



**Board of Trustees Special Meeting
Monday, September 21, 2020
1:00 – 3:30 p.m.**

To Be Conducted via Zoom Videoconference and Teleconference ONLY

AGENDA

Note: Below is an agenda of all items scheduled to be considered. Unless otherwise stated, items may be taken out of the order presented at the discretion of the Chair.

- 1. Items may be taken out of order;*
- 2. Two or more items may be combined;*
- 3. Items may be removed from agenda or delayed at any time;*

This agenda incorporates by reference the agendas posted for the following committee meetings. For any items identified in those agendas as “recommendation” or “action” the DRI Foundation Executive Committee may also take action.

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|---|-----------------------------------|
| 1. <i>Call to Order</i>
Tina Quigley, Board Chair | <u>FOR INFORMATION</u> |
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| 2. <i>Public Comment</i>
Comments by members of the public will not be restricted based upon the speaker’s viewpoint. | |
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| 3. <i>Approval of Minutes from June 5, 2020 Regular Meeting and July 28, 2020 Special Meeting</i>
Tina Quigley, Board Chair | <u>FOR INFORMATION</u> |
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| 4. <i>President’s Report</i>
Dr. Kumud Acharya, DRI President | <u>FOR INFORMATION</u> |
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| 5. <i>Treasurer’s Report</i>
Holger Liepmann, Treasurer | <u>FOR INFORMATION</u> |
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| 6. <i>Approval of New Trustee: Michael Benjamin</i>
Tina Quigley, Board Chair | <u>FOR POSSIBLE ACTION</u> |

7. ***Vote on Foundation Vice-Chair***
Tina Quigley, Board Chair
Tom Gallagher, Current Vice-Chair

FOR POSSIBLE ACTION

8. ***Outcomes and Recommendations from the Working Group Committee***
Tina Quigley, Board Chair

FOR POSSIBLE ACTION

- Proposed Amendment to the DRIF Articles of Incorporation
- Proposed Amendment to the DRIF Bylaws
- Proposed Establishment of Standing Committees and Selection of Committee Chairs

9. ***Public Comment***
Comments by members of the public will not be restricted based upon the speaker's viewpoint.

10. ***Adjourn***

This agenda has been posted DRI website www.dri.edu; Nevada Public Notice Website, notice.nv.gov in accordance with State of Nevada Declaration of Emergency Directive 006 dated March 22, 2020.



Foundation Board of Trustees Meeting Minutes

DATE: 6/5/2020	TIME: 8:38 a.m.
MEETING CALLED TO ORDER	Meeting was called to order at 8:30 a.m. by Chair Quigley.
NOTE TAKER	Becky Coleman
BOARD OF TRUSTEES PRESENT	Soraya Aguirre, Linda Brinkley, Chuck Creigh, Lauren Fletcher, Tom Gallagher, Starla Lacy, Holger Liepmann, Janet Lowe, Tina Quigley, Javier Saenz, Ron Smith, Elise Zoli New Trustees: Ken Ladd and Nora James
BOARD OF TRUSTEES NOT PRESENT	Richard Ditton, John Entsminger, Srikant Reganti, Ian Rogoff, Ory Zik
FELLOWS PRESENT	Joe Brown, Mike Benjamin (Trustee Emeritus)
STAFF AND GUESTS PRESENT	Kumud Acharya, Vic Etyemezian, Iris Stewart, Tracy Bower, Becky Coleman, Bob Gagossian, Justin Broglio, Lindsay Sessions, Naresh Kumar

AGENDA TOPICS

AGENDA ITEM	CALL TO ORDER	PRESENTER: QUIGLEY
DISCUSSION	Meeting was called to order at 8:38 a.m. by Chair Quigley.	
AGENDA ITEM	PUBLIC COMMENT	
DISCUSSION	No members of the public addressed the Board.	
CONCLUSION	Informational Only	
AGENDA ITEM	APPROVAL OF MINUTES <i>*VOTE REQUIRED</i>	PRESENTER: QUIGLEY
DISCUSSION	Minutes from Foundation Meeting held on February 7, 2020 and April 20, 2020 Special Meeting were presented for approval.	
CONCLUSION	Gallagher made a motion to approval minutes as presented, second by Smith. <i>*The motion passed unanimously.</i>	
AGENDA ITEM	APPROVAL OF NOMINATIONS <i>*VOTE REQUIRED</i>	PRESENTER: QUIGLEY
DISCUSSION	The Board considered the nomination of Nora James and Ken Ladd as trustee for a first term of 2020-2023.	
CONCLUSION	A motion was made by Lowe, and seconded by Smith to approve the nomination of Nora James as trustee. <i>*The motion passed unanimously.</i> A motion was made by Creigh, and seconded by Gallagher to approve the nomination of Ken Ladd as trustee. <i>*The motion passed unanimously.</i>	

AGENDA ITEM	PRESIDENT'S REPORT	PRESENTER: ACHARYA
DISCUSSION	Administrative staff continue to work from home to allow research faculty to work on campus at safe levels. Dr. Acharya provided an overview of research projects to COVID-19 and the upcoming Conversations with Scientists virtual event with Dr. Joe Grzymalski. Renown and DRI have collaborated to welcome Dr. Paulo Pandolfi, a world-renowned cancer investigator, to build a translational cancer laboratory at DRI's campus in Reno. Dr. Pandolfi and his team will help move DRI's health sciences program to the next level. Science Distilled has shifted to virtual event and DRI is partnering with UNLV for other virtual events. NSHE will be losing approximately \$200 million in state funding, DRI will lose \$1.7 million in state revenue or 19% in state funding. DRI is keeping vacant positions unfilled and President Acharya is examining the existing administrative structure to identify cost savings. DRI's grants and contracts numbers are up, and state funding is a small percentage of the over budget.	
CONCLUSION	Informational Only	
AGENDA ITEM	INTRODUCTION OF DR. NARESH KUMAR, DAS DIVISION DIRECTOR	PRESENTER: ETYEMEZIAN/KUMAR
DISCUSSION	VPR Etyemezian introduced the new Division Director for the Division of Atmospheric Sciences, Dr. Naresh Kumar, who joined DRI on March 1, 2020. Dr. Kumar has known and worked with DRI scientists for many years. DRI was a top choice when he decided to make a career move. He is working on a road map to grow the division, expand current research and start new research.	
CONCLUSION	Informational Only	
AGENDA ITEM	UPDATE ON INNOVATION RESEARCH PROGRAM (IRP)	PRESENTER: ETYEMEZIAN
DISCUSSION	VPR Etyemezian updated the Foundation on the FY2020 IRP activities. The program provided a student travel grant of \$15k to attend conferences, a student publication grant of \$25k to complete graduate papers, and funding for the seed grant competition. Six projects were selected and VPR Etyemezian provided a summary of each project. The total funds approved for the six projects is \$166,174. Funds for approved projects will be transferred by June 30, 2020. Foundation members requested the messaging about funded projects should be crafted to be inspiring and easily digestible for non-scientific audiences.	
CONCLUSION	Informational Only	
AGENDA ITEM	DRI EXTERNAL REVIEW	PRESENTER: ETYEMEZIAN
DISCUSSION	The External Review was conducted in February. The Board of Regents requires this review every 5 years. Recommendations included the need to strategically recruit and hire early- and mid-career faculty, provide more "hard" money for faculty, establish a distinctive research identity, establish a science advisory board, develop a resourced strategic plan, and incorporate STEM education as part of the core mission. They also offered suggestions for changes to department/lab and staffing structures. Team science and creation of a support ecosystem for large projects are also areas the committee recommended DRI focus on. New revenue streams from private fundraising, monetizing science services and technology, and utilizing the Foundation to support innovation were also identified.	
CONCLUSION	Informational Only	

