

# CLASSICAL HIGH SCHOOL ALUMNI ASSOCIATION, INC.

## BYLAWS

### ARTICLE I

#### NAME AND LOCATION

**Section 1**     **Name.** The name of this corporation shall be Classical High School Alumni Association, Inc. (the “Association”). The Association is a nonprofit corporation organized under, and in accordance with, the provisions of the Rhode Island Nonprofit Corporation act, as amended from time to time (the “Nonprofit Act”).

**Section 2**     **Office.** The principal office of the Association shall be located in Providence, Rhode Island, or any other place determined, from time to time, by the Board of Directors.

### ARTICLE II

#### PURPOSES AND POWERS

**Section 1.**     **Mission.** The mission of the Association is to provide support to Classical High School (the “School”) in Providence, Rhode Island. The Association shall achieve its mission by: (i) enhancing the educational experience of current students at the School; (ii) building and maintaining relationships among the School’s alumni and friends; (iii) raising funds for activities of both the School and the Association; and (iv) preserving and supporting the tradition of excellence of the School.

**Section 2.**     **Powers.** The Association shall have the power, either directly or indirectly, alone or in conjunction or cooperation with others, to do any act and to engage in any and all lawful activities, that may be necessary, useful, or desirable for the furtherance or accomplishment of any or all of the purposes for which the Association is organized, and to assist other organizations whose activities further or accomplish any of such purposes. The powers of the Association shall include, without limitation, the acceptance of financial or in-kind contributions from entities in both the public and the private sectors. The Association may exercise any power or take any action permitted by the Nonprofit Act.

**Section 3**     **Nonprofit Status.** The Association is organized exclusively for charitable purposes as described in Section 501(c)(3) of the Internal Revenue Code of 1986, as in effect from time to time (the “Code”), and is not organized for profit, and no part of the net earnings of the Association shall inure to the benefit of, or be distributable to, any member, if any,

officer, Director, or other private person (except that reasonable compensation may be paid for services actually rendered to and for the Association with the prior approval of the Board of Directors). In the event of the liquidation of the Association, whether voluntary or involuntary, no member, if any, officer, or Director shall be entitled to any distribution or division of the Association's property or the proceeds thereof, and upon such liquidation, the balance of all money, assets, and other property of the Association, after the payment of all its debts and obligations, shall, pursuant to a resolution of the Board of Directors, or, in default thereof, an order of a court of competent jurisdiction in the state of Rhode Island, be used by, or distributed to, the School, or an organization described in Section 501(c)3) of the Code, such property to be used by such organization to accomplish the purposes for which the Association is organized.

### **ARTICLE III**

#### **NONMEMBERSHIP CORPORATION**

The Association shall have no members. The persons who shall from time to time constitute the Board of Directors shall, for the purpose of any statutory provision or rule of law, also be the members of the Association and shall exercise all rights and powers of members thereof. For the purposes of any statutory provision or rule of law, a quorum of members of the Association shall be the quorum required for a meeting of the Board of Directors. All power over the property, affairs, and business of the Association shall be held by the Board of Directors pursuant to the provisions of Article IV of these bylaws.

### **ARTICLE IV**

#### **BOARD OF DIRECTORS**

**Section 1. General Powers.** The business, property, and affairs of the Association shall be managed by its Board of Directors. The Board of Directors shall have such powers as are expressly conferred upon it by the Articles of Incorporation, the Nonprofit Act, other applicable statute, or these bylaws.

**Section 2. Number and Qualification.** The Board of Directors shall consist of the number of Directors determined from time to time by resolution of the Board of Directors, and in the absence of any resolution, the number of Directors shall be between eleven (11) to nineteen (19) Directors, inclusive of Appointed Directors and exclusive of Honorary Directors. The Board of Directors shall be composed of persons with a genuine interest in and strong commitment to the Association, its mission, activities, programs, and services. Members of the Board of Directors will demonstrate their interest and commitment by a financial contribution to the Association and significant participation in the activities of the Board of Directors and its committees and by promotion of the Association the greater Rhode Island community.

