BYLAWS OF

SOCIETY OF HISPANIC PROFESSIONAL ENGINEERS

A California Nonprofit Public Benefit Corporation
Table of Contents

Article 1  NAME .................................................................................................................. 1
  Section 1.1  Corporate Name ....................................................................................... 1
Article 2  OFFICES .......................................................................................................... 1
  Section 2.1  Principal Office ....................................................................................... 1
  Section 2.2  Other Offices .......................................................................................... 1
Article 3  OBJECTIVES AND PURPOSES  ..................................................................... 1
  Section 3.1  General Purpose ..................................................................................... 1
  Section 3.2  Specific Purpose ...................................................................................... 1
Article 4  NONPARTISAN ACTIVITIES ............................................................................ 2
  Section 4.1  Public Purpose ......................................................................................... 2
  Section 4.2  Prohibited Activities .............................................................................. 2
Article 5  DEDICATION OF ASSETS .............................................................................. 2
  Section 5.1  Property Use ............................................................................................ 2
  Section 5.2  Distribution of Assets Upon Dissolution .................................................. 2
Article 6  MEMBERSHIPS ................................................................................................ 3
  Section 6.1  Members .................................................................................................. 3
  Section 6.2  General Associate Membership ............................................................... 3
    6.2.1  Professional Members ................................................................................... 3
    6.2.2  Affiliate Professional Members ..................................................................... 3
    6.2.3  Undergraduate Student Member .................................................................... 3
    6.2.4  Graduate Student Member ............................................................................ 3
    6.2.5  Lifetime Member ......................................................................................... 4
Article 7  DIRECTORS ...................................................................................................... 4
  Section 7.1  Number of Directors ............................................................................... 4
  Section 7.2  Powers ...................................................................................................... 4
  Section 7.3  Terms; Qualifications; Election of Successors .......................................... 4
    7.3.1  Terms ........................................................................................................... 4
    7.3.2  Qualifications ............................................................................................... 5
    7.3.3  Election of Successors .................................................................................. 5
    7.3.4  Six Designated Director Positions ................................................................ 5
  Section 7.4  Vacancies .................................................................................................. 5
    7.4.1  Events Causing Vacancy ............................................................................. 6
    7.4.2  Resignation and Removal ............................................................................ 6
    7.4.3  Appointment to Fill Vacancies ...................................................................... 6
    7.4.4  No Vacancy on Reduction of Number of Directors ...................................... 6
  Section 7.5  Place of Meetings; Telephone and Electronic Meetings .............................. 6
  Section 7.6  Regular Meetings ................................................................................... 7
  Section 7.7  Special Meetings ..................................................................................... 7
  Section 7.8  Annual Meeting ...................................................................................... 7
  Section 7.9  Quorum ................................................................................................... 7
  Section 7.10  Waiver of Notice ................................................................................... 8
  Section 7.11  Adjournment ......................................................................................... 8
  Section 7.12  Notice of Adjournment ....................................................................... 8
  Section 7.13  Conduct of Meetings ............................................................................ 8
  Section 7.14  Action Without Meeting ..................................................................... 9
  Section 7.15  Fees and Compensation of Directors ................................................... 9
  Section 7.16  Non-Liability of Directors ................................................................. 9
Article 8  COMMITTEES .................................................................................................... 9
  Section 8.1  Committees of Directors Exercising Powers of the Board ......................... 9
  Section 8.2  Standing Board Committees .................................................................. 10
    8.2.1  Finance Committee ..................................................................................... 10
    8.2.2  Section Investment Committee .................................................................... 10
    8.2.3  Audit Committee: ....................................................................................... 10
8.2.4 Policies and Procedures Committee: ............................................................................. 11
8.2.5 Executive Compensation Committee: ........................................................................ 11
Section 8.3 Other Committees. .............................................................................................. 11
  8.3.1 Nominating Committee ............................................................................................. 11
  8.3.2 Elections Committee ................................................................................................ 11
  8.3.3 Regional Committees ............................................................................................... 12
Section 8.4 Rules for Committees. ........................................................................................... 12
Article 9 OFFICERS .................................................................................................................. 13
  Section 9.1 Officers. ............................................................................................................. 13
  Section 9.2 Election of Officers. ......................................................................................... 13
  Section 9.3 Subordinate Officers. ....................................................................................... 13
  Section 9.4 Removal of Officers. ....................................................................................... 13
  Section 9.5 Resignation of Officers. .................................................................................. 13
  Section 9.6 Vacancies in Offices. ....................................................................................... 13
  Section 9.7 Responsibilities of Officers. .......................................................................... 14
    9.7.1 Chairperson of the Board ....................................................................................... 14
    9.7.2 Vice Chairperson .................................................................................................. 14
    9.7.3 Secretary .............................................................................................................. 14
    9.7.4 Treasurer ............................................................................................................. 15
  Section 9.8 Chief Executive Officer. .................................................................................. 15
Article 10 PROFESSIONAL AND STUDENT CHAPTERS AND OTHER AFFILIATIONS ....... 15
  Section 10.1 Chapters: ..................................................................................................... 15
    10.1.1 Relationship of Chapters to SHPE: .................................................................... 15
    10.1.2 Professional Chapters: ....................................................................................... 15
    10.1.3 Student Chapters: ............................................................................................. 16
    10.1.4 Junior Chapters: ................................................................................................. 16
    10.1.5 Chapter Applications and Charter: .................................................................... 16
    10.1.6 Chapter Finances: ............................................................................................. 16
    10.1.7 Industry Partnership Council and Other Affiliations. ...................................... 16
Article 11 REGIONAL GOVERNING STRUCTURE ...................................................................... 17
  Section 11.1 Regions: ....................................................................................................... 17
    11.1.1 States Covered by Each Region .......................................................................... 17
  Section 11.2 Regional Committee: .................................................................................... 17
    11.2.1 Regional Vice Presidents .................................................................................. 17
    11.2.2 Regional Student Representative: ...................................................................... 18
    11.2.3 Regional Graduate Representative: ................................................................. 18
    11.2.4 Regional Junior Representative: ....................................................................... 18
  Section 11.3 Student Assembly: ....................................................................................... 18
Article 12 NOMINATIONS OF DESIGNATED DIRECTORS AND ELECTION OF REGIONAL
COMMITTEE MEMBERS ........................................................................................................ 18
  Section 12.1 Elections: ................................................................................................... 18
  Section 12.2 Timing of Nominations, Elections & Assumption of Office: ....................... 19
  Section 12.3 Record Date for Associate Members: ......................................................... 19
  Section 12.4 Election Results: ........................................................................................ 19
  Section 12.5 Nomination of STEM Professional Designated Directors: ....................... 19
  Section 12.6 Nomination and Election of Regional Vice-President and Regional Junior Representative: ................................................................. 19
  Section 12.7 Nomination of National Undergraduate Representatives: ....................... 20
  Section 12.8 Nomination of National Graduate Representatives: ................................. 20
Article 13 TRANSACTIONS BETWEEN CORPORATION AND DIRECTORS OR OFFICERS ...... 20
  Section 13.1 Contracts with Directors and Officers: ....................................................... 20
  13.1.1 Prohibited Transactions ...................................................................................... 20
  13.1.2 Material Financial Interest .................................................................................. 21
  Section 13.2 Loans to Directors and Officers: ................................................................. 21
  Section 13.3 Interlocking Directorates: .......................................................................... 22
  Section 13.4 Duty of Loyalty; Construction with Article 14. ......................................... 22
Article 14 INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS ....... 22
Article 1  NAME