AGENDA ITEM	TREASURER’S REPORT AND FY21 OPERATING BUDGET <i>*VOTE REQUIRED</i>	PRESENTER: LIEPMANN
DISCUSSION	The Treasurer’s Report and FY21 Operating Budget were presented and discussed. The operating budget is based on all 17 trustees contributing a minimum of a \$5,000 unrestricted gift. Any surplus funds should be reserved for special projects or to replenish the cash reserve. Fundraising for the IRP was discussed and a current pledge to match any donations 1:1 up to \$250,000 was discussed.	
CONCLUSION	A motion was made by Ladd, and seconded by Brinkley to accept the Treasurer’s Report as presented. <i>*The motion passed unanimously.</i> A motion was made by Creigh, and seconded by James to accept the FY21 Operating Budget as presented. <i>*The motion passed unanimously.</i>	
AGENDA ITEM	CHAIRS’S REPORT	PRESENTER: QUIGLEY
DISCUSSION	A working group has been formed to develop strategic recommendations for the Foundation. The group recently began meeting and will report back to the board at the next meeting. The board requested future meetings be conducted via Zoom versus BlueJeans.	
CONCLUSION	Informational Only	
AGENDA ITEM	PUBLIC COMMENT	
DISCUSSION	No members of the public addressed the Board.	
CONCLUSION	Informational Only	
NEXT MEETING	To be determined.	
ADJOURNMENT	The meeting was adjourned at 10:36 a.m.	



Foundation Board of Trustees Meeting Minutes

DATE: 7/28/20	TIME: 4:00pm	
MEETING CALLED TO ORDER	The meeting was called to order by Chair Quigley at 4:00 p.m.	
NOTE TAKER	Becky Coleman	
BOARD OF TRUSTEES PRESENT	Soraya Aguirre, Linda Brinkley, Chuck Creigh, John Entsminger, Lauren Fletcher, Tom Gallagher, Nora James, Starla Lacy, Ken Ladd, Holger Liepmann, Tina Quigley, Javier Saenz	
BOARD OF TRUSTEES NOT PRESENT	Richard Ditton, Janet Lowe, Srikant Reganti, Ian Rogoff, Ron Smith, Ory Zik, Elise Zoli	
FELLOWS PRESENT	Mike Benjamin - Trustee Emeritus, Joe Brown	
STAFF AND GUESTS PRESENT	NSHE Chancellor Thom Reilly, Board of Regents Chair Doubrava, Board of Regents Vice Chair Del Carlo, Justin Broglio, Sean McKenna, Naresh Kumar, Erik Wilcox, Bob Gagosian, Iris Stewart, Becky Coleman	
AGENDA TOPICS		
AGENDA ITEM	CALL TO ORDER	PRESENTER: QUIGLEY
DISCUSSION	Chair Quigley called the meeting to order at 4:00 p.m. A quorum was confirmed by roll call and the mission statement was read.	
AGENDA ITEM	PUBLIC COMMENT	PRESENTER: QUIGLEY
DISCUSSION	There was no public comment. No requests for public comment were received via email or telephone prior to the commencement of the meeting.	
AGENDA ITEM	DISCUSSION ON THE APPOINTMENT OF DR. KUMUD ACHARYA AS PERMANENT DRI PRESIDENT	PRESENTER: QUIGLEY
DISCUSSION	Chair Quigley shared comments submitted by trustees in writing indicating their support of Dr. Acharya's appointment as permanent President. The board praised Dr. Acharya's leadership skills, and feel he is the right President at the right time for DRI. Chancellor Reilly and Regents Doubrava and Del Carlo indicated they received unanimous approval from all of the various stakeholder meetings, and also support his appointment.	
CONCLUSION	Information only.	
AGENDA ITEM	PUBLIC COMMENT	PRESENTER: QUIGLEY
DISCUSSION	There was no public comment.	
ADJOURNMENT	The meeting was adjourned at 4:21pm	



Treasurer's Report
 Foundation Board of Trustees Executive Committee Meeting

As of August 31, 2020

	FY 2020 Budget	FY 2020 Actual	FY 2021 Budget	Year-To- Date
Beginning Cash Balance July 1, 2020*		\$ 217,940		\$ 213,519
Revenue				
Unrestricted Donations – Trustees Obligation	\$ 120,000	\$ 39,900	\$ 85,000	\$ 9,120
Unrestricted Donations – Other	18,000	6,310	10,000	1,050
Nevada Medal Sponsorships	452,000	27,603	-	-
Property Tax Refund	-	-	-	14,011
Total Revenue	590,000	73,813	95,000	24,181
Expenses				
Operating Expenses	(44,800)	(35,526)	(33,000)	(2,451)
Nevada Medal Dinner Expenses	(195,000)	(20,596)	-	-
Payment of Accrued Legal Bills	-	(15,332)	-	-
Program Support - Researcher Awards, Transfers to DRI, et	(307,000)	(6,780)	(8,000)	-
Total Expenses	(546,800)	(78,234)	(41,000)	(2,451)
Revenues Over (Under) Expenses	43,200	(4,421)	54,000	21,730
Ending Unrestricted Cash Balance		\$ 213,519		\$ 235,249

<u>Restricted Activity</u>	<u>FY 2020 Budget</u>	<u>FY 2020 Actual</u>	<u>FY21 Budget</u>	<u>Year-To- Date</u>
Innovation Research Program	\$ 250,000	\$ 291,808	\$ 250,000	\$ 25,000
Stories in the Snow		2,472	-	-
Earth & Ecosystem Sciences		10,101	-	-
Hydrologic Sciences		300	-	50
Other Restricted		252,707	-	58,100
Total Restricted Gifts Received		\$ 557,388		\$ 83,150

* Please note: The revenue and expense balances are cumulative.
 FY20 numbers are unaudited at this time.

Innovation Research Program Balance (including carryover)	\$ 76,591
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MEMORANDUM

TO: Board of Trustees of the Desert Research
FROM: Michael Benjamin
RE: Waiver of Notice

The undersigned has been nominated to the Board of Trustees of the Desert Research Foundation and acknowledges that the Board of Trustees of the Desert Research Foundation intends to consider and act on the nomination during its next regularly scheduled meeting to be held by conference call on Monday, September 21, 2020 beginning at 1:00 p.m. I further acknowledge that, pursuant to NRS 241.033 and 241.034, I am entitled to written notice of the Board's intention to consider the appointment for me to be a trustee. I further understand that I am entitled to such notice by personal delivery at least five (5) days working days prior to the meeting or by certified mail at least twenty-one (21) working days prior to the meeting.

I hereby waive any and all right to written notice and do hereby consent to the Board of Trustees of the Desert Research Foundation recommending me as a trustee at the September 21, 2020 meeting.

Date: 8/24/20



Michael Benjamin



Michael Benjamin

Michael Benjamin has been involved in a multitude of companies including his recently sold Pioneer Crossing Casino company, where he was a 50% owner, president and CEO of a 3 location operation in Northern Nevada that included a convention center, bowling center, movie theater, three restaurants and four bars. He is president of Benjamin Enterprises, an investment & holding company. He is a shareholder and Chairman of the board for Purgo Scientific, a medical device company based in Provo, Utah. Additionally, he serves on the board of several private technology sector companies, including Fugu Corporation, an online media immersion company, and Impact Sports, the original inventor of the heart rate monitoring technology used today in products including the Apple Watch.

Mike began his career working for NASA in Sunnyvale, California and continued his path in San Francisco as a graphic designer developing branding for Nikon, Maxell Tapes, Mercedes Benz and Taco Bell. Moving to Nevada, he opened a communications firm focusing on clients including Porsche Cars North America, Caterpillar Corporation, Harrah's Hotel & Casinos, MGM and Granite Construction. Benjamin has marketed the launch of five separate banking institutions.

His past business involvement includes managing partner and majority owner of commercial and land investment companies with holdings in Nevada, Arizona, Colorado, Utah and Montana. His latest venture is the acquisition of an alfalfa farm in Northern Nevada, focusing on sustainable farming operations through efficient water utilization.