Directors shall be graduates of the School, faculty or former faculty of the School, and/or parents of students.

**Section 3.**     **Composition.** The Board of Directors shall consist of:

- (i) the Directors elected at the annual meeting (the "Elected Directors");
- (ii) up to three (3) Directors appointed by the President pursuant to Section 4 of this Article IV (the "Appointed Directors");
- (iii) the immediate past president of the Board of Directors, who shall serve ex officio (the "Ex Officio Director"); and
- (iv) the persons elected as Honorary Directors pursuant to Section 10.

**Section 4**     **Election; appointment.** The Elected Directors shall be elected at the annual meeting or at a meeting called for that purpose. At each annual meeting of the Association, one-third of the Elected Directors shall be elected as successors to those Directors whose terms shall expire at that annual meeting, to serve for a term of three (3) years, or until their successors shall be elected and qualified. The slate of nominees for Elected Directors shall consist of those nominees recommended by the Governance Committee as well as any nominee(s) proposed by a Director of the Association and submitted in writing to the President with the nominee's consent at least two (2) weeks prior to such meeting. The President may appoint as Director, until the next annual meeting or until his or her successor shall be appointed and qualified, up to three (3) persons as he or she deem to be in the interest of the Association, including, without limitation, any person who may otherwise be ineligible for election as a Director by reason of service as an Elected Director continuously for and during the preceding nine (9) years.

**Section 5.**     **Terms.** The term of an Elected Director shall be three (3) years. The term of an Appointed Director shall be one year. The term for an Ex Officio Director shall be coterminous with his or her corresponding office. No Elected Director may serve as an Elected Director for more than three (3) consecutive terms, unless the Governance Committee determines, in its sole discretion, based on the recommendation of the Executive Committee that a particular Elected Director should continue to serve for one or more additional consecutive terms. Each Director shall hold office until his or her successor is elected and qualified or until his or her death, resignation, or removal. The term an Elected Director serves pursuant to Section 6(i) or Section 6(ii) shall not count toward that Director's term limit. The term during which a Director serves as President or a Vice President of the Association shall not count toward that Director's term limit. An incomplete term of any Director for any reason shall not count toward that Director's term limit.

**Section 6.** **Initial Board.** The initial Elected Directors will be elected for staggered terms: (i) one-third of the initial Elected Directors will serve an initial term of one year; (ii) one-third of the initial Elected Directors will serve an initial term of two (2) years; and (iii) the remaining one-third of the initial Elected Directors will serve an initial term of three (3) years.

**Section 7.** **Vacancies.** Any vacancy occurring on the Board of Directors may be filled by a vote of a majority of the remaining Directors though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

**Section 8** **Removal.** Any Director may be removed at any time with cause, including without limitation, a Director's lack of meaningful participation or a Director's unexcused absence from two (2) or more regular meetings in any fiscal year, by vote of the Board of Directors, at any special meeting called for such purpose at which the Director has an opportunity to be heard.

**Section 9.** **Resignations.** Any Director may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. The resignation shall take effect at the time specified in the notice, and unless otherwise specified in such notice, the acceptance of the resignation shall not be necessary to make it effective.

**Section 10** **Honorary Directors.** Any person who shall have served as a Director of the Association may be elected as an Honorary Director of the Association, in recognition of his or her historical service and contributions to the Association, at any meeting of the Board of Directors and shall hold that office for life. Honorary Directors shall be nonvoting Directors. preserving and supporting the tradition of excellence of the School.

**Section 11.** **Compensation.** Directors shall not be paid compensation for performance of their duties as Directors. No Director shall be precluded from serving the Association in any other capacity and receiving compensation for such service.

