nevertheless Board or committee action if written consent to the action in question is signed by all the Directors or members of the committee, as the case may be, and filed with the minutes of

the proceedings of the Board or committee, whether done before or after the action so taken. If a meeting of Directors otherwise valid is held without proper call or notice, action taken at such meeting otherwise valid is deemed ratified by a Director who did not attend unless promptly after having knowledge of the action taken and of the impropriety in question he files with the Secretary of the Foundation his written objection to the holding of the meeting or to any specific action so taken. Any one (1) or more Directors or members of a committee may participate in a meeting of the Board or committee by means of a conference telephone or similar communications device which allows all persons participating in the meeting to hear each other and such participation in a meeting shall be deemed presence in person at such meeting.

Section 6 - Powers and Duties:

The Board of Directors may exercise all power and authority of the Foundation and carry out such legal acts and duties for the furtherance of the aims of the Foundation and transaction of its affairs as are not prohibited by statute, this Constitution or by the Certificate of incorporation.

The Board may employ such accountants as it deems advisable for the proper verification of all accounts and require an officer of the Foundation to carry such bonds as it deems advisable.

Each Director shall discharge his duties as a Director, including his duties as a member of a committee, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Director reasonably believes to be in the best interest of the corporation.

Section 7 - Remuneration:

No Elected or Automatic Directors shall be paid any salary by the Foundation.

Section 8 -Members

The Elected and Automatic Directors shall be the members of the Foundation, and their meetings shall constitute meetings of the members of the Foundation.

Section 9 - Director's Conflict of Interest:

Any corporate transaction in which a Director has a direct or indirect interest must be authorized, approved, or ratified in good faith by a majority, not less than two (2), of the Directors who have no direct or indirect interest in the transaction even though less than a quorum; provided, however, no such transaction shall be authorized, approved, or ratified by a single Director. For purposes of this Section, a Director has an indirect interest in a transaction if:

- a. Another entity in which he has a material financial interest or in which he is a general partner is a party to the transaction; or
- b. Another entity of which he is a director, officer, or trustee is a party to the transaction and the transaction is or should be considered by the Board.

Section 10 - Certain Director Liability:

In addition to other liabilities imposed by law upon directors, a Director shall be subject to the following liabilities:

- a. All Directors who vote for or assent to any distribution of assets of the corporation contrary to any lawful restrictions in the North Carolina Nonprofit Corporation Act (the "Act"), the Articles of Incorporation, or these by-laws, shall be jointly and severally liable to the corporation for the amount of the distribution that exceeds what could have been distributed without violating such restrictions.
- b. All Directors who vote for or assent to the making of any loan or guaranty or other form of security by the corporation to or for the benefit of the Directors or officers of the corporation, or any of them, except loans, guaranties or other forms of security made to full time employees of the corporation who are also Directors or officers of the corporation and which were made in accordance with Section 6 of this Article, and this Section, shall be jointly and severally liable to the corporation for the repayment or return of the money or value loaned, with interest thereon at the legal rate until paid, or for any liability of the corporation upon the guarantee.
- c. A Director shall not be liable under the provisions of subparagraphs (a) and (b), above, if he performed his duties in compliance with Section 6 of this Article 2 or (unless his actual knowledge concerning the matter in question makes such reliance unreasonable) he relied on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by (i) one or more officers or employees of the corporation whom the Director reasonably believes to be reliable and competent in the matters presented; (ii) legal counsel, public accountants, or other persons as to matters the Director reasonably believe are within their professional or expert competence; or (iii) a committee of the Board of which he is not a member if the Director reasonably believes the committee merits confidence.