Additionally, Benjamin is or has been an owner or partner in companies including, car washes, gas stations, ranching, and lending. He owned a marketing firm for 15 years with national experience in the industries of automotive, banking, real estate, gaming, healthcare, non-profit, entertainment, legal, architecture, engineering and accounting. This includes working with governmental agencies such as the State of Nevada-Commission on Economic Development and the Agency for Nuclear Projects.

Non-profit involvement is part of Benjamin's fabric. Presently he is serving as the interim president of the Desert Research Corporation, the technology transfer arm of the Desert Research Institute. He has served on the DRI Research Foundation Board for over two decades and has chaired the group for two terms. He presently serves as Trustee Emeritus and was awarded the President's Medal in 2016. Benjamin served on the Nevada State College Foundation board for eight years, chairing the group for two years. In 2003, he was appointed to the Nevada Commission on Sports by Governor Kenny Guinn for 2 terms serving as secretary. He served on the board of the Southern Nevada YMCA for 10 years, serving as Chairman for three terms while presiding over an \$8 million capital campaign. He has been a director of the Nevada Taxpayers Association, sat as an appointed member of the Article 6 Commission of the Supreme Court of Nevada, was an founding executive committee member for the Reno Tahoe Winter Games Coalition for 15 years, a trustee of the Independent Gaming Operators, and a founding member of the Las Vegas Fire & Rescue Foundation.

Benjamin is also a past trustee of the Business Council for the Las Vegas Chamber of Commerce, and has served on the boards of the Boy Scouts of America, The Las Vegas Founders, Vegas Valley Angels, the McCaw School of Mines, the Nevada Community Foundation, the Reno Philharmonic, the State of Nevada Board of Architecture, WARC, and several homeowners associations.

Benjamin has a Bachelor of Science Degree in Communications from California State University, Chico, is a Rapport Leadership Institute Master Graduate, and is an Eagle Scout. He and his wife Cindy reside in Reno, Nevada and have 6 children between them.

Supporting the Success of DRI



Foundation
Board



Advancement
Department



President's
Council



Foundation Board

Primary Role: Operations, Advisors, Champions

Board Committees

- Governance
- Finance/Audit
- Faculty Engagement
- Communications/Marketing

Board members are champions for DRI who bring professional experience and expertise in the areas of communications, branding, marketing, commercialization, finance, accounting, grant opportunities, policy, applied science.

Not necessarily large donors, but highly networked.

DRI Foundation Operations and Advisory Committees

Executive / Governance Committee

- Determines Board Composition
- Assesses Board Effectiveness
- Determines Succession Planning

Trustees

- Board Chair
- Vice Chair
- Chairs of Standing Committees: Finance, Faculty Engagement, Communications/Marketing

DRI Personnel

- President
- Senior Advisor to President
- Advancement

DRI Foundation Operations and Advisory Committees

Finance / Audit Committee

- Develops and Monitors Foundation Budget
- Audit
- Real Estate Matters

Members

- Treasurer (Committee Chair)
- Businesspeople
- Real Estate Experts

DRI Personnel

- Controller
- Advancement

DRI Advocates and Champions Committees

Faculty Engagement Committee

- Develop strategies to strengthen the connection between the faculty and Foundation.
- Serve as liaison between faculty and trustees to identify and communicate areas of needed support.

Members

- Those with science or academic backgrounds, or interests

DRI Personnel

- Representatives Nominated by Faculty Senate – 1 from North and 1 from South
- Vice President for Research
- Advancement

DRI Advocates and Champions Committees

Communications/Marketing Committee

- Advisors on DRI Communications and Outreach
- Collaborate on Advancement Appeals and Promotions
- Utilize Personal Networks to Extend Invitations, etc.

Members

- Those with marketing or communications experience/interest

DRI Personnel

- Director of External Affairs
- Communications Manager
- Events Coordinator
- Advancement

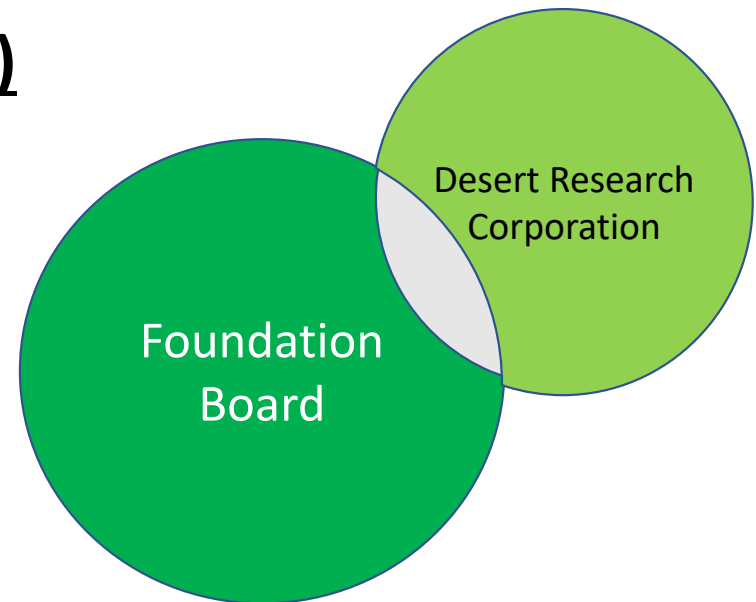
Desert Research Corporation (DRC)

Primary Role: Commercialization

The DRI Foundation is the sole owner of the DRC.

Trustees of the DRI Foundation may also serve on DRC Board of Directors but may not constitute a majority.

The Vice President of Research works directly with DRC on commercialization endeavors for DRI.





Advancement Department

Primary Role: Fundraising

- Serves as the staff for the Foundation Board.
- Develops and executes overall fundraising strategy.
- Supports President in cultivation, solicitation, and stewardship of major gifts.
- Coordinates annual giving and special events with input from stakeholders.
- Manage corporate/foundation relations, prospect research, planned giving, and records.
- Conducts tours and personal visits with prospects and donors, potentially in conjunction with member(s) of Board or President's Council.

President's Council

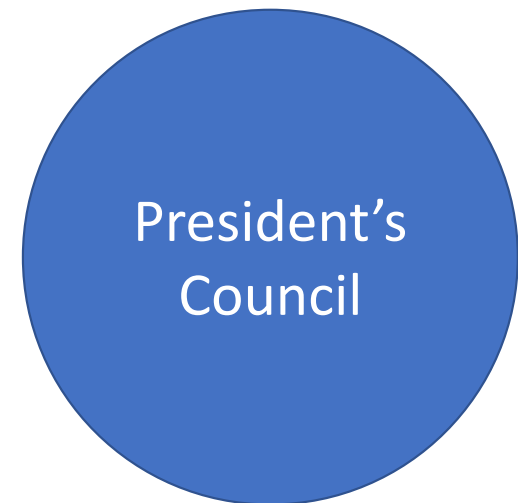
Primary Role: Ad Hoc Advisors to the President

- External Relations

The President's Council is a select group of individuals external to DRI that interact directly with the President. Members have a personal interest in advancing science, DRI, and the future growth of Nevada's economic development.

Using their expertise and experience, President's Council members provide strategic advice to the President on matters such as policy, government affairs, relationship building with private industry, business strategy, and overall advancement of the institution.

The President's Council consists of a professionally well-established circle of advisors who allow the institution's President to successfully navigate the challenges of the present and into the future.