## ARTICLE V

### MEETINGS

**Section 1.** **Annual meeting.** The Board of Directors shall hold an annual meeting for the election of the Board of Directors and officers of the Association and the transaction of such other business as may come before it. The annual meeting of The Association shall be held on such date during the month of December as the President shall designate, by notice given in accordance with Section 4 of this Article V, unless otherwise voted by the Executive Committee. The members of the Board of Directors shall elect at the annual meeting the Board of Directors and officers of the Association.

**Section 2**     **Regular meetings.** Regular meetings of the Board of Directors shall be held at least five (5) times between annual meetings of the Board of the Directors. The President shall determine the date, time, and place of such meetings.

**Section 3.**     **Special meetings.** Special meetings of the Board of Directors may be called by the President, or in his or her absence, by a Vice President, and shall be called by the President, or in his or her absence, by a Vice President, within fifteen (15) days subsequent to a request to do so by petition signed by at least one-third of the Directors.

**Section 4**     **Notice.** Notice of any meeting of the Board of Directors, annual, regular, or special, containing the date, time, and place of the meeting, shall be given at least three (3) days prior to the meeting by telephone or by written notice delivered personally, mailed, or sent by electronic or facsimile transmission to each Director at the appropriate address shown on the records of the Association. If by telephone, such notice shall be deemed given when such Director is read, personally, the content of a notice conforming with the requirements of this section. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage prepaid thereon. If sent by electronic or facsimile transmission, such notice shall be deemed to be delivered upon proof of transmission to such email address or facsimile number with the date and time noted thereon. Notice given in any other manner shall be effective only upon receipt.

**Section 5**     **Quorum.** At any regular or special meeting of the Board of Directors, the presence of at least fifty (50%) percent of the number of Directors then serving on the Board of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business.

**Section 6**     **Participation.** Members of the Board of Directors or any committee may participate in a meeting of the Board of Directors or committee by means of a conference telephone, video conference, or similar communications equipment, by means of which all persons participating in the meeting can hear each other at the same time, and participation by that means constitutes presence in person at a meeting.

**Section 7**     **Voting.** At all meetings of the Board of Directors, each Elected Director, Appointed Director, and the Ex Officio Director shall have one vote. There shall be no voting upon any matter by proxy. Except as otherwise provided by statute, the Articles of Incorporation of the Association, or these bylaws, the action of a majority of the Directors present at any meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by law, the Articles of Incorporation, or these bylaws.

**Section 8**     **Action.** Any action that may be taken by the Board of Directors at a meeting may be taken without a meeting, without prior notice and without a vote, if a consent in

writing, setting forth the action so taken, shall be signed before or after such action by all of the Directors. Such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

**Section 9.**     **Budgets.** The Board of Directors shall approve the annual operating and capital budgets of the Association prior to the beginning of each fiscal year.

**Section 10**   **Liability.** A Director of the Association shall not be personally liable to the Association for monetary damages for breach of the Director's duty as a Director, except for liability for: (i) any breach of the Director's duty of loyalty to the Association; (ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law; or (iii) any transaction from which the Director derived an improper personal benefit. If the Nonprofit Act is amended, at any time, or from time to time, to authorize corporate action further eliminating or limiting the personal liability of Directors, then the liability of a Director of the Association shall be eliminated or limited to the fullest extent permitted by the Nonprofit Act, as so amended. Any repeal or modification of the provisions of this Section 10 by the Board of Directors shall not adversely affect any right or protection of a Director existing at the time of such repeal or modification.

## ARTICLE VI

### OFFICERS

**Section 1.**     **Number.** The officers of the Association shall consist of a President, one or more Vice Presidents, a Treasurer, a Secretary, and such Assistant Secretaries and Assistant Treasurers as the Board of Directors may establish from time to time. In addition to the duties and powers herein set forth, each officer shall have such duties and powers as are commonly incident to his or her office and such duties and powers as the Board of Directors may designate, from time to time. The officers shall be members of the Board of Directors.