Section 11 - Officer, Director, Employee, and Agent Indemnification:

- a. Each person who was or is a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal (hereinafter, a "proceeding" and including without limitation, a proceeding brought by or on behalf of the corporation itself), by reason that he is or was a Director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a Director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or as a trustee or administrator under an employee benefit

plan, where the basis of such proceeding is alleged action in an official capacity as Director, officer, employee or agent or in any other capacity while serving as Director, officer, partner, employee, agent, trustee or administrator, shall be indemnified and held harmless by the corporation to the fullest extent authorized by the North Carolina

Nonprofit Corporation Act of 1994 (the "Act") as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the corporation to provide broader indemnification rights than the Act permitted the corporation to provide prior to such amendment) against all expense, liability and loss (including attorneys' fees, judgments, fines, excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to serve in the capacity that initially entitled such person to indemnification hereunder and shall inure to the benefit of his heirs, executors and administrators; provided, however, that the corporation shall indemnify any 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.

- b. The right to indemnification conferred in this subparagraph (a) above 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, if the Act so requires, the payment of expenses incurred by a Director, officer, employee or agent in his capacity as such (and not in any other capacity in which service was or is rendered by such person while a Director, officer, employee, or agent including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding shall be made only upon delivery to the corporation of an undertaking, by or on behalf of such person, to repay all amounts so advanced if it shall ultimately be determined that such person is not entitled to be indemnified under this Section or otherwise.
- c. If a claim under subparagraphs (a) and (b) above hereof is not paid in full by the corporation within ninety (90) days after a written claim has been received by the corporation, the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the corporation) that the claimant has not met the standards of conduct which make it permissible under the Act for the corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the corporation. 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 the claimant is proper in the circumstances because he has met the applicable standard of conduct, set forth in the Act, nor an actual determination by the corporation (including its Board or independent legal counsel) that the claimant has not met the applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.
- d. The right to indemnification and the advancement and payment of expenses conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any law (common or statutory), the Articles of incorporation, these bylaws, any agreement, the vote of disinterested Directors, or otherwise.

- e. The corporation may maintain insurance, at its expense, to protect itself and any person who is or was serving as a Director, officer, employer or agent of the corporation or is or was serving at the request of the corporation as a Director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise against any liability asserted against and incurred by that person in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify that person against such liability under the Act.
- f. If this Article or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify and hold harmless each Director, officer, employee and agent of the corporation, as to costs, charges and expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative to the full extent permitted by any applicable portion of this Article that shall not have been invalidated and to the full extent permitted by applicable law.

Article 3- Officers

Section 1 - Title of Officers:

The officers of the Board shall consist of a Chairperson, Vice Chairperson, President, Vice President for Development, Secretary, Treasurer, and Assistant Treasurer.

Section 2 - Ex-Officio Officers

Individuals serving in the following roles at North Carolina State University shall serve as ex officio officers of the Foundation: The Vice Chancellor for University Advancement shall serve ex-officio as the President of the Foundation; the Associate Vice Chancellor for Development shall serve ex-officio as the Vice President for Development of the Foundation; the Assistant Vice Chancellor for Finance and Administration shall serve ex-officio as the Secretary of the Foundation; the University Treasurer shall serve ex-officio as the Treasurer of the Foundation; the Vice Chancellor for Finance and Administration shall serve ex-officio as the Assistant Treasurer of the Foundation.

Section 3 - Election of Officers and Terms of Office:

The Chairperson and Vice Chairperson shall be nominated by the Nominations Committee and elected by the Elected Directors of the Foundation. The President of the Foundation serves at the pleasure of the Chancellor of North Carolina State University. The Chairperson and Vice Chairperson shall be elected by the Board at the annual meeting for a term of two years, and the Nominations Committee may under unusual circumstances choose to have the officers succeed themselves for one term of office only. An officer shall hold office until a successor is appointed or elected.

Section 4 - Duties of the Chairperson:

The Chairperson shall preside at all meetings of the Board and have all powers and duties incident to such office. The Chairperson shall conduct and have charge of the affairs of the Foundation subject to approval of a majority of the Board; and shall submit, with the annual report, recommendations of the conduct of the affairs of the Foundation for the following year. In the event of a vacancy among the Elected Directors, the Chairperson, with the approval of the Executive Committee, shall have the authority to appoint a person to fill the unexpired term.