**ARTICLES OF INCORPORATION
OF THE
DRI RESEARCH FOUNDATION**

The undersigned incorporators, citizens of the United States of the age of 21 years or more, desiring to form a nonprofit corporation under the provisions of NRS 82 et. seq., inclusive, of the Nevada Revised Statutes, as they may be amended from time to time, do execute, acknowledge, and deliver in duplicate to the Secretary of State of the State of Nevada the following Articles of Incorporation:

Article 1

Name

The name of the corporation shall be:

DRI RESEARCH FOUNDATION

Article II

Period of Duration

This corporation shall exist in perpetuity, from the date of filing of these Articles of Incorporation with the Secretary of State of the State of Nevada, unless dissolved according to law.

Article III

Objects and Purposes

This corporation is organized exclusively for scientific charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, and in this connection, subject to the restrictions set forth below, the objects and purposes of the corporation and the nature of the business to be carried on by it are as follows:

(a) To aid, support, and assist the maintenance, promotion, growth, and improvement of the Desert Research Institute, its faculty, staff, students, and facilities, and to enhance and stimulate the quality of research and scholarship at, and the standards and potentials of, the Desert Research Institute as an institution for the advancement of science, its application to human needs and the dissemination of knowledge;

(b) To receive, maintain, and administer a fund of real and personal property, ~~derived from any source whatsoever,~~ and subject to the terms of any specific gift, grant, bequest, or devise and to the restrictions set forth below, to use, apply, and distribute the income from and the principal of such a fund exclusively to, for the benefit of, or to carry out the purposes of the Desert Research Institute or any organizations that are affiliated with the Desert Research Institute and are exempt from federal income taxation;

(c) To serve as an innovative, flexible, and efficient vehicle to facilitate the solicitation and management of gifts, grants, bequests, and devises for the benefit of the Desert Research Institute;

(d) To provide or make available funds for expenditure by the administration of the Desert Research Institute for general or specific research and other scientific purposes, including without limitation defraying capital and ordinary expenses, financing professorships and graduate fellowships, sponsoring lectures, conferences, institutes, and symposia, assisting authors, scholars, scientists, and other persons whose knowledge, talent, and skill contribute importantly to the welfare of humanity, and securing for the Desert Research Institute the benefit of the wisdom, experience, and abilities of distinguished persons who have excelled in their respective fields of endeavor;

(e) To grant or provide for scholarships, ~~loans~~, or other assistance to individuals who have demonstrated scientific promise or achievement, to encourage and furnish funds for research, public service, and education, and otherwise to assist in the development of enhanced and expanded service to the citizens of the State of Nevada, the Desert Research Institute, and the nation;

~~(f) To manage grants and contracts for research, public service and training on behalf of the Desert Research Institute in this regard, as mutually agreed upon;~~

~~(g) To conduct programs of research and public service and to seek and accept grants and seek and enter into contracts for the performance of such with individuals, associations, corporations and agencies of government in a manner consistent with the purposes;~~

~~(h) To enter into such agreements with the Desert Research Institute as mutually agreed upon, for the Desert Research Institute to provide administrative, scientific and supportive services to the foundation in support of such programs of research and public service as are undertaken by the foundation;~~

~~(f)~~ To ~~manage~~ provide advice on patents, copyrights and other intellectual property on behalf of the Desert Research Institute as mutually agreed upon;

U) To do and engage in all lawful activities that further or are consistent with the preceding objects and purposes of the corporation.

Article IV

Powers

In furtherance of the preceding objects and purposes, the corporation shall have and may exercise all of the rights, powers, privileges, and immunities now or subsequently conferred upon non-profit corporations organized under the laws of the State of Nevada.

Article V

Restrictions on Powers

Notwithstanding any other provisions of these Articles of Incorporation, the powers of the corporation are restricted as follows:

(a) The corporation shall not conduct or carry on any activities not permitted to be conducted or carried on (1) by an organization exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code or (2) by an organization the contributions to which are deductible under Sections 170, 642, 2055, or 2522 of the Internal Revenue Code.

(b) No part of the net earnings of the corporation shall inure to the benefit of any trustee or officer of the corporation or any other private individual (except that reasonable compensation may be paid for, and reimbursement may be paid for reasonable expenses incurred in connection with, services rendered to or for the corporation affecting one more of its purposes and except that payments may be made to a private individual other than a trustee or officer of the corporation in furtherance of the purposes and objects set forth in Article III), and no trustee or officer of the corporation or any other private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation.

(c) 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 or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office; nor shall the corporation engage in any activities that are unlawful under applicable federal, state, or local laws.

Article VI

Prohibited Acts

Notwithstanding any other provisions of these Articles of Incorporation, if this corporation at any time is a private foundation, as defined in Section 509 of the Internal Revenue Code, the following provisions shall apply:

(a) The corporation shall distribute its income for each taxable year at such time and in such a manner as not to subject the corporation to the tax imposed under Section 4942 of the Internal Revenue Code;

(b) The corporation shall not engage in any act of self-dealing-, as defined in Section 4941(d) of the Internal Revenue Code;

(c) The corporation shall not retain any excess business holdings, as defined in Section 4943(c) of the Internal Revenue Code;

(d) The corporation shall not make any investments in such a manner as to subject the corporation to the tax imposed under Section 4944 of the Internal Revenue Code;

(e) The corporation shall not make any taxable expenditures, as defined in Section 4945(d) of the Internal Code.

Article VII

Membership and Capital Stock

The members of the Board of Regents of the ~~University of Nevada~~Nevada System of Higher Education, during the term of their office as members of the Board of Regents of that institution-, shall constitute the membership of the corporation. The corporation shall have no capital stock.

Article VIII

Board of Trustees

The affairs and management of the corporation shall be under the control of a board of trustees. The board of trustees of the corporation shall consist of at least five trustees, each one of

whom shall be appointed by the members of the corporation from candidates nominated by the President of the Desert Research Institute, to serve for a term of ~~three~~-four years and until his successor shall have been similarly appointed and shall have qualified, except that the terms of the initial trustees shall be as stated below. The names and addresses of the persons who shall serve as the initial trustees of the corporation, and the terms of their office, are as follows:

<u>Name</u>	<u>Term Expires</u>
Robert E. Armstrong McDonald, Carano, Wilson, Bergin Bible, Frankovich & Hicks 241 Ridge Street Reno, Nevada 89501	June 30, 1985
Frank N. Bender Bender Warehouse Company 520 Evans Avenue Reno, Nevada 89512	June 30, 1984
Fred D. Gibson Pacific Engineering & Production Company of Nevada P.O. Box 797 Henderson, Nevada 89015	June 30, 1986
Robert L. Hammon EG&G, Inc. 2621 Losee Road North Las Vegas, Nevada 89030	June 30, 1984
William R. Lummis Summa Corporation P.O. Box 14000 Las Vegas, Nevada 89156	June 30, 1986
Sherman Miller Nevada Savings & Loan Association 201 Las Vegas Blvd. South Las Vegas, Nevada 89101	June 30, 1985
Cravens L. Wanlass Wanlass Research Company 675 Fairview Drive, Suite 211 Carson City, Nevada 89701	• June 30, 1986

The President of the Desert Research Institute and such other persons as may be described in the bylaws of the corporation shall serve ex officio as members of the board of trustees, but shall not be entitled to vote with respect to any matter presented to a vote of the board of trustees.

Article IX

Bylaws

The board of trustees shall have the power to make such bylaws as it may deem proper for the management of the affairs of the corporation, provided that the initial bylaws of the corporation and any subsequent amendments to, alterations of, changes in, or repeal of the bylaws shall not become effective unless they have been submitted to and approved by a majority of the members of the corporation. Such bylaws shall further prescribe the authority under which conveyance or encumbrance of all or any part of the corporate property may be made, and the persons who shall be authorized to execute the instruments of conveyance or encumbrance.

Article X

Officers

The corporation shall have such officers as may from time to time be prescribed by the bylaws. Their terms of office and the manner of their designation or selection shall be determined according to the bylaws then in effect.