**Section 2.**     **Term.** The officers of the Association shall be elected by the Directors for a two-year term at the annual meeting, or as soon thereafter as is practicable. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until such officer's death, resignation, or removal. No person shall serve for more than two (2) terms in any one office, unless the Board of Directors determines, in its sole discretion, based on the recommendation of the Executive Committee, that a particular officer should continue to serve for one or more additional consecutive terms. No officer shall simultaneously serve in more than one office.

**Section 3.**     **President.** The President shall be the chief executive officer of The Association. He or she shall preside at all meetings of the Association, the Board of Directors, and the Executive Committee. The President shall report, at the annual meeting of the Association, on

the condition of the Association and make recommendations with respect thereto. He or she shall report at each meeting of the Board of Directors on all votes taken by the Executive Committee since the next prior meeting of the Board of Directors. He or she shall direct the chairperson of each committee to report to the Executive Committee. The President shall also perform such other duties as the Executive Committee may, from time to time, prescribe. The President shall be a member of all committees of the Association with all rights and privileges attendant thereto.

**Section 4**     **Vice President.** In the event of the absence, death, disability, resignation, disqualification, removal, or refusal to act of the President, the Vice President, or if more than one, the Vice Presidents in the order designated by the Board of Directors, shall perform all of the duties of the President, and when so acting, shall have all of the powers of, and be subject to all the restrictions upon, the President. The Vice President(s) shall perform such other duties as may be assigned by the President.

**Section 5.**     **Secretary.** The Secretary shall keep the minutes of the meetings of the Board of Directors and the Executive Committee and shall perform such other duties as the Executive Committee may, from time to time, determine.

**Section 6**     **Treasurer.** The Treasurer shall perform such fiscal duties as the Board of Directors may from time to time determine. The Treasurer shall regularly present, and shall present at the annual meeting, to the Board of Directors a report of the Association's financial condition. The Treasurer shall serve as the Chairperson of the Finance Committee.

**Section 7.**     **Assistant Secretary.** The Assistant Secretary, if any, shall, in the absence of the Secretary, keep the minutes of the meetings of the Board of Directors and the Executive Committee, and shall perform such other duties as the Executive Committee may, from time to time, determine.

**Section 8**     **Assistant Treasurer.** The Assistant Treasurer, if any, shall perform such fiscal duties as the Board of Directors may, from time to time, determine.

**Section 9.**     **Resignation.** Any officer may resign at any time by giving written notice of such resignation to the President or the Secretary of the Association. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by such officer, and the acceptance of such resignation shall not be necessary to make it effective.

**Section 10.**   **Removal.** The Board of Directors shall have the right, with or without cause, to remove from office any officer at any meeting, regular or special, duly called and held by action of a majority of the Directors present.

**Section 11. Vacancy.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

**Section 12. Absence.** In the event of a long-term absence of any officer for more than two (2) consecutive months, the President may appoint a member of the Board of Directors to serve in that office pro tempore.

## ARTICLE VII

### COMMITTEES

**Section 1. Standing and Ad Hoc Committees.** The Association shall have the following standing committees: the Executive Committee; the Finance Committee; the Development Committee; the Governance Committee; and the Public Relations Committee. The Board of Directors, by resolution or consent, may, from time to time, designate and appoint one or more other standing committees. The standing committees shall have such authority as set forth in these bylaws or as the Board of Directors shall otherwise provide. As soon as practicable after the annual meeting, the President shall appoint and may remove the chairs of all committees, excluding the chair of the Finance Committee, each of whom shall be a Director of the Association. The President, in consultation with the chair of a committee, shall appoint and may remove the members of such committee. Each committee shall have at least two (2) members who are Directors of the Association and may have additional members who are not Directors of the Association. Each Director shall serve on at least one standing committee. As the need arises, the President may also designate and appoint *ad hoc* committees to advise the Board of Directors on any activity that the President identifies. Each committee, standing or ad hoc, shall meet as frequently as necessary to carry out its duties and responsibilities, but not less frequently than once in each year, except as otherwise herein provided.

