

THE BY-LAWS OF
THE REGIS SCHOOL OF THE SACRED HEART
Amended by the Board of Directors May 19, 2020

ARTICLE 1

THE CORPORATION

- 1.1 Corporation. The Regis School of the Sacred Heart is a nonprofit corporation organized under the laws of the State of Texas. The corporation shall be identified as The Regis School of the Sacred Heart (hereinafter “Regis” or “the corporation”). Regis shall be in good standing for so long it is operated under these By-Laws.
- 1.2 Members. The corporation shall have no members.
- 1.3 Officers. The officers of the corporation shall be those required by Texas law and such other officers as the Board of Directors may authorize and appoint. Officers shall serve at the pleasure of the Board. Officers shall not receive compensation for their service.

ARTICLE 2

MISSION AND PURPOSE

- 2.1 Mission. Regis is an independent Catholic school where boys become gentlemen and scholars in the Sacred Heart tradition. This educational mission is deeply rooted in the more than 200-year tradition of the Society of the Sacred Heart and share the mission and tradition of the Network of Sacred Heart Schools, which are located on every major continent, including the United States. Regis is an active member of this Network.

The essence of this educational vision and tradition is articulated in the Goals and Criteria of Sacred Heart schools: Sacred Heart schools commit themselves to educate to:

- A personal and active faith in God (Goal I)
- A deep respect for intellectual values (Goal II)
- A social awareness which impels to action (Goal II)
- The building of community as a Christian value (Goal IV)
- Personal growth in an atmosphere of wise freedom (Goal V)

These Sacred Heart Goals inform everything Regis does. Its educational mission of faith, intellect, service, community, and maturity undergird the essence of its educational and disciplinary philosophies.

- 2.2 Purpose. The purpose of the corporation shall be to operate Regis in such a way that its mission is realized and fulfilled. The purpose will be accomplished primarily through operation of a school for boys with grades pre-Kindergarten through eighth grade in

Houston, Harris County, Texas, which shall conform to the educational tradition of the Roman Catholic Church. Regis shall be operated as an independent Catholic school which shall conform to and perpetuate the *Goals and Criteria for Sacred Heart Schools*. The *Goals and Criteria* are incorporated herein as if fully set forth.

- 2.3 Tax Status. It is intended that the corporation shall have and continue to have the status of a corporation which is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and appropriate state law. These By-Laws shall be construed accordingly, and all powers and activities shall be limited accordingly.
- 2.3.1. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to a private individual, but the corporation shall be authorized to provide reasonable compensation for services rendered and make payments and distributions in furtherance of corporate purposes.
- 2.3.2. No substantial part of the activities of this corporation shall be for the carrying on of influencing or attempting to influence legislation.
- 2.3.3. The corporation shall, in no way, participate in, or intervene in, any political campaign on behalf of any candidate for public office.
- 2.3.4. The corporation is organized and shall be operated exclusively for religious, charitable, educational, and/or scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, and in furtherance of such purposes, shall be operated exclusively as an organization described in Section 170(b)(1)(A)(III) of the Internal Revenue Code. In furtherance of such purposes, the corporation may (i) solicit and receive substantial financial support through gifts, contributions and grants; (ii) hold, administer, convert, invest and reinvest and manage such funds; and (iii) engage in any lawful activities permitted for not-for-profit corporations under the law of Texas and the United States and within the purposes of which the corporation is organized.

ARTICLE 3

GOVERNANCE

- 3.1 Board of Directors. The corporation shall establish and maintain as a self-perpetuating body a Board of Directors. The Board of Directors shall be charged with monitoring the effectiveness of the corporation in fulfillment of its mission, purposes, and goals. Directors' duties include the following:

Mission

- 3.1.1 To examine and, if necessary, develop the mission of Regis.
- 3.1.2 To develop and revise as needed an overall strategic plan and develop revenue sources and establish expenditure systems consistent with the furtherance of the strategic plan.