Article XI

Principal Office: Registered Office: and Registered Agent

The principal office for the transaction of the business of the corporation in the State of Nevada shall be in Washoe County. The address of the initial registered office of the corporation is ~~7010 Dandini Blvd~~2215 Raggio Parkway., Reno, Nevada, 89512 and the name of the registered agent at such address is ~~Controller Anne Audrain~~. Either the registered office or the registered agent may be changed in the manner permitted by law.

Article XII

Investment of Assets

To the extent and in the manner provided in the bylaws of the corporation, the board of trustees may delegate to a finance committee the power exclusively to control, manage, invest, and dispose of the property of the corporation for the purposes of earning income, as distinguished from the application of such property and its income for the accomplishment of the charitable or educational objects and purposes of the corporation, which committee shall consist of not less than three members of the board of trustees and which shall be designated by the board of trustees, subject to approval by a majority of the members.

Article XIII

Nondiscriminatory Policy

The corporation shall make its services, facilities, funds, and programs available to all persons regardless of race, color, creed, national origin, sex, or handicap, and the corporation shall not in any way discriminate against any person on the basis of race, color, creed, national origin, sex or handicap.

Article XIV

Change in Articles of Incorporation

Either the members of the board or trustees of the corporation shall have the right from time to time to propose or recommend that the corporation be dissolved or that any provision contained in these Articles of Incorporation be amended, altered, changed, or repealed, provided that no such plan or dissolution or amendment, alteration, change, or repeal shall become effective unless it has been submitted to and approved by all the members of the corporation, and provided that no such amendment, alteration, change, or repeal shall be made which shall:

(a) Amend, alter, change, or repeal the restrictions set forth in Articles V and VI unless the Internal Revenue Code changes so that so amending, altering, changing, or repealing such restrictions would not disqualify the corporation for federal income tax exemption under Section 501(c)(3) of the Internal Revenue Code or as an organization the contributions to which are deductible under Sections 170, 642, 2055, or 2522 of the Internal Revenue Code.

(b) Operate to permit the use, application, or disbursement of any of the principal or income of all or any part of the corporate property for any purpose other than those expressly provided for in these Article of Incorporation, or other than exclusively for charitable or educational purposes.

(c) Operate to permit the principal or income of any bequest, devise, grant, or gift to this corporation to be used contrary to the conditions, limitations, or restrictions contained in any such bequest, devise, grant, or gift.

Article XV

Dissolution

Upon any liquidation, dissolution, or winding up of the corporation, after paying or adequately providing for the payment of all the obligations and liabilities of the corporation, the board of trustees shall dispose of all the assets owned by the corporation by transferring such assets exclusively to or for the benefit of the Board of Regents of the University and Community College System of Nevada to be held in trust exclusively for the use and benefit of the Desert Research Institute or its successor, if such successor be an exempt organization under Section 501(c)(3) of the Internal Revenue Code and, if not, to such exempt organization as the Board of Trustees shall elect.

Article XVI

Internal Revenue Code

All references herein to the Internal Revenue Code shall be deemed to mean the Internal Revenue Code of 1986, as it presently is constituted, as it may be amended, or any successor statutes of similar purpose.

Article XVII

Liability of Trustees and Officers

No trustee or officer of the corporation shall be personally liable to the corporation or its members for damages for breach of fiduciary duty as a director or officer, save and except for:

(a) Acts or omissions which involve intentional misconduct, fraud or knowing violation of law;

(b) The payment of unlawful distributions in violation of Section 82.136 of the Nevada Revised Statutes; or

(c) Any action or proceeding brought pursuant to Section 82.536 of the Nevada Revised Statutes or Chapter 35 of the Nevada Revised Statutes.

Article XVIII

Incorporators

The names of the incorporators are Clifford J. Murino - Robert M. Bersi, and Fred D. Gibson, Jr.

IN WITNESS WHEREOF, the above-named incorporators have signed these Articles of Incorporations this 12th day of October, 1982.

signed Clifford J. Murino
INCORPORATOR

signed Robert M. Bersi
INCORPORATOR

signed Fred D. Gibson, Jr.
INCORPORATOR

STATE OF NEVADA)
) SS.
COUNTY OF WASHOE)

I, the undersigned, a Notary Public, hereby certify that on the ____ day of _____ 1982, personally appeared before me _____ and _____, who being first duly sworn, declared that they are the persons who signed the foregoing document as incorporators, and that the statements contained therein are true.

WITNESS my hand and official seal.

My commission expires: _____

Notary Public

BYLAWS OF THE DRI RESEARCH FOUNDATION

ARTICLE I

PRINCIPAL OFFICE AND CORPORATE SEAL

Section 1. Principal Offices. The principal offices and places of business of DRI Research Foundation (the “Foundation”) in the State of Nevada shall be at 2215 Raggio Parkway Reno, Nevada, 89512 and 755 E. Flamingo Road, Las Vegas, Nevada, 89119, or at such other locations as the Board of Trustees may from time to time determine. Other offices and places of business of the Foundation may be established from time to time by the Board of Trustees.

Section 2. Foundation seal. The seal of the Foundation shall be inscribed with the name of the Foundation, the year of its incorporation, and the words “Nevada” and “Seal,” and shall be in a form approved by the Board of Trustees, which may alter the same at pleasure.

ARTICLE II

MEMBERS

Section 1. Qualifications: Tenure. Each member of the Board of Regents of the Nevada System of Higher Education shall become a Member of the Foundation upon being elected or appointed to and qualifying for office as a member of the Board of Regents, and shall remain a Member of the Foundation until his or her successor shall have been elected to such office and shall have qualified.

Section 2. Annual Meeting. There shall be held an annual meeting of the Members of the Foundation in conjunction with a meeting of the Board of Regents of the Nevada System of Higher Education, time and place to be determined by the Members, for the purpose of electing Trustees and for transaction of such other business as may come before the meeting.

Section 3. Special Meetings. Special meetings of the Members may be called at any time by the Board of Trustees or by one-third of the Members. Special meetings shall be held immediately following and in the same location as any meeting of the Board of Regents of the Nevada System of Higher Education or at such other time and place as may be designated by the authority calling such meeting. Written notice of the time and place of every meeting shall be given or mailed to each member at least fifteen days before the date fixed for the meeting. The purpose of any special meeting of the Members shall be stated in such notice.

Section 4. Quorum. Seven Members shall constitute a quorum at any annual or special meeting of the Members, but a smaller number may adjourn from time to time without further notice until a quorum is secured. The act of seven members at a meeting shall be the act of the Members.

Section 5. Participation by Telephone. To the extent permitted by law, any Member may participate in a meeting of the Members of the Foundation by means of a conference telephone

BYLAWS OF THE DRI RESEARCH FOUNDATION

network or similar communications method by which all persons participating in the meeting can hear each other, and participation in such a fashion shall constitute presence in person at such meeting, if each person participating in the meeting shall sign the minutes thereof, which minutes may be signed in counterparts.

Section 6. Proxy voting. At any annual or special meeting of the Members, any Member may vote by a written proxy, provided that notice of each matter properly coming before the meeting with respect to which such proxy is to be exercised is given to each Member in writing more than five days prior to such meeting, that such proxy specifically identifies the matter with respect to which it is to be exercised and the manner with respect to which it is to be exercised, and that the executed original of the proxy is delivered to the Chair of the Board of Regents at or before the beginning of such meeting.

Section 7. Transfer of Membership. Membership in the Foundation is not transferable or assignable.

Section 8. Inspection of Books and Records. Each Member and each Trustee shall have the right, on written or oral demand, from time to time, to examine and photocopy, in person or by agent or attorney, at any reasonable time and for any purpose, all of the books and records of account of the Foundation, its last annual and most recently published financial statement, and minutes of all acts and proceedings of the Board of Trustees, except such donor records as are exempted by legislative action from public scrutiny in the Nevada Open Records Law. However, such documents shall not be entered into the public record of any Member meeting.