Section 1.1  Corporate Name
The name of this corporation is Society of Hispanic Professional Engineers (the “Corporation” or “SHPE”).

Article 2  OFFICES

Section 2.1  Principal Office
The principal executive office and the principal office for the transaction of the business of the Corporation may be established at any place or places within the United States by resolution of the Board of Directors (Board).

Section 2.2  Other Offices
The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to transact business.

Article 3  OBJECTIVES AND PURPOSES

Section 3.1  General Purpose
The general purpose for which this Corporation is organized is to engage in any lawful act or activity for which a corporation may be organized under the Nonprofit Public Benefit Corporation Law of California, provided, however, nothing in this Article 3 shall be construed to authorize this Corporation to carry on any activity for the profit of its officers, Directors or other persons or to distribute any gains, profits or dividends to any of its officers, Directors or other persons as such. Furthermore, nothing in this Article shall be construed as allowing the Corporation to engage in any activity forbidden under Section 501(c)(3) of the Internal Revenue Code.

Section 3.2  Specific Purpose
The specific purpose of this Corporation shall include without limitation, to develop funds for educational purposes such as scholarships, educational grants, sponsoring seminars and conferences, programs supplementing existing educational programs, informing the public of career and educational opportunities, maintaining educational centers, promoting the interests of students and professionals in educational and charitable pursuits.
Article 4  NONPARTISAN ACTIVITIES

Section 4.1  Public Purpose
This Corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the public purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the Corporation shall consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the Corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office or for or against any cause or measure being submitted to the people for a vote.

Section 4.2  Prohibited Activities
The Corporation shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above in Article 3.

Article 5  DEDICATION OF ASSETS

Section 5.1  Property Use
The property of this Corporation is irrevocably dedicated to charitable or educational purposes, or any other purposes permitted under Section 501(c)(3) of the Internal Revenue Code. No part of the net income or assets of this Corporation shall ever inure to the benefit of any Board Member or officer thereof or to the benefit of any private person; provided, however, that this provision shall not prevent payment to any person who is not a member of the Board of reasonable compensation for services performed for the Corporation in effecting any of its public purposes, as long as such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on the dissolution of the Corporation.

Section 5.2  Distribution of Assets Upon Dissolution
Upon the dissolution or winding up of this Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this Corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable, scientific or educational purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.
Article 6  MEMBERSHIPS

Section 6.1 Members
This Corporation shall be a membership organization, having members as defined in Section 5056 of the California Corporations Code.

Section 6.2 General Membership
The Corporation shall have general members as set forth below (collectively, “General Membership”). The Board shall adopt policies and procedures for the admission, suspension and termination of general and other designated members, such as Honorary Members and Junior (K-12 student) members, who shall have no voting rights in the Corporation. The Board shall also adopt policies and procedures for the payment of dues by its general and other designated members. General members shall have opportunity and voice in the Corporation through election of candidates to the Board and nomination or election of Regional Committee members as described in these Bylaws and pursuant to policies and procedures adopted by the Board, and may be considered for appointment to the Board. General members must approve any and all changes to these bylaws in accordance with the provisions of Section 18.2.