The Chairperson shall appoint the Chair of each Committee, except the Executive Committee, as well as the Elected Directors to serve on each Committee.

Section 5 - Duties of the Vice Chairperson:

In the absence of the Chairperson, the Vice Chairperson shall preside at any meeting of the Board and otherwise perform the duties of the Chairperson. In the event that the Office of Chairperson shall become vacant for any reason, the Vice Chairperson shall assume the duties of the Chairperson until the next meeting of the board, at which time a successor Chairperson shall be elected to complete the unexpired term. In the event the office of Vice Chair becomes vacant for any reason, the Chairperson shall select a Director to fill the vacancy until the next meeting, at which time a successor Vice Chairperson shall be elected to fill the unexpired term.

Section 6 - Duties of the President:

The President shall serve as the Chief Operating Officer of the Foundation. The President should build and manage the staff, assist the Chairperson in meetings and agenda preparation, and represent the operations of the Foundation to all University interests and external inquiries. The President is vested with full executive and administrative power to negotiate and sign leases, contracts, and other agreements on behalf of the Foundation for the performance of Foundation business as authorized by the Board of Directors or the Executive Committee. The President shall be an ex-officio member on all committees of the Foundation. The President must be a person who is also an officer of North Carolina State University, in order to assure a close working connection to the University as it relates to fund-raising.

Section 7 - Duties of the Vice President:

The Vice President for Development serves as the Chief Fund Raising Officer for the Foundation. The Vice President for Development will direct fund raising activities, including annual giving, major and leadership giving, corporate development, philanthropic foundation solicitations, trust relations, estate planning, and capital campaigns, and shall serve as an ex officio member on the Nominations Committee and Development Committee without vote. The Vice President must be a person who is also an officer of North Carolina State University, in order to assure a close-working connection to the University as it relates to fund-raising.

Section 8 - Duties of the Secretary:

The Secretary shall be responsible for the minutes of all meetings of the Board, shall give notice of all meetings, shall keep all records and papers of the Foundation, and shall conduct the general

correspondence and such special communications as directed by the Chairperson and the

President. The Secretary shall serve as an ex-officio member of all of the committees. The Secretary shall perform other duties as the Directors may prescribe.

Section 9 - Duties of the Treasurer:

The Treasurer shall be responsible for the disbursement of funds. The Treasurer shall have charge of all finances of the Foundation, under the direction of the Board, and shall keep accurate accounts of all receipts and disbursements, and shall make a detailed report at the annual meeting of the Board. The Treasurer shall at all times be under bond in such amount as determined by the Board. Premium for said bond shall be paid for by the Foundation unless North Carolina State University provides such coverage. The Treasurer shall perform other duties as the Directors may prescribe.

Section 10 - Duties of the Assistant Treasurer:

The Assistant Treasurer will assist the Treasurer in carrying out the many duties of financial reports, auditing, and investment management at the direction of the Treasurer. In the absence of the Treasurer, the Assistant Treasurer shall be empowered to carry out all duties for which the Treasurer is responsible.

Section 11 - Duties of Officers

- a. An officer with discretionary authority shall discharge his duties under that authority in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he reasonably believes to be in the best interests of the corporation.

- b. An officer is not liable for any action taken as an officer, or any failure to take any action, if the officer performed the duties of his office in compliance with subparagraph (a), above, or (unless his actual knowledge concerning the matter in question makes such reliance unreasonable) he relied on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by (i) one or more officers or employees of the corporation whom the officer reasonably believes to be reliable and competent in the matters presented; or (ii) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within their professional or expert competence.

Article 4 Committees

Section 1 - General:

The Foundation shall have standing committees and such special committees as the Board deems necessary or desirable. The Chairperson of the Foundation shall appoint the Chairs and members of each committee. Terms for the Chair and committee members shall be two years. No committee shall have the authority as to the following matters:

1. Authorized distributions.
2. Approve dissolution, merger or the sale, pledge, or transfer of all or substantially all of the corporation's assets.
3. Elect, appoint or remove Directors.
4. Adopt, amend, or repeal the Articles of incorporation or by-laws.