Certain Operations

- 3.1.3 To select and approve the candidate for the Head of School from the names proposed by the interviewing/search committee, a sub-committee of the Board.
- 3.1.4 To fully participate in the annual performance review of the Head of School and the Chair of the Board of Directors.
- 3.1.5 To approve any gifts/bequests with restrictions and all major gifts/bequests in Regis' name.
- 3.1.6 To approve the acquisition, purchase, sale, mortgage, lease, transfer or encumbrance of the real property owned by the corporation.
- 3.1.7 To establish investment procedures and oversee the investment of funds.
- 3.1.8 To approve an annual budget, as well as capital campaigns and any major fund-raising project or plan.
- 3.1.9 To approve any plan for dissolution, merger, consolidation or liquidation of the corporation.
- 3.1.10 To approve the appointment and termination of the Head of School. The Head of School shall be the sole employee of the Board of Directors.
- 3.1.11 To approve signing authority for the Head of School for bills, notes, receipts, acceptances, endorsements, checks, releases, contracts, and documents on behalf of Regis, and to approve any plan for signing authority that the Head of School gives to school employees.
- 3.1.12 To approve settlement of proposed or actual litigation against Regis.

Other Functions

- 3.1.13 To elect members to the Board of Directors at a regular annual time of year, or to remove any member of the Board of Directors, as provided for in these By-Laws.
- 3.1.14 To make reasonable efforts to attend meetings of the Board. Failure to regularly attend Board meetings may be grounds for removal from the Board of Directors.
- 3.1.15 To vote on the minutes of prior meetings of the Board.
- 3.1.16 To amend, restate, or modify the By-Laws of the corporation.
- 3.1.17 To approve any debts or encumbrances of the corporation.
- 3.1.18 To approve a tuition scale and salary and benefit scale for each year.

- 3.1.19 To ensure Regis' facilities are adequate for its Mission.
- 3.1.20 Any other act permitted by these By-Laws.
- 3.2 Head of School. Regis operates through its Head of School.
- 3.2.1 The Head of School shall have the authority to direct and administer all activities of Regis and shall be responsible for its activities and departments, subject to policies adopted by the Board of Directors.
- 3.2.2 The Head of School shall attend meetings of the Board of Directors and any Committees of the Board of Directors as an ex-officio member without vote, unless the Board determines that a meeting without the Head of School's attendance be declared, and those meetings are in executive session.
- 3.2.3 Directors should use good judgment and self-discipline should the necessity arise, and with the Head of School's assent, that he or she become involved in a matter that falls within the business discretion afforded to the Head of School.
- 3.2.4 Annually, the Head of School is to present the Board with his/her goals for Regis, as well as an evaluation of the current status of Regis and its future needs.
- 3.3 Number of Directors. The Board of Directors may set the number of Directors according to prudent practice and the needs of the corporation; however, in no event shall the number of Directors be less than three. The Board of Directors may not shorten the term of a Director's service by a vote to decrease the number of Directors.
- 3.4 Appointment. The Board of Directors shall appoint its members. Directors shall be voted upon by the Board at regular or special meetings. Director candidates shall be qualified if approved by the Directors during the regular or special meeting in which the vote is taken.
- 3.4.1 The Board of Directors may utilize a Nominating Committee, comprised of other Board Members, to nominate persons for Officer and Director positions, by delivering a list of nominees and their qualifications to the Board for its consideration. Members of the Board of Directors may submit additional names of nominees to the Nominating Committee.
- 3.4.2. Directors shall have, as basic qualifications, personal competency, subject matter experience that is of value to Regis and the Board, and interest in and knowledge of the operations of the corporation; an awareness and understanding of Regis' mission; an ability to serve and act without conflicting interests; willingness, availability, and capacity to further both the school's mission and its current approved strategic plan; and to serve and provide such service to Regis and its Board of Directors as may be required.

