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Consideration of the Establishment of the South Carolina Commission on Higher Education Foundation, Inc.

Recommended by the CHE Business Advisory Council, this foundation will be a nonprofit corporation under the provisions established by the Secretary of State. It will be organized and operated for public charitable uses and for the benefit of and to carry out the purposes of the Commission on Higher Education as determined by the Board of Trustees. The purpose of the foundation is to support and enhance public higher education in the State of South Carolina. The external legal review of the articles and bylaws, as well as the legal fees in conjunction with the filing, are private. Attached are the Articles of Incorporation and the Bylaws of the South Carolina Commission on Higher Education Foundation, Inc.

The staff recommends to the Committee on Finance and Facilities that the South Carolina Commission on Higher Education Foundation, Inc. be commended favorably to the Commission.

**ARTICLES OF INCORPORATION
OF
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION FOUNDATION, INC.**

ARTICLE ONE

Name

The name of the corporation shall be:

SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION FOUNDATION, INC.

ARTICLE TWO

Perpetual Duration

The corporation shall have perpetual duration.

ARTICLE THREE

Nonprofit Corporation and Charitable Purposes

The corporation shall be a nonprofit corporation under the provisions established by the Secretary of State of the State of South Carolina. It shall be organized, and at all times thereafter operated, exclusively for public charitable uses and purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, for the benefit of, to perform the functions of, or to carry out the purposes of the South Carolina Commission on Higher Education, in such ways as the Board of Trustees of the corporation shall determine in its discretion, all with a view toward supporting and enhancing public higher education in the State of South Carolina. In furtherance of such purposes, the corporation shall have full power and authority to:

- a) promote interest and participation in public higher education in the State of South Carolina;
- b) provide for statewide activities that enhance the quality of instruction, research, and service at public colleges and universities in South Carolina;
- c) support activities that support the educational goals and objectives of the South Carolina Commission on Higher Education;

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- d) provide support for the office of the executive director of the South Carolina Commission on Higher Education in carrying out the purposes and functions of the South Carolina Commission on Higher Education;
 - e) make distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code;
 - f) make distributions for other charitable purposes;
 - g) receive and accept property, whether real, personal, or mixed, by way of gift, bequest, or devise, from any person, firm, trust, or corporation, to be held, administered, and disposed of in accordance with and pursuant to the governing instruments of the corporation, as the same may be amended from time to time;
 - h) make grants and contributions and otherwise to render financial assistance and support services in furtherance of the purposes and functions of the South Carolina Commission on Higher Education, as determined by the Board of Trustees of the corporation in its discretion;
 - i) solicit gifts, grants, and contributions and otherwise to raise funds to support and advance the programs and activities of the corporation as provided above;
 - j) distribute property exclusively for the charitable purposes in accordance with the terms of gifts, bequests, or devises to the corporation not inconsistent with its purposes, as set forth in these Articles of Incorporation, or in accordance with determinations made by the Board of Trustees pursuant to the Articles of Incorporation and Bylaws of the corporation; and,
 - k) perform all other acts necessary or incidental to the above and to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, as determined by the Board of Trustees of the corporation, to carry out any of the purposes of the corporation, as set forth in these Articles of Incorporation, including the exercise of all other power and authority enjoyed by corporations generally by virtue of the rules, regulations, and provisions governing nonprofit corporations by the Secretary of State of the State of South Carolina (within and subject to the limitations of section 501(c)(3) of the Internal Revenue Code).

The corporation shall not be limited in its capacity of service to the South Carolina Commission on Higher Education and to the public colleges and universities in South Carolina, but shall have full power and authority to engage in charitable programs and activities on behalf of and for the benefit of the South Carolina Commission on Higher Education and the public colleges and universities in the State of South Carolina.

The corporation shall serve only such purposes and functions and shall engage only in such activities as are consonant with the purposes set forth in this Article Three and as are exclusively

charitable and are entitled to charitable status under section 501(c)(3) of the Internal Revenue Code.

ARTICLE FOUR

Tax-Exempt Nonprofit Corporation

The corporation shall be neither organized nor operated for pecuniary gain or profit.