ARTICLE III

BOARD OF TRUSTEES

Section 1. Powers and Duties. The business, affairs, and property of the Foundation shall be managed by the Board of Trustees. Without limiting the general powers conferred by these bylaws and provided by law, the Board of Trustees shall have, in addition to such powers, the following powers:

- A. From time to time to make and change rules and regulations not inconsistent with law, or with these bylaws, for the management and control of the Foundation and its affairs, and of its officers, employees, and agents; to lease, purchase, or otherwise acquire, in any lawful manner, for and in the name of the Foundation, any and all real and personal property, rights, or privileges whatsoever which are deemed necessary or convenient for the conduct of the Foundation's business and which the Foundation is authorized to acquire upon such terms and conditions as the Board of Trustees deems fit, and in its discretion to pay therefore, either wholly or partially, in any bonds, debentures, or other securities of the Foundation.

BYLAWS OF THE DRI RESEARCH FOUNDATION

- B. To sell or otherwise to dispose of any real or personal property, rights, or privileges belonging to the Foundation, whenever the Board of Trustees determines in its discretion that such a disposition would promote the interests of the Foundation.
- C. To enter into agreements and contracts with individuals, groups of individuals, corporations, or governments for any lawful purpose.
- D. To supervise and direct the officers, employees, and agents of the Foundation and to ensure that their duties are properly performed.
- E. To appoint and remove at its pleasure any and all officers, employees, and agents of the Foundation, and to prescribe their duties in a manner not inconsistent with these bylaws, and to fix their compensation.
- F. To borrow money and otherwise to incur indebtedness and to enter the terms and amount of such indebtedness in the minutes of the Board of Trustees, and to evidence such indebtedness by the note of the Foundation, and to mortgage the property of the Foundation, and otherwise give security for the payment of such indebtedness.
- G. To cause to be kept a complete record of all their minutes and acts and of proceedings of the Members and of Members' meetings, to cause an annual inspection or audit of the accounts of the Foundation to be made by an accountant to be selected by the Board of Trustees, and to cause further the issuance of an annual report to the Board of Regents of the Nevada System of Higher Education showing in reasonable detail all of the assets and liabilities of the Foundation and its financial condition.
- H. To amend, alter and repeal these bylaws or any part thereof, at any regular or special meeting of the Board of Trustees, provided that such bylaws shall be submitted to and approved by a majority of the Members of the Foundation before they shall become effective.
- I. In addition to the powers and authorities expressly conferred upon the Board of Trustees by these bylaws, the Board of Trustees may exercise all such other lawful powers of the Foundation and do all such lawful acts and things in the furtherance of the Foundation's business, as are not by statute, the Articles of Incorporation, or by these bylaws directed or required to be exercised or done by the Members.

BYLAWS OF THE DRI RESEARCH FOUNDATION

~~J. To authorize any person holding the following position within the DRI Foundation or within DRI will have signature authority on the DRI Foundation checking account(s) and other accounts with financial institutions:~~

~~Chair, DRI Foundation~~

~~Vice Chair, DRI Foundation~~

~~Treasurer, DRI Foundation~~

~~Secretary, DRI Foundation~~

~~President, DRI~~

~~Vice President of Finance and Business, DRI~~

~~The DRI Vice President of Development/Director of Advancement is to approve all expenditures. For unrestricted funds one signature by an authorized person is permitted for amounts under \$10,000 USD. Two authorized signatures are required for amounts \$10,001 to \$50,000 USD. Amounts greater than \$50,000 USD require two authorized signatures and the formal approval of the expenditure in meeting minutes or the signature of the DRI President. Foundation Board Members are to be notified by email of transactions of unrestricted funds over \$100,000. Restricted funds for DRI activities may be transferred to DRI for expenditure in accordance with the terms of the gift with the signature of the DRI Vice President of Finance.~~

J. Checks, Drafts, and Notes. All checks, drafts, or other orders for payment of money, 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 shall be determined by resolution of the Board of Trustees.

Section 2. Qualifications; Election; Tenure. The Board of Trustees shall be composed of not fewer than five Trustees who need not be residents of the State of Nevada, provided that 50% or more of the Trustees at any time shall not be disqualified persons other than foundation managers, as defined in Section 4946 of the Internal Revenue Code of 1986, as amended. Trustees to succeed those whose terms expire shall be appointed by the Members in accordance with the terms of this section.

A. After June of each year, the ~~the~~ Board Governance committee of the Board of Trustees meet to recruit new Trustees and determine continuing Trustees. The ~~the~~ Board Governance committee shall forward to the Trustees a slate of continuing and new Trustees for approval by a majority of the Trustees at the Board's annual meeting. The President of the Desert Research Institute, as ex officio Trustee, as provided for in subsection E below shall, no later than thirty (30) days before the date fixed for the annual meeting of the Members, place in nomination the names of the nominees to the Board of Trustees. The President may, but need not necessarily, nominate as many names as there are vacancies on the Board of Trustees and Trustees whose terms are due to expire. All nominations for election to the Board of Trustees shall be elected upon receiving the affirmative vote of a majority of the Members at their annual meeting or any special meeting, shall assume office as a Trustee at the next meeting of the Board of Trustees following such election, and shall serve for a term of four years, with a maximum of two successive terms for a total of eight years, and until their successors shall have been similarly elected and shall have qualified.

BYLAWS OF THE DRI RESEARCH FOUNDATION

- B. A Trustee may not serve more than two consecutive terms, but may, following a one-year hiatus, be nominated and elected to serve an additional term or terms.
- C. The Board of Trustees shall have the power to provide for staggered terms of Trustees to ensure continuity of the Board of Trustees.
- D. Any Trustee who misses a majority of regularly scheduled meetings of the Board of Trustees may by action of the Board of Trustees be disqualified from serving the remainder of the term for which he/she was elected.
- E. The following persons shall serve ex officio as members of the Board of Trustees, shall be given notice of all meetings of the Board of Trustees, shall be entitled to participate fully in any such meeting, but shall not be counted for purposes of determining the presence of a quorum at any such meeting, nor shall be entitled to vote upon any matter submitted to a vote of the Board of Trustees.
- (1) President, Desert Research Institute
 - (2) Vice President for Development
- F. The following DRI faculty shall serve ex officio as members of the Board of Trustees, shall be given notice of all meetings of the Board of Trustees, and shall be entitled to participate fully in any such meeting, but shall not be counted for purposes of determining the presence of a quorum at any such meeting, nor shall be entitled to vote upon any matter submitted to a vote of the Board of Trustees.
- (3) Vice Presidents
 - (4) Assistant Vice Presidents
 - (4)(5) Faculty Senate Chair

The Board of Trustees may, from time to time, provide by resolution for additional persons to serve ex officio as members of the Board of Trustees, having the same rights and privileges as are set forth above.

- G. The Board of Trustees may offer “Trustee Emeritus” status to those Trustees who have completed their two terms with distinction of service and who wish to remain affiliated with the Board of Trustees. Trustee Emeritus status shall be a special honor or recognition of long-standing support or commitment to the Foundation and Desert Research Institute and shall be a life-time appointment. Trustees Emeritus shall have the same rights and restrictions as ex officio status and shall be encouraged to participate in as many Foundation activities as possible. Trustees Emeritus shall not be counted as part of the total Board composition.
- H. If the second term of a Trustee who is nominated for the Chair, Vice Chair, Secretary or Treasurer of the Board of Trustees will end prior to their proposed term as an Officer, their term, subsequent to their election as an Officer, will be extended for two additional years at the

BYLAWS OF THE DRI RESEARCH FOUNDATION

end of their second term.

- I. The immediate past chair shall serve for one additional year on the Executive Committee upon the end of his/her first term, and two additional years upon the end of his/her second term.
- J. No provision of this section shall restrict the right of the Members to fill vacancies as is provided elsewhere in this Article III.