- 3.5 Term. Directors shall serve a term of three years or until the Director's death, resignation or removal by the Board of Directors beginning June 1 of the year of his or her election. Directors shall be eligible for two consecutive three-year terms. Upon the expiration of a Director's second consecutive term he or she shall not be eligible to serve on the Board of Directors for a period of not less than one year following expiration of the Director's second consecutive term.
- 3.6 Place of Meetings. The Board of Directors may conduct meetings at any place identified by the Chair of the Board according to the notice provisions at Article 3.7 and 3.8.
- 3.7 Regular Meetings. The Chair of the Board shall designate the times and places of regular meetings. The Board of Directors' regular meeting schedule shall be published on an annual basis, updated as necessary, and distributed to all members of the Board of Directors who serve at the time the schedule and updates are published. At any meeting of the Board of Directors, Directors who are entitled to vote may do so. Unless otherwise designated by a vote of the Board of Directors, regular meetings are to be closed to those who are not members of the Board or the Head of School, unless invited by the Chair or the Head of School to attend.
- 3.8 Special Meetings. Special meetings may be called by the Chair of the Board or by a one-third vote of all Directors. Notice of special meetings shall be given not less than 24 hours before the meeting begins, unless the Board consents to earlier notice. The notice shall identify the means by which the meeting will be conducted (in person, telephonically, or by other electronic means), the place where the meeting will be held (if in person), instructions for participation, the time the meeting will begin, and the purpose of the meeting. Only business described in the notice of the special meeting may be conducted during that special meeting.
- 3.9 Quorum. A majority of the Directors then serving shall constitute a quorum. No regular meeting of the Board of Directors shall be conducted with less than a quorum present. The act of a majority of the Directors present at any regular Board meeting shall constitute the act of the Board of Directors. Special meetings may be conducted with less than a quorum present, so long as the provisions of Article 3.8 have been complied with. An act of a majority of Directors present at a special meeting at which a quorum is not present must be ratified by a majority vote of the Board of Directors in order to qualify as an act of the Board of Directors.
- 3.10 Board Acts. The Board of Directors shall act by resolution. Each resolution must be initially proposed by motion of a Director present at a regular or special meeting, which motion must be seconded by a different Director present at the same meeting. After a motion has been seconded, Directors then present shall vote on the motion. Unless otherwise provided in these By-Laws, motions shall be carried and adopted as acts of the Board upon a simple majority of the Board's Directors present. Proxy votes are not permitted.

- 3.11 Electronic and Telephonic Attendance and Voting. Board resolutions may be proposed, seconded, and voted upon by e-mail, telephone, fax or other electronic means as the Board of Directors may approve. Directors may attend regular or special meetings by telephone, or if authorized by the Board, by any other means of remote communication, by means of which all persons participating in the meeting can hear and speak to each other.
- 3.12 Order of Business. At all meetings of the Board of Directors, the Chair of the Board shall preside. In the absence of the Chair of the Board, the Vice Chair shall preside. If neither the Chair of the Board nor the Vice Chair is present, then a majority of the Directors in attendance shall select a presiding officer for that meeting. The Secretary of the corporation or such other person as is selected by the Chair of the Board shall serve as Secretary for regular and special meetings. The Chair of the Board shall determine the order of business at regular and special meetings. Any Director may place an item into the order of business for consideration by the Board of Directors.
- 3.13 Compensation. The following shall apply:
- 3.13.1 Directors. Directors shall serve without any form compensation or remuneration, except for the payment of reasonable expenses incurred. The Board retains ultimate discretion to determine “reasonable expenses.”
- 3.13.2. Head of School. The Board of Directors shall set the salary and determine the benefits of the Head of School. The Chair, subject to the ratification of the Board of Directors, is authorized to negotiate compensation and changes, including extension(s) to the Head of School’s employment contract.
- 3.14 Board Committees. The Board of Directors may authorize formation and dissolution of such committees as the Board of Directors may deem prudent from time to time. Committees shall be subject at all times to the direction and control of the Board of Directors.
- 3.14.1 All Committees shall meet regularly.
- 3.14.2 Committee Chairs shall be appointed by the Chair with the advice and consent of the Board of Directors. Committee Chairs shall be selected from among members of the Board of Directors.
- 3.14.3 Committees’ duties, unless otherwise specified in these By-Laws, are to make recommendations to the Board of Directors regarding their areas of responsibilities, including those recommendations regarding the implementation of any strategic plan.
- 3.14.4 All Committees shall keep minutes and records of their meetings and submit copies to the Board of Directors for discussion at an appropriate meeting of the Board.

3.14.5 Executive Committee. The Board has established an Executive Committee to support the mission of the corporation by fulfilling the following general and specific duties.