- (a) No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, any member, director, officer, or trustee of the corporation, or any other private person; but the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes as set forth in Article Three hereof.
- (b) No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation; and, the corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.
- (c) Notwithstanding any other provisions of these Articles of Incorporation, the corporation shall not carry on any other activities not permitted to be carried on by:
 - (i) a corporation exempt from federal taxation under section 501(c)(3) of the Internal Revenue Code and that is other than a private foundation within the meaning of section 501(c)(3) of the Internal Revenue Code; or,
 - (ii) a corporation, contributions to which are deductible for federal income tax purposes under section 170(c)(2) of the Internal Revenue Code.

It is intended that the corporation shall have, and continue to have, the status of an organization that is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code and that is other than a private foundation within the meaning of section 509(a) of the Internal Revenue Code. All terms and provisions of these Articles of Incorporation and the Bylaws of the corporation, and all authority and operations of the corporation, shall be construed, applied, and carried out in accordance with such intent.

ARTICLE FIVE

Board of Trustees

The Board of Trustees shall have general charge of the affairs and any property and assets of the corporation. It shall be the duty of the trustees to carry out the purposes and functions of the corporation. The trustees shall be elected in accordance with the Bylaws of the corporation and shall have the powers and duties set forth in these Articles of Incorporation and in the Bylaws, to the extent that such powers and duties are not inconsistent with the status of the

corporation as a nonprofit corporation that is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code.

ARTICLE SIX

Members

The corporation initially shall have no members. However, the Board of Trustees of the corporation shall have the power to admit members to the corporation in such manner, subject to such qualifications, and upon such terms and conditions and with such rights and privileges as may be provided from time to time in the Bylaws of the corporation and as are not inconsistent with any provision of these Articles of Incorporation. Members may be divided into one or more classes.

ARTICLES SEVEN

Initial Board of Trustees

The initial Board of Trustees of the corporation shall consist of twelve (12) members, whose names and addresses are set forth below and who shall serve as trustees until their successors have been elected and qualified as stipulated in the Bylaws of the corporation.

ARTICLE EIGHT

Dissolution of Corporation

Upon dissolution of the corporation, the Board of Trustees shall, after paying and making provision for payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation by distributing those assets exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for public charitable uses and purposes as shall at the time qualify as exempt from taxation under section 501(c)(3) of the Internal Revenue Code, as the Board of Trustees shall determine. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction for the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE NINE

Registered Office and Registered Agent

The initial registered office of the corporation shall be at ...
The initial registered agent of the corporation at such address shall be...

ARTICLE TEN

Principal Office

The mailing address of the initial principal office of the corporation is Dr. Rayburn Barton, South Carolina Commission on Higher Education, 1333 Main Street, Suite 200, Columbia, South Carolina 29201.

ARTICLE ELEVEN

Definitions

(a) For purposes of these Articles of Incorporation, "charitable purposes" include charitable, religious, educational, literary, or scientific purposes within the meaning of 501(c)(3) of the Internal Revenue Code, contributions for which are deductible under section 170(c)(2) of the Internal Revenue Code. All references in these Articles of Incorporation to sections of the Internal Revenue Code shall be considered references to the Internal Revenue Code of 1986, as from time to time amended, and to the corresponding provisions of any applicable future United States Internal Revenue Law, and to all regulations issued under such sections and provisions.

(b) For purposes of these Articles of Incorporation, the term "trustee" or "trustees" or "Board of Trustees" shall be equivalent to the corresponding term "director" or "directors" or "Board of Directors," as provided in applicable provisions of South Carolina law.

ARTICLE TWELVE

Limitation of Trustee Liability

(a) A trustee of the corporation shall not be personally liable to the corporation or its members for monetary damages for breach of duty of care or other duty as a trustee, except for liability (i) for an appropriation, in violation of his or her duties, of any business opportunity of the corporation, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (iii) for any transaction from which the trustee derived an improper personal benefit.

(b) Any repeal or modification of the provisions of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a trustee of the corporation with respect to any act or omission occurring prior to the effective date of such repeal or modification.