**Section 2. Executive Committee.** The Executive Committee shall consist of the President, as Chair, the Vice Presidents(s), the Treasurer, the Secretary, the immediate past president, one Elected Director appointed by the President, and one member of the Board of Directors who shall serve as a member-at-large and shall be elected at the annual meeting for a one-year term; and the Executive Director of the Association, ex officio, as a nonvoting member. The Executive Committee shall have the control and management of the affairs, property, and interests of the Association and may exercise all powers of the Board of Directors of the Association between meetings of the Board of Directors, except as set forth herein, in the Articles of Incorporation of the Association, or by statute expressly conferred upon or reserved to the members of the Board of Directors. The Executive Committee shall also have such power and authority as shall be set forth in these bylaws. In no event shall the Executive Committee have independent authority to approve on behalf of the Association any of the following



actions, the sole authority for which is vested in the Board of Directors, as provided in these bylaws:

- (i) amending, altering or repealing the bylaws;
- (ii) electing, appointing or removing any Director or officer;
- (iii) approving the capital and operating budgets, and any revisions to such budgets which vary by more than ten (10%) percent;
- (iv) amending or restating the Articles of Incorporation;
- (v) adopting a plan of merger or a plan of consolidation with another corporation;
- (vi) authorizing the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Association;
- (vii) authorizing the voluntary dissolution of the Association or revoking proceedings therefor; or
- (viii) adopting a plan for the distribution of the assets of the Association.

Regular or special meetings of the Executive Committee shall be held at the call of the President, at such time and place as may be determined by the Executive Committee. A majority of the voting members shall constitute a quorum for the transaction of business. Special meetings of the Executive Committee may be called by the President and shall be called by the Secretary upon written request of three (3) members of the Executive Committee.

**Section 3. Finance Committee.** The Treasurer shall be the Chair of the Finance Committee. The Finance Committee shall review and monitor the financial operations of the Association, recommend operational and financial goals and objectives and monitor compliance with such goals and objectives, review and recommend operating and capital budgets and monitor compliance of all expenditures with approved budgets and explore reasons for any variances, review the periodic financial statements of the Association, and report on the financial condition of the Association at each meeting of the Board of Directors and the Executive Committee. The Finance Committee shall make recommendations to the Board of Directors regarding borrowing, transfers, or other actions involving the properties and assets of the Association.

**Section 4. Governance Committee.** The Governance Committee shall determine the needs of the Board of Directors and identify, recruit, and propose new Directors. At least one of the Vice Presidents shall be a member of the Governance Committee and one member shall be

reappointed to a second successive term. The Governance Committee shall certify to the Secretary of the Association at least fourteen (14) days prior to the date of the annual meeting its nominees for each officer position, each position on the Board of Directors, and the member-at-large position on the Executive Committee, to be filled at such annual meeting. In selecting candidates to serve as members of the Board of Directors, as officers of the Association, and as member-at-large on the Executive Committee, the Governance Committee shall give due consideration to those persons who: (i) have a broad range of backgrounds, experiences, and skills; (ii) demonstrate genuine support of the Association's goals and objectives, activities and services; and (iii) are committed to participate fully and actively as a member of the Board of Directors or officer of the Association. No person shall be eligible to be voted upon at the annual meeting of the Association to serve on the Board of Directors or on the Executive Committee or to be an officer unless nominated in accordance with the provisions of this Section 4 or in accordance with the provisions of Article IV, Section 4. The Governance Committee shall also facilitate the Board of Directors' self-assessment, plans for leadership succession, and plans for Director development through orientation, training, and ongoing education.