3.14.5.1 The Executive Committee shall consist of the Officers of the Board and the Chairpersons of Committees. The Chair may request the participation of any other Director when the meeting agenda suggests such a request.

3.14.5.2 The Executive Committee may, at its discretion, refer matters of major importance or special significance to the Board.

3.14.5.3 The Executive Committee may assist the Chair with the Chair's requirement to determine the order of business at regular and special meetings of the Board of Directors.

3.15 Resignation.

3.15.1 Directors. Any Director may resign at any time. Resignations shall be sent to the Chair of the Board or, if the Chair is resigning, to the Vice Chair, in writing, and may be sent by mail, telephone, fax or other electronic means, and shall be effective upon delivery.

3.15.2 Officer Resignations/Removals. Should an Officer resign or be removed, then the Officer also simultaneously resigns or is removed, as applicable, from his or her Director position, unless the Board of Directors, in its discretion, decides that the Officer may continue service as a Director. The Nominating Committee may convene within 30 days of resignation/removal of a Board member to nominate any replacement candidate(s) to serve the remaining term of the vacant membership(s) for the Board's consideration, if necessary.

3.16 Removal. Any Director may be removed by the vote of at least two thirds of the Board of Directors at a regular or special meeting.

3.17 Chair and Vice Chair. There shall be a Chair and Vice Chair of the Board of Directors who shall be elected by the Board.

3.17.1 The Chair shall preside at all Board meetings and act for the Board when it is not in session or as otherwise directed by the Board. The term of the Chair shall be for two years. Provided, however, that the term may be extended for one additional year by the Board of Directors. If the Chair's Director term expires during the two-year Chair term or the one-year extension of the Chair term, the Board shall have the discretion to increase the Director term to equal the length of time of Chair service, or end the Chair's service.

3.17.2 The Chair shall have such responsibilities and powers as provided for in these By-Laws, as well as such responsibilities and powers as may be delegated to him or her by the Board of Directors and shall at all times be subject to the policies, control, and direction of the Board of Directors. The Chair may sign

and execute any instrument authorized by the Board of Directors except when the signing and execution thereof shall have been expressly delegated by the Board of Directors or by these By-Laws to some other Officer or member of the Board of Directors. The Chair shall have such other powers and duties as may be prescribed by these By-Laws and shall, whenever it may in his/her opinion be necessary, prescribe the duties of other Officers and Directors in a manner not inconsistent with the provisions of these By-Laws and the directions of the Board of Directors.

- 3.17.3 There shall be a Vice Chair of the Board of Directors who shall be elected by the Directors. The Vice Chair is to work closely with the Chair on all Board business. The Vice Chair shall preside at all Board meetings and otherwise assume the duties and responsibilities of the Chair when the Chair is absent or disabled. The term of the Vice Chair shall be one year. Provided, however, that the term may be extended for one additional year by the Board of Directors. If the Vice Chair's three-year Director term shall expire during the one-year Vice Chair term or the one-year extension of the Vice Chair term, the Board shall have the discretion to increase the three-year Director term to equal the length of time of Vice Chair service.
- 3.17.4 The Chair of the Board of Directors and/or Vice Chair of the Board of Directors may be removed by the vote of at least two thirds of the Board of Directors at a regular or special meeting. In such a circumstance, the Board of Directors must elect a new Chair or Vice Chair within fourteen days after the removal of the Chair and or Vice Chair.

ARTICLE 4

GENERAL LIABILITY, INDEMNIFICATION AND INSURANCE

- 4.1 General Liability. No Officer or member of the Board of Directors or its Committees, or any other person shall contract or incur any debts on behalf of Regis or in any way render it liable unless authorized to do so by the Board of Directors. No Officer or member of the Board of Directors or its Committees is authorized to promise moral or financial support or any objective of Regis without the approval of the Board of Directors.
- 4.2 Indemnification. The corporation shall indemnify each current and former Director and corporate officer against liabilities, damages, and reasonable and necessary fees and expenses imposed upon or incurred by such person in connection with any claim against him or her, or any action, suit, or other proceeding to which such person is made party by reason of his or her selection or service as a Director or officer. This contractual right of indemnification is qualified as follows:
- 4.2.1 The Board may engage separate and independent counsel to evaluate settlement proposals and to otherwise counsel the Board with respect to claims brought against individual Directors. If the Board's counsel advises that a settlement proposal made to an individual Director concerning claims subject to this Article is fair, reasonable, and advisable, then the corporation's indemnity

obligation shall apply to such settlement proposal. If the Board's counsel advises that a settlement proposal is not fair, reasonable, and advisable, then the corporation shall have no obligation to indemnify a Director or officer who elects to accept such a settlement proposal.