(c) If the South Carolina Nonprofit Corporation Act, South Carolina Code Annotated, § 33-31-110, et seq., as amended, or other state laws are amended to authorize the further elimination or limitation of the liability of trustees, then the liability of trustee of the corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended South Carolina Nonprofit Corporation Act.

(d) In the event that any of the provisions of this Article (including any provision within a single sentence) are held by a court of competent jurisdiction to be invalid, void, or otherwise unenforceable, the remaining provisions are severable and shall remain enforceable to the fullest extent permitted by law.

ARTICLE THIRTEEN

Amendments

These Articles of Incorporation may be amended at any time and from time to time by the affirmative vote of a majority of all of the trustees then in office.

IN WITNESS WHEREOF, the incorporator has executed these Articles of Incorporation this day of , 2000.

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XXXXXXXXXXXX XXXXXXXX
Incorporator

BYLAWS
OF
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION FOUNDATION, INC.

ARTICLE ONE

Purposes

The corporation shall have such purposes as are now or may hereafter be set forth in its Articles of Incorporation.

ARTICLE TWO

Powers

The corporation shall have such powers as are now or may hereafter be granted by the South Carolina Nonprofit Corporation Act, South Carolina Code Annotated, § 33-31-110, et seq., as amended, except as limited by the provisions of its Articles of Incorporation or these Bylaws.

ARTICLE THREE

Offices

The corporation shall have and will continuously maintain in the County of Richland, of South Carolina, a principal office for the transaction of the corporation's business, and may have such other offices within the State of South Carolina as the Board of Trustees may from time to time determine.

ARTICLE FOUR

Members

Section 1. No Regular Members. In accordance with Section 33-31-603 of the South Carolina Nonprofit Corporation Act, the corporation shall have no members within the meaning of Section 33-31-140 (23) of that law. All actions that would otherwise require approval by a majority of all members or approval by members shall require only approval of the Board of Trustees. All rights that would otherwise vest in members shall vest in the Trustees.

Section 2. Persons Associated with the Corporation. By resolution, the Board of Trustees may create any advisory boards, councils, memberships, honorary members, or other bodies as it deems appropriate. The Board of Trustees may also, by resolution, confer upon any such class or classes of such persons some or all of the rights of a member under the South Carolina Nonprofit Corporation Act other than the right to vote:

- (a) for the election of a trustee or trustees or an officer or officers; or,
- (b) on a disposition of all or substantially all of the assets of the corporation; or,
- (c) on a merger; or,

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- (d) on a dissolution; or,
 - (e) on changes to the corporation's Articles of Incorporation or Bylaws;

all such voting rights being vested exclusively in the Board of Trustees.

ARTICLE FIVE

Board of Trustees

Section 1. Definition of Terms. For the purpose of these Bylaws, the term "trustee" or "trustees" or "Board of Trustees" shall be equivalent to the corresponding term for "director" or "directors" or "Board of Directors," as provided in applicable provisions of South Carolina law.

Section 2. General Powers. All the business and affairs of the corporation shall be managed and controlled by the Board of Trustees.

Section 3. Number. The authorized number of trustees shall be 12, with this number subject to change by a majority vote of the Board of Trustees to amend the Articles of Incorporation and these Bylaws.

Section 4. Selection and Tenure. The Executive Director of the South Carolina Commission on Higher Education shall be an ex-officio, voting trustee. Two (2) other trustees of the corporation shall be members of the South Carolina Commission on Higher Education and appointed by the Chairperson of the Commission and shall serve initial one (1) or two (2) year terms as determined by the Chairperson. All subsequent trustees appointed by the Chairperson shall serve two (2) year terms. All nine (9) other initial trustees shall be appointed by the incorporator of the Foundation and shall serve two (2) year terms. All subsequent trustees shall be nominated by the Executive Director and appointed by the Board of Trustees and shall serve two (2) year terms.

Section 5. Resignation and Removal. Any trustee may resign from the Board at any time by giving written notice to the President of the Corporation or Secretary-Treasurer of the corporation and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Trustees may be removed from office by majority vote of the Board of Trustees. A trustee shall automatically be removed from office if he or she fails to attend three consecutive meetings of the Board of Trustees without being excused therefrom.