6.2.1 Professional Members
A Professional Member shall be a person who holds a bachelor's degree in any discipline of engineering, science, mathematics, or any technologically focused (STEM) field. Six years of experience in a STEM field or experience as a STEM educator may be substituted for the bachelor's degree. Professional members shall be entitled to cast one vote in the election of members to the Board as set forth in these Bylaws and in elections of all Regional Committee members for their associated region.

6.2.2 Associate Members
An Associate Member shall be a person who believes and supports the purpose of this Corporation. An Associate Member is one who is a non-STEM professionals or student. He/she shall not be entitled to elect candidates for the Board nor vote in elections of Regional Committee members. Associate Members shall be extended all privileges of a Professional or Undergraduate Student Member less those exempted above.

6.2.3 Undergraduate Student Member
Undergraduate Student members shall be students enrolled in an undergraduate curriculum leading to an Associates, Bachelors or other technical degree in a STEM field.

6.2.4 Graduate Student Member
Graduate Student Members shall be students enrolled in a full-time graduate curriculum leading to a Master’s of Science, Masters of Engineering, Doctorate of
Philosophy, or Doctorate of Engineering degree in any STEM field. Graduate Student Members shall be entitled to cast one vote in the election of NGR candidates to the Board as set forth in these Bylaws and in elections of all Regional Committee members for their associated region.

6.2.5 **Lifetime Member**

Lifetime members are general members, from any class of general or other designated membership, who have met the requirements that are established from time to time by the Board for recognition as a Lifetime Member. Once individuals have met the qualifications for Lifetime membership and are recognized by the Board as a Lifetime Member, they shall retain the designation of Lifetime member even if the conditions for membership change or are modified by the Board. Persons who were Lifetime Members of the Society of Hispanic Professional Engineers, Inc. shall be recognized as Lifetime Members of the Corporation. Lifetime Members may elect candidates for the Board or vote for Regional Committee members consistent with the class of general or other designated membership they held prior to becoming Lifetime Members.

Article 7 **DIRECTORS**

**Section 7.1 Number of Directors**

The Board shall consist of 15 positions.

**Section 7.2 Powers**

Subject to the provisions of the California Nonprofit Corporation Law, the business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors (“Board”). The Directors shall act only as a Board, and an individual Director shall not have the power to act or speak for the Board without prior authorization from the Board. The Board may delegate the management of the activities of the Corporation to any person or persons, management company or committee however composed, provided that the activities and affairs of the Corporation be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

**Section 7.3 Terms; Qualifications; Election of Successors**

**7.3.1 Terms**

The initial Board shall have designated terms through the conclusion of either the 2016 and 2017 Annual Meetings described in Section 7.6 of this Article 7 so that subsequent Board appointments are staggered. Directors shall be limited to no more than three consecutive two year terms, provided that Designated Directors described under Section 7.3.4.2 and 7.3.4.3 will serve only one year terms. After serving three consecutive terms, members may not be nominated for a position on the Board until they have been off the Board for a period of at least one year.
7.3.2 **Qualifications**
Directors must have shown interest and demonstrated support of SHPE. Directors must have made, or caused to be made, financial contributions to the Corporation as set from time to time by policy of the Board. Directors elected by qualified general members are expected to have had leadership responsibility, currently or in the past with SHPE and or its programs and activities, be engaged directly or indirectly in the fields of engineering, science, mathematics and or technology. Directors are expected to represent, or have represented academics or working professionals, or companies or organizations that employ and or promote STEM enterprises. Lifetime Members of SHPE shall be eligible for appointment or election to the Board.

7.3.3 **Election of Successors.**
nine positions on the Board shall be appointed by vote of the board from a list of nominations sent by the Board’s Executive Nominating Committee, which must make a good faith effort to ensure that candidates presented to the Board represent a cross section of SHPE constituencies. Included among these appointments shall be at least one Director representing corporations, at least one Director representing K-12 educational academia, at least one Director representing graduate and/or undergraduate academia and at least one Director representing government. There will be six Designated Director Positions on the Board, as set forth below in section 7.3.4. Each new Director shall take office on July 1st following their selection by the Board (unless the Board is making an appointment to fill a vacancy). Directors shall remain on the Board until such time as their successor has been approved by the Board.

7.3.4 **Six Designated Director Positions**
Six positions on the Board shall be filled from a list of candidates elected for each position in accordance with the provisions in Article 12 of these Bylaws so that the Board at all times includes Directors in the following designated positions:

7.3.4.1 Three STEM Professionals. One of these professionals will be responsible for representing the Regional Committees on the Board.

7.3.4.2 One STEM graduate student who shall be referred to as the National Graduate Representative (NGR).

7.3.4.3 Two STEM undergraduate students who shall be referred to as the National Undergraduate Representatives (NURs.)

**Section 7.4 Vacancies**
7.4.1 **Events Causing Vacancy**

A vacancy or vacancies on the Board shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any Director; (ii) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under the California Nonprofit Corporation Law; or (iii) whenever the number of authorized Directors is increased.