**Section 5. Development Committee.** There shall be a Development Committee, and the Development Committee shall make recommendations to the Board of Directors regarding the Association's policy for, and design, implement, and coordinate all, fundraising and endowment activities and events, including without limitation, major gifts, endowments, annual giving, capital and program fundraising, memorials, and planned giving. To accomplish its objectives, the Development Committee shall engage in self-assessment planning, marketing, managing, budgeting, cultivating, and soliciting donor and funding sources, and implementing appropriate donor recognition. The Development Committee shall encourage the inclusion of all members of the Board of Directors and other volunteers in all fundraising efforts<sup>91</sup>.

**Section 6. Public Relations Committee.** There shall be a Public Relations Committee that shall serve as the educational liaison of the Association to alumni of the School and the greater Rhode Island community. The Public Relations Committee shall assist the professional staff of the Association in the development of strategic marketing and communications plans and public relations programs and otherwise in the furtherance of the interests of the Association.

## ARTICLE VIII

### **PROFESSIONAL STAFF**

**Section 1. Staff.** There shall be a professional staff to assist the Board of Directors and the officers of the Association to effectuate the Association's goals and objectives.

**Section 2 Executive Director.** The Executive Committee shall appoint a member of the professional staff as Executive Director of the Association. The Executive Director shall be

subject to the direction of the Board of Directors at all times and shall have powers and duties as shall be prescribed by the Board of Directors. The Executive Director shall be the chief professional officer of the Association who will be responsible for implementing the policies, decisions, and guidelines of the Board of Directors and managing the day to day affairs of the Association. The Executive Director shall be ex-officio a member, without vote, of the Board of Directors and of all committees of the Association, and shall provide each committee with all information within the purview of such committee as shall be necessary for that committee to function as provided in these bylaws.

**Section 3**      **Additional Employees.** There shall be such other professionals and other employees as the Board of Directors shall determine from time to time, and such other professionals and employees of the Association shall be subject to the direction of the Executive Director.

**Section 4.**      **Personnel Review.** The Executive Committee shall recommend policies for the personnel of the Association, including without limitation, salary and wage programs, fringe benefits, development and performance reviews, and similar matters. The Executive Committee shall also be responsible for reviewing and evaluating the Executive Director.

## ARTICLE IX

### CONFLICT OF INTEREST

Members of the Board of Directors of the Association shall have an obligation to disclose to the Board of Directors any interest they may have in any legal entity, whether for profit or nonprofit, that is engaged in any kind of business or professional relationship with the Association or with which the Association may be contemplating a business or professional relationship. For purposes of this Article IX, "interest" shall be defined as a direct financial stake in the particular business by the Director or his or her immediate family, or membership on the Board of Directors of the particular entity, or employment by the particular entity. No contract or transaction between the Association and one or more of its Directors or any legal entity in which a Director has an interest shall be void or voidable, nor shall the Director be liable with respect to such contract or transaction solely for this reason, or solely because the Director is present at or participates in the meeting of the Board of Directors or committee which authorizes the contract or transaction, or solely because his or her votes are counted for such purposes, if:

- (i) the material facts as to his or her interest are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee authorizes, approves, or ratifies the contract or transaction by the affirmative votes of a majority of the disinterested

Directors, even though the disinterested Directors are less than a quorum; or

(ii) the contract or transaction is fair and reasonable to the Association.

An interested Director may be counted in determining the presence of a quorum at a meeting of the Board of Directors that authorizes the contract or transaction. The Board of Directors may, from time to time, adopt such other policies regarding conflicts of interest for Directors of the Association as it deem necessary or appropriate.

## ARTICLE X

### SIGNATURES

**Section 1. Contracts.** The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

**Section 2 Loans.** No loans shall be contracted on behalf of the Association, and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors.

**Section 3. Checks, Drafts, or other Similar Orders.** All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

**Section 4 Deposits.** All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

## ARTICLE XI

### FINANCIAL REVIEW

The Board of Directors shall cause an independent review of the finances of the Association to be conducted at least every two (2) years as soon as is practicable following the close of the immediately preceding fiscal year of the Association.