Section 6. Vacancies. Any vacancy occurring on the Board of Trustees of the corporation shall be filled by the Board of Trustees.

Section 7. Compensation of Trustees. No trustee shall receive any salary or other similar compensation for any services as a trustee; however, the Board of Trustees may authorize the reimbursement of actual and necessary expenses incurred by individual trustees performing duties as trustees.

Section 8. Inspection by Trustees. Each trustee shall have the right at any reasonable time to inspect all books, records, documents of every kind and the physical properties of the corporation

for purpose reasonably related to such person's interest as a trustee, provided that such trustee shall not have the right to inspect those books, records, or documents made privileged or confidential by law. This inspection must be made by the trustee in person, provided that the trustee may be accompanied by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents. Nothing in this section shall affect the right of the Board of Trustees to conduct the business of the corporation as set forth in these Bylaws.

ARTICLE SIX

Indemnification of Trustees, Officers, and Other Agents

Section 1. Right of Indemnity. To the fullest extent permitted by law, the corporation shall indemnify its trustees, officers, employees, and other persons described in § 33-31-850, et seq. and the amendments thereto of the South Carolina Nonprofit Corporation Act, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding" as that term is used in that section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in § 33-31-850, et seq.

Section 2. Approval of Indemnity. On written request to the Board by any person seeking indemnification under § 33-31-850, et seq., the Board shall promptly determine whether the applicable standards of conduct set forth in § 33-31-851 have been met and, if so, the Board shall authorize indemnification.

Section 3. Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance. The Board may advance expenses to trustees, other officers, employees, or agents as permitted by §§ 33-31-853 and 33-31-856.

Section 4. Insurance. The corporation shall have the right to purchase and maintain insurance to the fullest extent permitted by law on behalf of its officers, trustees, employees, and other agents, against any liability asserted against or incurred by any officer, trustee, employee, or agent in such capacity or arising out of the officer's, trustee's, employee's, or agent's status as such.

ARTICLE SEVEN

Meetings of the Board of Trustees

Section 1. Place of Meeting. All meetings of the Board of Trustees shall be held at the principal office of the corporation or at such other place as may be designated for that purpose from time to time by the Board.

Section 2. Annual Meeting. An annual meeting of the Board of Trustees shall be held in November of each year. Such meeting shall be held at the principal office of the corporation or at such other time and place as the Board of Trustees may from time to time designate. Such meeting shall be for the purpose of electing officers of the corporation, filling vacancies on the

Board of Trustees caused by the expiration of terms of trustees, and for the transaction of such other business as may come before the meeting.

Section 3. Notice of Meeting. (a) Notice of the date, time, and place of any meeting of the Board of Trustees shall be given at least seven (7) days previous thereto by written notice delivered personally or sent by mail or facsimile or e-mail. The business to be transacted at any regular or special meeting of the board shall be specified in the notice of such meeting. (b) The attendance of a trustee at any meeting shall constitute a waiver of notice of such meeting, except where a trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Regularly scheduled meetings may be held without notice. Emergency meetings may be held with a degree of notice given as permitted by circumstances.

Section 4. Open Meetings. The Board of Trustees shall conduct its business in public meetings in accordance with the South Carolina Freedom of Information Act, § 30-4-10, et seq., but it may hold meetings in executive session as permitted by that law.

Section 5. Quorum and Manner of Acting. A majority of the number of trustees in office shall constitute a quorum of the Board of Trustees for the transaction of business, except to adjourn as provided in Section 6 of Article Seven. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of a trustee or trustees, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 6. Adjourned Meetings. A quorum of the trustees may adjourn any trustee's meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the trustees present at any director's meeting either regular or special, may adjourn from time to time until the time fixed by the next regular meeting of the Board of Trustees. No notice of the time or place or purpose of holding an adjourned meeting need be given to any absent trustee if the time and place is fixed at the meeting adjourned.