7.4.2 **Resignation and Removal**

Directors may be removed by a simple majority of Directors then in office for breach of confidentiality, failure to disclose a conflict of interest, or organizational financial misconduct. A Director may be subject to removal with or without cause if, upon the vote of a 2/3 majority of then serving Board members, the Board deems that their presence may cause negative consequences, or negatively impact the image, brand or integrity of the Corporation. No proof of such potential negative impact shall be required if the number of votes required for removal is met. A member of the Board may resign at any time by sending notice to the Secretary of the Board stating the date and time such resignation is to become effective.

7.4.3 **Appointment to Fill Vacancies**

If a vacancy is created by any event, a majority of the remaining Directors then in office may appoint a new Director. Vacancies may be filled by candidates brought forward by Directors, without going through any formal nominations process. Candidates to fill such vacancies must conform to the qualification requirements stated above and must represent the same constituency as the Director who formerly held the now vacant position (e.g., a vacancy in a student Designated Director Position shall be another qualified student). Any Director so elected shall serve the remaining term of the vacant position and such term shall count as a term of office for the purpose of term limitation as defined in these bylaws.

7.4.4 **No Vacancy on Reduction of Number of Directors**

No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director’s term of office expires.

Section 7.5 **Place of Meetings; Telephone and Electronic Meetings**

Meetings of the Board may be held at any place or in any manner permitted by current California Law. Directors may participate in a meeting through use of conference telephone, electronic video screen communication or electronic transmission by the Corporation. Participation in a meeting through use of conference telephone or video screen communication may be held and considered a bona-fide meeting as long as all participants can participate fully in the meeting and hear and be heard. Participation in a meeting through use of electronic transmission by and to the Corporation, other than conference telephone and
Section 7.6  Regular Meetings
Regular meetings of the Board shall be held at such dates, times and locations as shall from time to time be fixed by the Board, provided, however, that the Board shall meet at least four times during the fiscal year, one of which will be the annual meeting. Notice of regular meetings shall be given one week for telephone or electronic meetings and four weeks for face-to-face meetings. Notice of the time and place of meetings shall be given to each Director by one of the following methods: (a) by personal delivery or written notice; (b) by first-class mail, postage paid; (c) by telephone, including a voice messaging system or (d) by electronic transmission as defined by and in accordance with Section 20 of the California Corporations Code or any successor provision.

Section 7.7  Special Meetings
Special meetings of the Board, for any purpose, may be called at any time by the Chairperson of the Board or any two directors. Special meetings shall be held upon five days notice by first class mail or 48 hours notice delivered personally or by telephone, including a voice messaging system or by electronic transmission as defined by and in accordance with Section 20 of the California Corporations Code or any successor provision. The notice shall state the time and place and purpose of the meeting.

Section 7.8  Annual Meeting
An annual meeting of the Board shall be held at the hour and place designated by the Board. Unless otherwise indicated, the annual meeting shall be held at the National Conference, held each year by the Corporation. In the event the annual meeting is not held timely because of oversight or otherwise, a meeting shall be held as soon thereafter as conveniently it may be.

Section 7.9  Quorum
The quorum of the Board for transaction of business will consist of ½ of all Designated Directors (not including vacant positions) and 5/9 of all other Directors (not including vacant positions), except to adjourn as provided in Section 7.11 of this Article 7. Every act taken or decision made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, subject to the provisions of the California Nonprofit Corporation Law, including, without limitation, those provisions relating to (i) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (ii) creation of, and appointment to,
committees of the Board, and (iii) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 7.10 Waiver of Notice
The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice. Directors can protest the lack of notice only by presenting a written protest to the Secretary of the Corporation either in person, by first-class mail addressed to the Secretary at the principal office of the Corporation as contained on the Corporation’s records as of the date of the protest, or by facsimile addressed to the facsimile number of the Corporation as contained on the Corporation’s records as of the date of the protest.

Section 7.11 Adjournment
A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 7.12 Notice of Adjournment
Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 7.13 Conduct of Meetings
Meetings of the Board shall be presided over by the Chairperson of the Board, or, in his or her absence, by a Vice Chairperson of the Board or, in the absence of each of these persons, by an acting Chairperson chosen by a majority of the Directors present at the meeting. The Secretary of the Corporation shall act as Secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting. Meetings shall be governed by the latest edition of Robert’s Rules of Order, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this Corporation, or with provisions of law.
Section 7.14  Action Without Meeting
Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to the action by any method permitted by law. For the purposes of this Section only, “all members of the Board” shall not include any “interested Director” as defined in Section 5233 of the California Nonprofit Public Benefit Corporation Law. Such action by unanimous written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent or consents may be delivered to the Board in any manner permitted by law and shall be filed with the minutes of the proceedings of the Board, provided, however, that typed, electronic signatures are not permitted unless prior to the vote the Director has affirmatively consented to such use on a form prescribed by the Board and has not withdrawn such consent.

Section 7.15  Fees and Compensation of Directors
Directors shall not receive any compensation for the services as Directors of the Board other than reimbursement of expenses directly associated with their role on the Board, as may be determined by the Board to be just and reasonable. Acting Directors may not be compensated for any other reason. The Corporation shall have in place policies regarding compensation and reimbursement that conform to allowable Internal Review Service rules for corporations recognized as tax exempt.