## ARTICLE XII

### INDEMNIFICATION

The Association shall indemnify every person made a party to a proceeding by reason of such person's being or having been a Director, officer, agent, or employee of the Association against judgments, penalties, fines, settlements, and reasonable expenses actually incurred if a determination shall first be made, in a manner provided by law, that such person conducted himself or herself in good faith, reasonably believed that his or her conduct in his or her official capacity was in the best interests of the Association, that his or her conduct in any other capacity was at least not opposed to the best interests of the Association and, in any criminal proceeding, that he or she had no reasonable cause to believe that his or her conduct was unlawful. If the proceeding was by or in the right of the Association, indemnification may be made only against reasonable expenses and shall not be made in respect of any proceeding in which such person shall have been adjudged liable to the Association. In no event shall a person be indemnified in respect of any proceeding charging improper personal benefit to him or her, whether or not involving action in his or her official capacity, in which he or she shall have been adjudged to be liable on the basis that personal benefit was improperly received by him or her. The Association may reimburse a Director, officer, agent, or employee who is a party to a proceeding in advance of the final disposition of the proceeding for reasonable expenses incurred upon such person's written affirmation that he or she in good faith believes he or she conducted himself or herself in a manner that would entitle him or her to indemnification hereunder and a written undertaking by or on behalf of such person, on such terms and with such security as may be required by the Association, to repay such amount if it should be ultimately determined that his or her conduct precludes indemnification hereunder. Nothing contained herein shall limit the authority of the Association to indemnify a person in accordance with the provisions of § 7-6-6 of the Nonprofit Act, or otherwise in accordance with the laws of the state of Rhode Island. The Association shall have the authority, but not the obligation, to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, or agent or was serving at the request of the Association as a Director, officer, employee, or agent of the Association.

## ARTICLE XIII

### ENDOWMENT FUND

**Section 1. Establishment of Fund.** There is hereby established under the oversight of the Executive Committee an Endowment Fund consisting of all gifts, bequests, devises, transfers, or assignments to the Association of funds or property, real, personal, or mixed not specifically designated for the general operations of the Association. Upon direction of the Board of

Directors, the income derived from the Endowment Fund may be utilized for general operational expenses or capital expenditures of the Association.

**Section 2.** **Credit.** The Executive Committee may credit particular receipts, including without limitation, capital gains, and charge particular expenditures, to income or principal, or apportion them between income and principal as it shall, in its reasonable discretion, deem to be in the best interest of the Association.

**Section 3.** **Invasion of Principal.** The principal of the Endowment Fund, in whole or in part, may be invaded and utilized to the extent permitted by law for the general operational expenses or capital expenditures of the Association, if so approved at a meeting of the Board of Directors by an affirmative vote of two-thirds of the Directors present at the meeting.

#### **ARTICLE XIV**

##### **FISCAL YEAR**

The fiscal year of the Association shall begin January 1 of each year and end December 31 of the next succeeding year.

#### **ARTICLE XV**

##### **AMENDMENT**

The Board of Directors shall review and consider these bylaws every five (5) years and from time to time, if sooner, whenever the Executive Committee shall determine, or upon the request of one-quarter of the Directors. These bylaws may be amended in whole or in part at an annual, regular, or special meeting of the Board of Directors duly called and held upon at least two (2) weeks' notice by a majority vote of those Directors present, when the proposed amendment has been recommended for adoption by the Executive Committee. These bylaws may be amended in whole or in part without such recommendation of the Executive Committee at an annual, regular, or special meeting of the Board of Directors duly called and held upon at least two (2) weeks' notice, by an affirmative vote of at least two-thirds of those Directors present.

#### **ARTICLE XV**

##### **CONDUCT OF MEETINGS**

Robert's Rules of Order shall be the guide for parliamentary practice at all meetings of the Board of Directors, Executive Committee, and all standing and ad hoc committees of the Association.