Section 7. Minutes of Meetings and Conduct. Regular minutes of the proceedings of the Board of Trustees shall be kept in a book provided for that purpose. The President shall preside at meetings of the Board of Trustees. The Board of Trustees may adopt its own rules of procedure insofar as such rules are not inconsistent with, or conflict with, these Bylaws, the Articles of Incorporation of the corporation or with the law.

Section 8. Joint Meeting and Project Review. On request by either the South Carolina Commission on Higher Education or the corporation's Board of Trustees, there shall be a submission and review of foundation activities and/or an annual meeting of the Commission and the Board of Trustees.

ARTICLE EIGHT

Officers

Section 1. Officers. The officers of the corporation shall be a President, Vice President, and a Secretary-Treasurer. The initial officers shall be selected by the Incorporator. The corporation, at the discretion of the Board of Trustees, may have additional officers. All officers shall be selected from among the trustees and shall have one (1) year terms of office. One person may not hold both the offices of President and Secretary-Treasurer.

Section 2. Election and Term of Office. Initially, the officers of the corporation shall be appointed by the incorporator and subsequently shall be elected by the Board of Trustees at its annual meeting. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as may be conveniently be scheduled. Vacancies may be filled or new officers created and filled at any meeting of the Board of Trustees. Except as provided in the case of officers appointed under Section 4 of this Article Eight herein, each officer shall hold office for a term of one (1) year and until his or her successor shall have been elected, unless he or she shall sooner resign, be removed, or become ineligible to continue to serve in such capacity.

Section 3. Removal and Resignation. Any officer elected by the Board of Trustees may be removed by the Board of Trustees at any meeting at which a quorum is present whenever in their judgment the best interests of the corporation would be served thereby. Any officer may resign at any time by giving written notice to the President or the Secretary-Treasurer of the corporation and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

Section 4. Vacancies. A vacancy in any office may be filled by the Board of Trustees for the unexpired portion of the term.

Section 5. President. The President shall be elected from among the trustees of the corporation and shall be chairperson of and preside at all meetings of the Board of Trustees and of the Executive Committee. The President shall be an ex-officio member of all committees that may be from time to time elected or appointed, and may serve as chairman of the Executive Committee. The President may sign, with the Secretary-Treasurer or any other proper officer of the corporation authorized by the Board of Trustees, any deed, mortgages, bonds, contracts, or other instruments that have been authorized to be executed on behalf of the corporation, except in cases where the signing thereof shall be expressly delegated by the Board of Trustees, or by these Bylaws, or by statute to some other officer or agent of the corporation; and, in general, he or she shall perform all duties incident to the functions of the President of the Board of a corporation and such other duties as may be prescribed by the Board of Trustees from time to time.

Section 6. Vice President. In the absence of the President, the Vice President shall perform the duties of the President. The Vice President shall have such powers and perform such other duties as may be assigned to him or her by the President or by the Board of Trustees.

Section 7. Secretary-Treasurer. The Secretary-Treasurer shall keep or cause to be kept a book of minutes at the principal office or at such other place as the Board of Directors may order of all meetings of the trustees and of the Executive Committee, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at trustees' meetings. The Secretary-Treasurer shall give or cause to be given notice of all meetings of the Board of Trustees required by these Bylaws or by law to be given. The Secretary-Treasurer, subject to the direction of the President, shall have charge and custody of all be responsible for all funds and securities of the corporation; receive and give receipt for moneys due and payable to the corporation from any source whatsoever; deposit all such monies in the name of the corporation in such banks, trust companies, or other depositories as the Board of Trustees shall select, and, in general, perform all the duties incident to the office of Treasurer. If required by the Board of Trustees, the Secretary-Treasurer shall give a bond for the faithful discharge of his or her other duties in such sum and with such surety as the Board of Trustees shall determine.

ARTICLE NINE

Committees

Section 1. Committees. The Board may appoint one or more committees, each consisting of two or more trustees, and delegate to such committees any of the authority of the Board except with respect to:

- (a) the filling of vacancies on the Board or on any committee;
- (b) the fixing of compensation of the trustees for serving on the Board or on any committee;
- (c) the amendment or repeal of Bylaws or the adoption of any new Bylaws;
- (d) the amendment or repeal of any resolution of the Board that by its express terms is not so amendable or repealable;
- (e) the appointment of other committees of the Board or members thereof; or,
- (f) the approval of any self-dealing transaction, as such transactions are defined in the South Carolina Nonprofit Corporation Act.