Section 7.16  Non-Liability of Directors
The Directors shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

Article 8  COMMITTEES

Section 8.1  Committees of Directors Exercising Powers of the Board
The Board may, by resolution adopted by a majority of the Directors then in office, create one or more committees, including an executive committee, each consisting of two or more Directors, to serve at the discretion of the Board. A committee exercising the authority of the Board shall not include as members persons who are not a Board Director. Any committee, to the extent provided in the resolution of the Board, may have all the authority of the Board, except that no committee, regardless of Board resolution, may:

(a) Fill vacancies on the Board or in any committee which has the authority of the Board;

(b) Fix compensation of the Directors for serving on the Board or on any committee;

(c) Amend or repeal Bylaws or adopt new Bylaws;
(d) Amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;

(e) Appoint any other committees of the Board or the members of these committees;

(f) Approve any transaction (1) between the Corporation and one or more of its Directors or (2) between the Corporation or any entity in which one or more of its Directors have a material financial interest; or

(g) Expend corporate funds to support a nominee for Director after more persons have been nominated than can be elected.

**Section 8.2 Standing Board Committees**

The Board shall make appropriate appointments to the following Standing Committees:

**8.2.1 Finance Committee**

The Treasurer shall be the chair of the Finance Committee, and he/she shall appoint three additional members to serve on the Finance Committee. The Finance Committee is responsible for developing and reviewing fiscal procedures, a fundraising plan, and annual budget with staff and other Board members.

**8.2.2 Investment Committee:**

An Investment Committee shall consist of such Board members as shall from time to time be appointed by the Board. Subject at all times to Board supervision, the Investment Committee shall have the power and authority to investigate all matters pertaining to the investment of the SHPE’s endowment and other funds, direct the investment and reinvestment of all such funds, purchase and sell stocks, bonds and other securities as it shall deem proper, and arrange for and establish annuities in connection with the management of the endowment funds. All actions taken by the committee shall be promptly reported to the Board. The Treasurer and the Chief Financial Officer shall be ex-officio members of the Investment Committee in an advisory capacity.

**8.2.3 Audit Committee**

Pursuant to the State of California under the Nonprofit Integrity Act of 2004, the Board shall designate an Audit Committee comprised of not less than three members. The Audit Committee shall not include any members of the staff, including the Chief Executive Officer, or the Treasurer, Chairperson or members of the Finance Committee. Members of the Audit Committee may not receive compensation for services, other than reimbursement of expenses reasonably incurred on behalf of the Corporation, and may not have any material financial interest in any entity doing business with the Corporation. The Audit Committee shall oversee the integrity and adequacy of financial reports, controls and procedures, recommend to the Board the retention and termination of the
independent auditor, confer with the auditor to ensure the financial affairs of the Corporation are in order, review and determine whether to accept the audit, assure that any non-audit services performed by the auditing firm conform to standards for auditor independence and approve performance of non-audit services by the auditing firm.

8.2.4 **Policies and Procedures Committee**
The Board shall establish a standing committee for policies and procedures. The role of this committee is to create and keep current, policies and normal operational procedures of the Corporation and ensure that the policies are in concert with the bylaws and other rules of the Corporation. Policies and procedures shall be kept at the Corporate headquarters and available at each meeting of the Board.

8.2.5 **Executive Compensation Committee**
There shall be an Executive Compensation Committee. The committee shall be the Chairperson, Vice Chairperson, Secretary and Treasurer of the Corporation. The duties of this committee are to make recommendations to the board regarding the compensation and benefits for the CEO and Chief Financial Officer (CFO), within guidelines set by the board, and establish ranges of compensation and benefits for other senior employees if deemed necessary. This committee shall ensure the conditions of the contract with the CEO are met and being observed. The Executive Compensation Committee shall report to the board annually, in closed session, the terms, condition, salary and benefits contained in the CEO’s and CFO’s contract.

Section 8.3 **Other Committees**
The Board and Chairperson of the Board may establish other committees as deemed necessary. Committee members need not be members of the Board. Committees may be established for any purpose and for a specific duration as needed. Committees whose duration is not established must be reconstituted and populated with committee members upon the end of the fiscal year or the next Annual Meeting of the Board or it shall deemed to be defunct. Such other committees will include, without limitation, the following:

8.3.1 **Nominating Committee**
The Nominating Committee shall be appointed by the chairperson of the board each year and consist of no more than 5 committee members. The committee members need not be members of the Board but may be if so desired. The committee shall identify potential members to the Board to fill vacancies and or open seats. The nominations committee shall also identify candidates for a slate of officers and directors (other than designated directors) to be elected by the full board no later than two months before any such election is to be held.

8.3.2 **Elections Committee**
Election of candidates for the Designated Director (two National Undergraduate Representatives, National Graduate Representative and three Professional
Designated Directors) positions on the Board and election of the members of the Regional Committees (Regional Vice-Presidents, Regional Student Representatives and the Regional Graduate Representatives) shall be organized and directed by the Elections Committee. The Elections Committee shall adopt election policies and procedures that strive to be impartial and fair to all the candidates. The Elections Committee will prepare the ballots to be distributed to all eligible General Members, including eligible professional, undergraduate and graduate members, and eligible student chapters to vote for candidates to be nominated for appointment to the Designated Director positions on the Board and for the above mentioned members of the Regional Committees. It shall prepare and distribute ballots to the eligible student chapters for election of candidates for Board appointment to the two National Undergraduate Representative Designated Director positions on the Board. It shall prepare and distribute ballots to the eligible graduate student members for election of candidates for Board appointment to the National Graduate Representative on the Board. It shall prepare the ballots for each regional vice-president and regional student representative election and distribute them to the eligible professional members, eligible student members, and eligible student chapters within each region respectively. The Elections Committee shall notify the associate members and chapters in a timely manner of the open offices and solicit nominations for candidates as prescribed below.