4.2.2 The corporation shall have no obligation to indemnify any person for liability, damages, expenses, or costs resulting from or arising in connection with any criminal act, or with respect to any act which is determined by a court or other tribunal as applicable to constitute malfeasance or gross negligence.

4.3 Insurance. The corporation shall have the power to purchase and maintain insurance on behalf of or for the benefit of any person for actual or potential liability, fees, and expenses imposed upon or incurred by such person in connection with such person's service in behalf of the corporation or Regis, including without limitation Directors.

ARTICLE 5

THE SACRED HEART NETWORK OF SCHOOLS

5.1 Membership in Network. The corporation shall be a member of the network of Sacred Heart schools in the United States of America. The *Goals and Criteria for Sacred Heart Schools* as they may be issued from time to time are the guiding principles, among others, for the Directors to follow in their responsibility to oversee and direct Regis.

5.2 Implementation. Regis will implement the goals of Sacred Heart education as specified from time to time by the Provincial of the Society of the Sacred Heart in the United States of America through the *Goals and Criteria*.

5.3 Evaluation. Regis shall participate in and submit to evaluation based upon evaluation criteria approved by the Provincial of the Society of the Sacred Heart in the United States of America through the evaluation process of the Sacred Heart Commission on Goals established for reviewing conformance with the *Goals and Criteria*.

5.4 RSCJ Board Directors. The corporation shall use reasonable efforts to maintain at least three religious of the Sacred Heart as members of the Board of Directors. Nothing in this Article shall require that at least three religious of the Sacred Heart serve as members of the Board of Directors.

ARTICLE 6

MISCELLANEOUS PROVISIONS

6.1 Fiscal Year. The fiscal year of the corporation shall be determined by the Board.

6.2 Notice. Each Director is responsible for providing current contact information to the corporation. Notice shall be deemed effective upon transmission by e-mail, fax, deposit in the United States mail, or by hand delivery.

- 6.3 Conflicts of Interest. Any Officer, Director, Employee, or Committee member having an interest in a contract or other transaction presented to the Board of Directors or a Committee thereof for authorization, approval, or ratification shall make a prompt, full, and frank disclosure of his/her interest to the Board and/or Committee prior to its acting on such contract or transaction. The body to which such disclosure is made shall then determine, by majority vote, whether the disclosure shows that a conflict of interest exists, or can reasonably be construed to exist. If a conflict is deemed to exist, such person shall not vote on, or use personal influence on, or participate (other than to present factual information or to respond to questions) in the discussions or deliberations with respect to such contract or transaction. Such person may be counted in determining the existence of a quorum at any meeting where the contract or transaction is under discussion or is being voted upon. The minutes of the meeting shall reflect the disclosure made, the vote thereon and, where applicable, the abstention from voting and participation, and whether a quorum was present.
- 6.4 Amendments. These By-Laws may be amended from time to time by a two-thirds vote of the Board of Directors.

ARTICLE 7

DISSOLUTION

- 7.1 In the event of the dissolution or final liquidation of the corporation, none of the property of the corporation nor any of the proceeds thereof shall be distributed to or divided among any of the Directors of the corporation or inure to the benefit of any individual. After all liabilities and obligations of the corporation have been paid, satisfied, and discharged, or adequate provision has been made therefor, all remaining property and assets of the corporation shall be distributed to one or more nonprofit organizations that meet the following criteria:
- such organizations shall be organized and operated exclusively for charitable, scientific, research, or educational purposes;
 - transfers of property to such organizations shall, to the extent then permitted under the statutes of the United States, be exempt from federal gift, succession, inheritance, estate, or death taxes (by whatever name called); and
 - such organizations shall be exempt from federal income taxes by reason of section 501(c)(3) of the Internal Revenue Code.