Any such committee must be created, and the members thereof appointed, by resolution adopted by a majority of the trustees then in office, provided a quorum is present. Any such committee may be designated in Executive Committee or by such other name as the Board shall specify. The Board may appoint, in the same manner, alternative members of any committee who may replace any absent member at any meeting of the committee. The Board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Minutes shall be kept of each meeting of each committee.

Section 2. Committee Procedures. The Board of Trustees may prescribe appropriate rules, not inconsistent with the Bylaws by which proceedings of any committee shall be conducted.

ARTICLE TEN

Contracts, Loans, Checks, Deposits, and Gifts

Section 1. Contracts. The Board of Trustees may authorize any officer or agent of the corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Borrowing. No loan shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Trustees.

Section 3. Checks, Drafts, Etc. All check, drafts, or other orders for payment of money, and all notes or other evidence of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as, from time to time, shall be determined by resolution of the Board of Trustees.

Section 4. Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Trustees may select.

Section 5. Gifts. The Board of Trustees may at their discretion accept on behalf of the corporation any contribution, gift, bequest, or device for the general purposes or for any specific purpose of the corporation.

ARTICLE ELEVEN

Annual Report

The President and Secretary-Treasurer shall present at the annual meeting of the Board of Trustees a report covering the activities of the corporation for the past year to include the following:

- (a) assets and liabilities;
- (b) principal changes in assets and liabilities;
- (c) revenue or receipts of the corporation;
- (d) expenses or disbursements of the corporation for both general and restricted purposes.

ARTICLE TWELVE

Miscellaneous

Section 1. Fiscal Year. The fiscal year of the corporation shall begin on July 1 and end on June 30.

Section 2. Rules. The Board of Trustees may adopt, amend, or repeal rules not inconsistent with these Bylaws for the management of the internal affairs of the corporation and the governance of its officers, agents, committees, and employees.

Section 3. Books and Records. The corporation shall keep correct and complete books and records of account and minutes of the proceedings of the Board of Trustees and committees. Copies of the minutes of the Board of Trustees and the committees shall be regularly distributed to each member of the Board of Trustees.

Section 4. Conference Calls. One or more persons may participate in a meeting of the Board of Trustees, or of a committee, by means of conference call or similar communications equipment by means of which all persons in the meeting can hear one another. Participation in a meeting in such a manner shall constitute presence in person at such meeting for purposes of a quorum, voting or otherwise.

Section 5. Corporate Seal. The Board of Trustees may provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation.

Section 6. Waiver of Notice. Whenever any notices are required to be given under the provisions of the South Carolina Nonprofit Corporation Act, or under the provisions of the Articles of Incorporation, or these Bylaws, a waiver thereof in writing signed by the persons entitled to such notice, whether dated before or after the time stated herein, to the extent permitted by law, shall be deemed equivalent to the giving of such notice. (See § 33-31-823.)

Section 7. Statutory Authority. All references to statutory provisions herein shall include any amendments to those provisions that are adopted subsequent to the initial adoption of these bylaws.

ARTICLE THIRTEEN

Amendment to Bylaws

These Bylaws may be amended at any regular meeting of the Board of Trustees by a majority vote of the total voting membership of the Board of Trustees, provided that the amendment has been submitted in writing at the previous regular meeting, or has been submitted in writing to the trustees at least thirty (30) days before such regular meeting.

ARTICLE FOURTEEN

Incorporator's Certificate

THIS IS TO CERTIFY that, pursuant to § 33-31-201 of the South Carolina Nonprofit Corporation Act, the foregoing Bylaws of the SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION FOUNDATION, INC. have been adopted by the sole Incorporator.

IN WITNESS WHEREOF, the undersigned has signed this Certificate this day of , 2000.

Incorporator