8.3.3 **Regional Committees**

There shall be seven regional committees (one for each region) consisting of at least the Regional Vice President (RVP), Regional Junior Representative (RJR), Regional Student Representative (RSR) and Regional Graduate Representative (RGR). The regional committee may select and appoint additional members of the committee as each committee deems appropriate.

Section 8.4 **Rules for Committees**

The Board may adopt rules for the governance of any committee not inconsistent with the provisions by these Bylaws, or, in the absence of rules adopted by the Board, the committee may adopt such rules. A majority of the authorized committee members shall constitute a quorum for the transaction of committee business, except to adjourn. A majority of the committee members present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Every act taken or decision made by a majority of the committee members present at a meeting duly held at which a quorum is present shall be regarded as an act of the committee, subject to the provisions of the California Nonprofit Corporation law. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of committee members, if any action taken is approved by at least a majority of the required quorum for that meeting.
Article 9    OFFICERS

Section 9.1    Officers
The Corporation shall have as officers of the Board, a Chairperson, a Vice-Chairperson, a Secretary, and a Treasurer who form the executive committee of the board. The Corporation may also have, at the discretion of the Board of Directors, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed in accordance with the provisions of Section 9.3 of this Article 9. No person may hold more than one office.

Section 9.2    Election of Officers
The officers of the Corporation, except those appointed in accordance with the provisions of Section 9.3 of this Article 9, shall be chosen by the Board, and each shall serve at the discretion of the Board until their successor shall be elected, subject to the rights, if any, of any officer who is not a Board member but serves under a contract with the Corporation.

Section 9.3    Subordinate Officers
The Board may appoint, and may authorize the Chairperson of the Board or another officer to appoint, any other officers that the business of the Corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or as determined from time to time by the Board.

Section 9.4    Removal of Officers
Any officer may be removed, with or without cause, by the Board, at any regular or special meeting of the Board, or at the Annual Meeting of the Corporation, or, except in the case of any officer chosen by the Board, by an officer on whom such power of removal may be conferred by the Board. Actions for removal of Directors must follow Section 7.4.2.

Section 9.5    Resignation of Officers
Any officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any of the Corporation under any contract to which the officer is a party.

Section 9.6    Vacancies in Offices
A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office. In the event of a vacancy in any office other than the Chairperson, such vacancy shall be filled temporarily by appointment by the Chairperson, and shall remain in office for 60 days, or until the next meeting of the Board, whichever comes first. Thereafter, the position can be filled only by action of the Board.
Section 9.7  Responsibilities of Officers

9.7.1  Chairperson of the Board
The Chairperson shall preside at all meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him or her by the Board or prescribed by the Bylaws. The Chairperson shall serve a term of two years. If the Chairperson holds a Designated Director position, the Vice Chairperson should not be a person holding a Designated Director position, and vice-versa. The term of the Chair and Vice-Chair shall be the same terms of office.

9.7.2  Vice Chairperson
The Vice Chairperson shall assume responsibilities in the absence of the Chairperson. The Vice Chairperson shall serve in the capacity of chairperson if the Chairperson is removed and/or no longer able to serve. If the Vice Chairperson holds a Designated Director position, the Chairperson should not be a person holding a Designated Director position, and vice-versa.

9.7.3  Secretary
The term of office of the Secretary shall be two years but shall not be on the same term of office cycle as the Chairperson and Vice Chairperson. Accordingly, the initial Secretary may have a term of office that is greater or less than two years. The Secretary shall attend to the following:

9.7.3.1  Bylaws
The Secretary shall certify and keep at the principal office of the Corporation the original, or a copy of these Bylaws as amended to date.

9.7.3.2  Book of Minutes
The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of Directors and Board committees, recording the time and place of holding such meeting, whether regular or special, and, if special, how authorized; the notice given; the names of those present at such meetings; the number of Directors present or represented at Directors’ meetings; and the proceedings of such meetings. The book of minutes shall also contain any protests concerning lack of adequate notice or dissents from members of the Board, if the protesting or dissenting members request such protest in writing.

9.7.3.3  Notices and Other Duties
The Secretary shall give, or cause to be given, notice of all meetings of the Board in accordance with these Bylaws. He or she shall have such other powers and perform such other duties incident to the office of Secretary as may be prescribed by the Board or these Bylaws.
9.7.3.4 Corporate Records

Upon request, the Secretary shall exhibit at all reasonable times to any Director of the Corporation, the Bylaws and book of minutes.

9.7.4 Treasurer

The term of office of the Treasurer shall be two years but shall not be on the same term of office cycle as the Chairperson and Vice Chairperson. Accordingly, the initial Treasurer may have a term of office that is greater or less than two years. The Treasurer oversees all financial matters of the organization, ensures that monies are collected and deposited promptly in the appropriate accounts, is involved in the preparation of the organizational budget, ensures financial reports are timely prepared and provided, and serves as chairperson of the finance committee. The Treasurer may not serve as the chief financial officer of the Corporation which shall be designated as a staff position reporting to the Chief Executive Officer.