Section 3. Annual Meeting. The annual meeting of the Board of Trustees shall be held at the principal offices of the Foundation during the last half of each calendar year, or at such other date or place as the Board of Trustees may determine to be more convenient to the conduct of the affairs of the Foundation. Written notice stating the place, day, and hour of the meeting shall be given personally or mailed to each Trustee at least thirty days prior to the date fixed for the annual meeting. The annual meeting of the Board of Trustees shall be for the purpose of electing officers and for the transaction of such other business as may come before the meeting.

Section 4. Regular and Special Meetings. The Board of Trustees may by resolution establish one or more regular meetings at a date and place specified in such resolution. Special meetings of the Board of Trustees may be called at any time by the Chair of the Board of Trustees or by a majority of the Trustees. Special meetings shall be held at such time and place as may be designated by the authority calling such meeting. Notice of the time and place of every regular or special meeting shall be given to each Trustee by ordinary first class mail mailed at least four days, or by notice delivered personally, by telephone, by email, or by telegraph at least forty-eight hours, before the date fixed for the meeting. The purpose of any regular or special meeting of the Board of Trustees need not be specified in the notice of such meeting.

Section 5. Quorum. A quorum at all meetings of the Board of Trustees shall consist of a majority of the number of Trustees then in office, but a smaller number may adjourn from time to time without further notice until a quorum is secured. Except as provided specifically to the contrary by these bylaws, the act of a majority of the Trustees present at a meeting, shall be the act of the Board of Trustees.

Section 6. Vacancies. Any vacancy occurring in the Board of Trustees may be filled by the affirmative vote of a majority of the Members at a special meeting of the Members called for that purpose. An individual to be elected to fill a vacancy shall be nominated by the President of the Desert Research Institute, as ex officio trustee. A Trustee elected to fill a vacancy shall be elected for the unexpired term of such person's predecessor in office and shall hold such office until such person's successor is duly elected and qualified.

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Section 7. Committees. The Board of Trustees may designate from among its Trustees, by resolution adopted by a majority of the entire Board of Trustees, an executive committee comprised of the officers of the Board, the Chairs of all Board committees, ~~and the immediate past Chair of the Board of Trustees, and any other persons nominated by the Chair of the Board of Trustees.~~ The Executive committee may act as the Board Governance committee. ~~Additional committees may include an Audit committee, a Development committee, a Board Governance committee, if any, a Finance and Investment committee, and other committees.~~ Standing committees shall include Finance/Audit, Faculty Engagement, and Communications/Marketing. Ad hoc committees may be formed as needed., eEach of which committee shall consist of a Chair alone, with or without additional Trustees and which shall have and may exercise such authority in the management of the Foundation as shall be provided in such resolution or in these bylaws, such being consistent with the Articles of Incorporation and Nevada law.

Section 8. Executive Committee. The Executive Committee shall have and may exercise, so far as may be permitted by law, all of the powers of the Board during the intervals between meetings of the Board of Trustees except such powers or duties as may have been specifically delegated by the Board to other committees or officers, and shall have power to authorize the seal of the Corporation to be affixed to all papers which may require it, and such other powers as the Board may delegate to it. The Executive Committee may hold meetings and make rules for the conduct of its business as it shall from time to time deem necessary or advisable. The presence of a majority of the members of the Executive Committee who are Trustees shall constitute a quorum and may take action by majority vote of such quorum. All actions of the Executive Committee shall be reported to the Board in writing or at the next meeting of the Board.

Section 9. Removal. Any Trustee may be removed by the affirmative vote of a majority of the Members or of three-fourths of the Trustees then in office whenever in their judgment such removal would serve the best interests of the Foundation.

Section 10. Participation by Telephone. To the extent permitted by law, any Trustee may participate in a meeting of the Board of Trustees or committee thereof by means of a conference telephone or videoconferencing network, or similar communications method by which all persons participating in the meeting can hear each other, and participation in such a fashion shall constitute presence in person at such meeting. []

Section 11. Compensation. No Trustee shall receive any compensation for serving in such office, provided that the Foundation may reimburse any Trustee for reasonable expenses incurred in connection with service on the Board of Trustees. Any such reasonable expenses that are not reimbursed by the Foundation shall be regarded as a gift to the Foundation. No provision of this section shall be construed as restricting the right of any Trustee to receive reasonable compensation for serving the Foundation in a capacity other than as a Trustee.

BYLAWS OF THE DRI RESEARCH FOUNDATION

ARTICLE IV

FOUNDATION FELLOWS OF THE BOARD OF TRUSTEES

Section 1. Purpose: DRI Research Foundation Fellows serve with the Board of Trustees and act as advisors and ambassadors to the Board in order to increase the Foundation's strength and broaden its reach throughout Nevada, across the Nation, and around the World. The Foundation Fellow is willing to help, as requested, with special projects, to support the mission of the Desert Research Institute. In the capacity of Foundation Fellow, this individual will be invited, but not required, to participate in yearly special events, attend Board meetings and Board committee meetings, and have access to all communication provided to the Board.

Section 2: Qualifications and Tenure: Current Foundation Fellows and Trustees will recommend names of new Foundation Fellows to the Executive Committee for their consideration. A simple in-favor majority vote by the Executive Committee finalizes the approval process. A Foundation Fellow's affiliation with the DRI Research Foundation shall be in segments of five years. Terms may be renewed consecutively upon approval of the Executive Committee. Fellows may be invited to continue their affiliation with the Foundation indefinitely. The Executive Committee can accept names, make considerations, and recommend new people as Foundation Fellows throughout the year. There is no limit to the number of Fellows affiliated with the DRIRF. Once a Foundation Fellow has been approved, his/her primary contact with the DRI Research Foundation is through the DRI President and the Vice President of Development.

Section 3. Committees. Foundation Fellows will be given the opportunity to serve on advisory committees which report to the committees listed in Article 3, Section 7 of the bylaws. All advisory committees will be chaired by a Trustee with 3 or more Trustees serving on the committees. Fellows will have voting privileges on the advisory committee.

Section 4. Removal. Any Foundation Fellow may be removed by the affirmative vote of a majority of the Executive Committee then in office whenever in their judgment such removal would serve the best interests of the Foundation.

BYLAWS OF THE DRI RESEARCH FOUNDATION

ARTICLE V

OFFICERS

Section 1. Number. The officers of the Foundation shall include a Chair of the Board of Trustees, one or more Vice-Chairs, a Secretary, a Treasurer, and such other officers as the Board shall from time to time deem necessary to elect.

Section 2. Election and Term of Office. After June 1 each year, the **Board** Governance committee of the Board of Trustees shall meet to recruit and recommend officers of the Foundation from among the then current Trustees. The Board Governance committee shall forward to the Trustees a slate of officers for approval by a majority of the Trustees then in office at the Board's annual meeting. After approval, these officers shall be installed in office at such annual meeting to serve for terms of two years and until their successors have been duly elected and qualified. Should there be more than one nominee for a vacancy, the nominee receiving the greatest number of votes shall be declared elected and shall be installed in office at the annual meeting of the Board of Trustees.

Section 3. Removal of Officers. Any officer of the Foundation may be removed, either with or without cause, by a majority of the Trustees then in office at any regular or special meeting of the Board of Trustees. Any change in the position of any officer holding office by virtue of his or her Institute position shall require approval by the President of the Desert Research Institute.

Section 4. Duties of the Chair. The Chair of the Board of Trustees shall preside at all meetings of the Board and the executive committee and shall be an ex officio member of all other committees of the Foundation. The Chair shall appoint individuals to such committees of the Board of Trustees as are authorized by these bylaws and shall exercise such powers as may be necessary for the efficient and proper performance of these duties.

Section 5. Duties of the Vice-Chair. In the absence of the Chair, the Vice-Chair shall perform all the duties of the Chair and when so acting shall have all the duties of the Chair and shall have all the powers of and be subject to all of the restrictions upon the Chair. The Vice-Chair shall have such other powers and perform such other duties as may be assigned by the Board of Trustees or detailed in these bylaws.