Section 2 - Executive Committee:

There shall be an Executive Committee of the Foundation composed of the Chairperson, the Vice Chairperson, the immediate Past Chairperson, the President of the North Carolina State University Alumni Association, the Chairperson of the Audit and Finance Committee, the Chairperson of the Development Committee, the Chairperson of the Awards and Grants Committee, and the Chairperson of the Nominating Committee. The Chancellor of North Carolina State University, the President of the Foundation, The Vice President for Development of the Foundation, the Secretary of the Foundation, and the Treasurer of the Foundation, shall serve as ex-officio members of the Executive Committee. The Chairperson of the Foundation shall serve as Chair of the Executive Committee. Members shall serve two-year terms in conjunction with the term of the Chairperson of the Foundation.

The Executive Committee shall have and exercise the authority of the Board of Directors in the management of the business of the Foundation between the meetings of the Board of Directors; provided, however, that said Executive Committee shall have no power to (a) authorize distributions; (b) approve dissolution, merger or the sale, pledge, or transfer of all or substantially all of the corporation's assets; (c) elect, appoint or remove Directors, except to fill vacancies on the Board pursuant to Article 2, Section 2(a);(d) adopt, amend, or repeal the Articles of Incorporation or by-laws. The presence of one-half (1/2) voting Directors of the Executive Committee at any regular or special meeting of said Committee shall constitute a quorum for the transaction of business.

Section 3- Nominations Committee

There shall be a Nominations Committee of the Foundation, the Chair of which shall be appointed by the Chairperson of the Foundation to serve a two-year term. The membership of this committee shall consist of a minimum of 5 Elected Directors. The Committee shall create and manage a pool of candidates for consideration as Elected Directors. This pool should strive to reflect not only the racial, ethnic, and gender composition of the University's constituents, but also the diverse academic components of the Foundation.

The Nominations Committee shall present to the Board at the annual meeting the names of nominees for consideration as Elected Directors. In addition, every two years the Nominations Committee shall

present to the Board for two-year terms an Elected Director nominated for Chairperson of the Foundation and an Elected Director nominated for Vice Chairperson of the Foundation.

The Nominations Committee shall present to the Board at the annual meeting the names of any individual(s) it deems appropriate as a nominee for non-voting Honorary Director.

Section 4 - Audit and Finance Committee:

There shall be an Audit and Finance Committee of the Foundation, the Chair of which shall be appointed by the Chairperson of the Foundation to serve a two-year term. The membership of this committee shall consist of a minimum of 5 elected Directors. The Committee shall establish and oversee the adherence to the Investment Objectives and Policies of the Foundation and shall recommend changes to same as appropriate. The Audit and Finance Committee shall have the power to authorize the making and altering of investments; provided, however, that said Audit and Finance Committee shall have no power to authorize or direct the disbursement of any funds except for the purpose of defraying necessary expenses of the Foundation for investment purposes. The Audit and Finance Committee shall select a certified public accounting firm to serve as its independent auditor and to perform a full and complete annual audit of its finances and operations. If possible, the committee shall have a member who has financial expertise.

Section 5 - Development Committee:

There shall be a Development Committee of the Foundation, the Chair of which shall be appointed by the Chairperson of the Foundation to serve a two-year term. The membership of this committee shall consist of a minimum of 5 elected Directors. The Committee shall lead all aspects of fund-raising efforts for the North Carolina State University Foundation in order to provide the private, philanthropic resources necessary for support of its constituencies' programs and activities, both current and long-term.