Section 9.8 Chief Executive Officer

The Board shall employ under contract a Chief Executive Officer (CEO). The CEO shall manage the day-to-day affairs of the Corporation. In his or her duties, the CEO shall report to the Board. The Chief Executive Officer shall attend Board meetings, unless excused or directed otherwise by the Board. In the absence of a Chief Executive Officer, the Chairperson of the Board will act as the Chief Executive Officer. The CEO shall have such duties and responsibilities that are, from time to time granted by the Board.

Article 10 PROFESSIONAL AND STUDENT CHAPTERS AND OTHER AFFILIATIONS

Section 10.1 Chapters

To maintain and grow relationships supporting the Corporation’s mission and purposes, the Corporation shall sanction, assist and support professional, student and junior chapters.

10.1.1 Relationship of Chapters to SHPE

The Board shall encourage chapters to participate in all the affairs of the Corporation. Chapters shall not act for the Corporation.

10.1.2 Professional Chapters

A professional chapter may be established in any geographical locality without any restrictions and shall become operative as soon as the proposed Constitution and Bylaws have been approved by the Board. Professional chapter bylaws shall not conflict with these bylaws. Any chapter may be terminated by the Board for reasons deemed sufficient for such action. A terminated chapter shall no longer be entitled to use the SHPE name or logo.
The function of chapters shall be to encourage members to confer and to make suggestions with respect to matters of policy, to study local problems affecting Hispanic STEM professionals and technical educators, to cooperate with other chapters or organizations in matters of common interest, to achieve closer personal acquaintance and a spirit of cooperation among Hispanics with technical careers, and to otherwise fulfill the charitable objectives of SHPE.

10.1.3 Student Chapters
Student chapters, composed of students pursuing a technical career, may be established at colleges providing a formal curriculum in engineering, engineering technology, mathematics, physical science or any other STEM field. Applications for the establishment of student chapters will be reviewed and approved by the Board. The Board for reasons deemed sufficient for such action may terminate any student chapter. The functions of student chapters shall be the encouragement of their members to finish their studies and support the advancement of Hispanics in technical careers.

10.1.4 Junior Chapters
Junior chapters, composed of pre-college students, may be established at 6-12th grade educational institutions. Applications for the establishment of junior chapters will be reviewed and approved by the Board. The Board for reasons deemed sufficient for such action may terminate any junior chapter. The functions of junior chapters shall be the encouragement of their members to finish their studies and pursue college degrees, especially degrees in STEM fields.

10.1.5 Chapter Applications and Charter
A chapter application shall state the chapter’s purpose and goals, list the officers and members and be signed by the President and the Secretary or Treasurer of the chapter. Upon approval, a charter spelling out the requirements and benefits of being a SHPE chapter shall be provided to the chapter by the Board.

10.1.6 Chapter Finances
A chapter may not raise, nor spend, money independently using the tax-exempt status of SHPE. When available, funds shall be provided to chapters by SHPE for charitable purposes consistent with SHPE’s mission. Funds raised by chapters on Board approved activities and projects may be deposited with SHPE and provided to the chapters for approved activities and programs. Funds provided to chapters shall remain with the chapters for future use on approved activities consistent with SHPE’s mission.

10.1.7 Industry Partnership Council and Other Affiliations
The Corporation shall maintain an Industry Partnership Council (IPC) which will serve as an advisory group to the Board. The Board may establish other affiliations and partnerships form time to time. Each such formal partnership will be supported and engaged in activities and efforts consistent with SHPE’s
charitable purposes and mission. Affiliates may use the SHPE logo and other images as part of their recognition of their partnership with the Corporation, subject to applicable Board policies. The rights and conditions under which a membership into the IPC is granted and preserved, shall be set, from time to time, in a policy of the Board.

Article 11 REGIONAL GOVERNING STRUCTURE

Section 11.1 Regions
The United States and its Territories will be divided into seven regions.

11.1.1 States Covered by Each Region
The regions will be as follows:
Region 1
Region 2
1) Arizona 2) Hawaii 3) Southern California 4) Southern Nevada
Region 3
Region 4
Region 5
1) Alabama 2) Arkansas 3) Louisiana 4) Mississippi 5) Oklahoma 6) Tennessee 7) Texas
Region 6
Region 7
1) North Carolina 2) South Carolina 3) Georgia 4) Florida

Section 11.2 Regional Committee
Each region of SHPE will have a Regional Committee whose sole purpose is to coordinate and execute the mission of SHPE locally among chapters and community members. Each regional committee shall be made up of at least one of the following positions:

11.2.1 Regional Vice Presidents
The Regional Vice President will represent the professional membership and lead the regional committee for their perspective region. He/she shall communicate
business to the region’s professional chapters and communicate business from them to the regional committee and the member representative on the Board. He/she shall meet with the local chapter leaders within the region at least twice a year. The RVP shall serve a term of two years. If the RVP is re-elected and serves 3 consecutive terms, he or she cannot run or be elected to an additional term until after they have taken at least 1 year off from serving in that role.