Section 6. Duties of the Secretary. The Secretary shall keep accurate minutes of the proceedings of the meetings of the Members of the Foundation, of the Board of Trustees, and of any committees of the Board of Trustees; shall ensure that all notices are duly given in accordance with the provisions of these bylaws; shall be the custodian of the records and of the seal of the Foundation and shall attest the affixing of the seal of the Foundation when authorized by the Board of Trustees; and, in general, shall perform all duties incident to such office and such other duties as may from time to time be assigned by the Chair or by the Board of Trustees.

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Section 7. Duties of the Treasurer. The Treasurer shall be the principal finance officer of the Foundation; shall have the charge and custody of, and be responsible for, all funds and securities of the Foundation; shall deposit such funds in the name of the Foundation in such depositories as shall be designated by the Board of Trustees; shall keep accurate books of accounts and records of financial transactions and the condition of the Foundation; and shall submit such reports thereof as the Board of Trustees may from time to time require; and, in general, perform all duties incident to such office and such other duties as may from time to time be assigned by the Chair or by the Board of Trustees. The Treasurer shall make an annual written financial report to the Foundation at the annual meeting of the Board of Trustees. With the approval of the Board of Trustees, the Treasurer shall be authorized to engage a firm of certified public accountants to assist the Treasurer in the performance of any of the duties incident to the office.

Section 8. Compensation. The Foundation may reimburse any officer of the Foundation for all reasonable expenses incurred by such individual in connection with services rendered to or for the Foundation affecting one or more of its purposes. Additionally, the Board of Trustees may from time to time fix and pay salaries to other officers or employees of the Foundation, if deemed in the best interest of the Foundation.

Section 9. Vacancies. A vacancy in any office for any reason may be filled by the Board of Trustees for the unexpired portion of the term.

ARTICLE VII

PROPERTY

The property of the Foundation, unless otherwise directed by donors, shall be held and applied in promoting the general purposes of the Foundation declared in its Articles of Incorporation. No property, including real estate, belonging to the Foundation shall be conveyed or encumbered except by authority of a majority vote of the Board of Trustees of the Foundation. Any such conveyance or encumbrance shall be executed by the Chair of the Board of Trustees in the name of the Foundation, and such instrument shall be duly attested and sealed by the Secretary or Treasurer of the Foundation.

BYLAWS OF THE DRI RESEARCH FOUNDATION

ARTICLE VIII

CONFLICT OF INTEREST

The officers and Trustees of the Foundation, in all actions taken by them on behalf of the Foundation in their respective capacities, shall take all actions required to avoid any actual or apparent conflict between their own personal, professional or business interests and the interest of the Foundation.

In the event any officer or Trustee shall have any direct or indirect interest in or relationship with any individual or entity which proposes to enter any transaction (including, without limitation, the sale, purchase, lease of any property or other assets of the Foundation; employment or rendition of services, personal or otherwise, by or to the Foundation; the award of any grant, contract or subcontract to or by the Foundation; the investment or deposit of any funds of the Foundation) with the Foundation, such officer or Trustee shall give immediate notice to the Board of Trustees of such interest or relationship and shall thereafter refrain from discussing or voting on the particular transaction or otherwise attempting to exert any influence on the Foundation to affect a decision to participate or not participate in such transaction.

Nothing in the Article or these bylaws should be construed as discouraging beneficial and strategic alliances between the Foundation and organizations having a representative or representatives on the Board of Trustees.

ARTICLE IX

WHISTLEBLOWER

Whistleblower claims, i.e., claims of improper action, shall be administered according to the Whistleblower Policy of the Desert Research Institute (Desert Research Institute Policies and Procedures 2.01.20), conforming with Nevada Revised Statute (NRS) 281.611.

ARTICLE X

RECORDS RETENTION

Section 1. Records Retention. Foundation records shall be retained in accordance with State of Nevada NRS Chapter 239 and General Records Retention Schedule. The DRI Research Foundation shall retain the following records for three years after the end of the last completed fiscal year.

BYLAWS OF THE DRI RESEARCH FOUNDATION

- A. Accounting Records: Includes electronic and computer generated ledgers, journal entries, spreadsheets, disbursement logs, and similar documents.
- B. Accounts Payable and Accounts Receivable: Includes subsidiary ledgers, journals, journal entries, reports, notes, and related documents.
- C. Bank Statements: Includes bank statements with information about account balance, check register, deposits and dates, reconciliations and related correspondence.
- D. Cash Receipts: Includes information captured in the donor database with payor's name, explanation/reason for receipt, i.e., gift, restricted or unrestricted, contribution, etc. Information required for cash receipting purposes includes the donor's name and address, date and amount of gift/contribution and any restrictions. The Foundation will not retain copies of individual checks or credit card information collected in the cash receipting process.
- E. Payroll Records: Includes all employee time sheets.
- F. Property Records: Includes all documentation related to the administration of assets with a value of \$500 or more, including purchase order information. Inventory records include a description of the item, model and serial number, PO number, original cost, asset location, date purchased, received, and date of disposal.
- G. Travel Records: Documents travel arrangements and claims made by DRI Foundation employees. Includes copies of travel authorizations, travel claims, receipts, itineraries, and other related documents.
- H. The DRI Research Foundation will retain the following records for the indicated time period.
 - (1) Endowment Agreements, Articles of Incorporation, Updated Bylaws, Board Minutes and related correspondence will be retained in perpetuity.
 - (2) Lease Agreements will be retained for a period of 6 years following the conclusion of the lease.
 - (3) Litigation records will be maintained for a period of ten years after the year in which the particular litigation to which such records pertain shall have been finally adjudicated or otherwise terminated.
 - (4) Inactive donor information will be maintained for a period of 20 years after the year in which the donor to which such information pertains has been inactive.

BYLAWS OF THE DRI RESEARCH FOUNDATION

ARTICLE XI

INDEMNIFICATION

The Board of Trustees may authorize the Foundation to pay, or cause to be paid by insurance or otherwise, any judgment or fine rendered or levied against a present or former Trustee, officer, employee, or agent of the Foundation in an action brought against such person to impose a liability or penalty for an act or omission alleged to have been committed by such person while a Trustee, officer, employee, or agent of the Foundation, provided that the Board of Trustees shall determine in good faith that such person acted in good faith and without willful misconduct or gross negligence for a purpose which he or she reasonably believed to be in the best interests of the Foundation. Payments authorized hereunder include amounts paid and expenses incurred (including attorney's fees) in satisfaction of any liability or penalty or in settling any action or threatened action, but in no event shall this Article permit payment of any amount, payment of which would give rise to any liability for taxes or penalties under chapter 42 of the Internal Revenue Code of 1986, if the Foundation is at such time a private foundation.

ARTICLE XII

AMENDMENTS

The bylaws may be amended, altered, or repealed and new bylaws may be adopted by the Board of Trustees of the Foundation by a vote of the majority of the Trustees then in office at any meeting of the Board of Trustees, provided that the full text of the proposed amendment, alteration, or repeal shall have been delivered to each Trustee at least five days prior to the meeting at which the proposed amendments, alteration, or repeal will be presented to the Board of Trustees for action, and provided also that any such amendment, alteration, or repeal shall have been submitted to and approved by a majority of the Members of the Foundation before they become effective.

ARTICLE XIII

DISSOLUTION

Upon dissolution or other termination of the Foundation, any assets remaining after all debts of the Foundation have been paid shall be disposed of as provided in the Articles of Incorporation.

ARTICLE XIV

PURPOSE

These bylaws are adopted for the sole purpose of facilitating the discharge, in an orderly manner, of the purposes of the Foundation. These bylaws shall never be construed in any such way as to impair the efficient operation of the Foundation.