The scope of responsibilities include the development of a comprehensive, long-range fund raising strategy designed to meet the resource needs of the Foundation and its constituencies and to establish and oversee any policy issues related to resource development for the Foundation and its constituencies. The Committee shall work with the Vice President for Development and the development staff to establish fund raising goals, plans and benchmarking activities, develop plans to engage fellow directors in fund raising activities, assist development staff in the identification, cultivation, and solicitation of supporters, as appropriate and assist the staff in increasing the recognition and visibility of the Foundation. The Committee shall educate fellow directors about the Foundation's programmatic and activity priorities and the resources needed, familiarize fellow board members with fund raising skills and techniques for their active engagement in resource development activities and serve as the Foundation's resource for general information related to fund raising, such as the current fund raising climate, trends in development, etc.

Section 6- Awards and Grants Committee

There shall be an Awards and Grants Committee of the Foundation, the Chair of which shall be appointed by the Chairperson of the Foundation to serve a two-year term. The membership of this committee shall consist of a minimum of 5 Elected Directors. The Committee shall oversee the awards

process for the Godwin Red Torch Award and Menscer Cup award based on the established criteria; and administers the grants approval process to support special initiatives that enhance the quality of the undergraduate and graduate experience at NC State University. In addition, the Awards and Grants Committee shall process any additional awards that the Board may deem appropriate.

The scope of responsibilities for the awards process includes the promotion of the awards, solicitation of nominations, evaluation of nominations and selection of recipient(s). The Committee shall work with the affiliated entities of the Foundation and the university administrative offices to secure nominations. For the Godwin Red Torch Award, which is presented at the spring social event, the review and consideration shall take place at the fall meeting. For the Menscer Cup award, which is presented at the fall social event, the review and consideration shall take place at the spring meeting. The Chairperson and the President of the Foundation will notify the individual(s) (or surviving family member) of their selection.

The scope of responsibilities for the grants process includes the promotion of the grants process, review of the applications, and selection of the financial awards to be made for the subsequent fiscal year. This review and consideration shall take place at the spring meeting. The Awards and Grants Committee shall submit the selected grant recipient(s) to the full Board for final approval. The recipients of the awards will be notified in early July by the Foundation's business office. A formal report on the impact of the grant at the end of the funding cycle will be requested and reviewed by the Awards and Grants Committee.

Section 7 - Ad Hoc Committees:

The Chairperson of the Foundation may establish ad hoc committees as deemed necessary for the conduct of Foundation Business.

Section 8- Committee Action as Board Action:

The designation of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any member thereof of any responsibility or liability imposed upon it or him by law; and any resolutions adopted or other action taken by any such committee within the scope of authority delegated to it by the Board of Directors shall be deemed for all purposes to be adopted or taken by the Board of Directors.

Article 5- Method of Approving the Budget

Section 1 - Annual Budget Approval:

The President of the Foundation shall submit a proposed annual budget and an annual report of operations that shows actual versus budgeted revenues and expenditures to the Chancellor of North Carolina State University for approval. If the Chancellor approves the proposed budget, it

will be submitted to the Foundation Board of Directors for adoption. If the Board of Directors does not adopt the budget as presented, it shall adopt a budget.

Section 2 - Approval of Major Changes to Budget

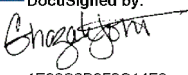
Major programmatic changes to the budget adopted by the Board of Directors shall be submitted to the Chancellor of North Carolina State University for approval. If the Chancellor approves of the budget changes, it will be resubmitted to the Board of Directors for adoption.

Article 6 - Method of Amending By-Laws:

The By-Laws may be amended as follows:

- a) The text of the proposed amendment is presented in writing to the President.
- b) The President obtains a written legal opinion by counsel as to its effect, if any, of the proposed amendment on the exempt status within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law.
- c) The Secretary mails to the members of the Board a copy of the proposed amendment no less than ten (10) days prior to the scheduled meeting of the Board.
- d) The Board determines its approval or disapproval of the proposed amendment(s). A majority vote of the Directors present at a meeting where there is a quorum is required for approval of the amendment(s).

Adopted on June 8, 2023

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Ghazale Johnston, Chair
NC State University Foundation, Inc.

DocuSigned by:

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Attest: Derek Bryan, Secretary
NC State University Foundation, Inc.