11.2.2 Regional Student Representative
The Regional Student Representative will represent the undergraduate student membership within a region. He/she shall communicate business to the Regional Student Chapters and communicate business from them to the student assembly, regional committee. He/she shall meet with the local student chapter leaders within the region at least twice a year. The RSR term shall last one year.

11.2.3 Regional Graduate Representative
The Regional Graduate Representative will represent the graduate student membership within a region. He/she will communicate business to the student assembly (defined in Section 10.2.2). He/she shall meet with the local chapter leaders within the region at least twice a year. The RGR term shall last one year.

11.2.4 Regional Junior Representative
The Regional Junior Representative must be a STEM professional or educator and will represent the junior membership within a region. He/she will communicate business to the Junior Chapter Advisors. He/she shall meet with the local Junior Chapter Advisors within the region at least twice a year. He/she shall work with the Regional Committee and communicate with the Regional Vice President. The term of the RJR shall be two years. If the RJR is re-appointed and serves 3 consecutive terms, he or she cannot run or be elected to an additional term until after they have taken at least 1 year off from serving in that role.

Section 11.3 Student Assembly:
The Student Assembly shall consist of the RSRs and RGRs and shall be headed by the two National Undergraduate Representatives, and the National Graduate Representative. The assembly shall meet at least twice a year. The assembly shall have the power to form student policy pending National Board approval.

Article 12 ELECTION OF DESIGNATED DIRECTORS AND ELECTION OF REGIONAL COMMITTEE MEMBERS

Section 12.1 Elections
The Elections Committee shall conduct a process for the election of candidates to the Designated Board positions as well as election of Regional Committee positions.
Section 12.2 Timing of Nominations, Elections & Assumption of Office
Election process shall commence in February and ballot counting shall conclude by May 31st of each year. A list of all candidates who qualified to be on a ballot for election to a Designated Director position and the election results for each of those candidates must be provided to the Board Secretary by June 1st of each year. Newly elected regional committee members will assume their official capacities on the first day of July in the year in which they were elected.

Section 12.3 Record Date for Associate Members
Any professional, and graduate member whose dues are received by Feb 15th to the SHPE National Office, and any Student Chapter in good standing by Feb 15th as determined by the policies and procedures, shall be eligible to vote in the election for candidates to regional offices and Designated Director positions on the Board.

Section 12.4 Election Results
Candidates receiving the highest number of votes for regional committee members shall be declared the winners provided that the number of votes cast for the successful candidate must exceed 5% of those eligible to participate in the election process. In the case no candidate receives the appropriate level of votes or in case of a tie, the Board shall appoint the candidate to the regional committee positions. Regional Committee positions that do not complete their term or are left vacant shall be filled by appointment by the Board with recommendations from the existing members of the Regional Committee.

Section 12.5 Nomination and Election of STEM Professional Designated Directors
Each eligible professional, graduate member, and chartered student chapter shall have one vote for each nominee for a STEM Professional Designated Director position open and posted for the election process. A candidate may nominate him/herself with a petition and five signatures from eligible general members. An eligible associate member may also nominate a candidate with a petition and five signatures from eligible general members. The name of the candidates and the five signatures must be submitted before the deadline to the Elections Committee.

Section 12.6 Nomination and Election of Regional Vice-President and Appointment of the Regional Junior Representative
The Regional Vice-President (RVP) shall be elected by a regional vote of eligible professional, graduate student members, and chartered student chapters. Each eligible general member, and each chartered student chapter shall have one vote. The Regional Junior Representative (RJR) shall be appointed by the Regional Committee. RVP and RJR candidates must be a current resident of the relevant region, must have been a resident within the region for at least six months and must have been a regular member in good standing for at least six months. The presidents of the professional chapters of each region shall form, two months before the elections, a nominating committee among themselves to nominate one or more candidates for RVP for their respective regions and submit,
before the deadline, the name(s) to the Elections Committee. Nominees for the positions of RVP can also be made with a petition and the five signatures of eligible associate members within the relevant region, which must be submitted, before the deadline, to the Elections Committee. The election for RVPs will be organized and directed by the Elections Committee. The Regional Committee will set the process for its appointment of RJRs. Elected RVP positions that do not complete their term or are left vacant shall be filled by appointment by the Board with recommendations from the existing members of the Regional Committee.

Section 12.7 Nomination and Election of National Undergraduate Representatives

Each eligible student Chapters will have the opportunity to cast votes for the election of the two National Undergraduate Representatives (NURs) Designated Director positions. The elections shall be organized and directed by the Elections Committee. A candidate may nominate him/herself with a petition and five undergraduate student member signatures or an undergraduate student member may nominate a candidate with a petition and five signatures of undergraduate student members.

Section 12.8 Nomination and Election of National Graduate Representatives

Each Graduate Student Member will have the opportunity to cast a vote for the National Graduate Representative (NGR) Designated Director position. The election shall be organized and directed by the Elections Committee. A candidate may nominate him/herself with a petition and five graduate student member signatures or a graduate student member may nominate a candidate with a petition and five signatures of graduate student members.

Article 13 TRANSACTIONS BETWEEN CORPORATION AND DIRECTORS OR OFFICERS

Section 13.1 Contracts with Directors and Officers

13.1.1 Prohibited Transactions

The Corporation shall not be a party to any contract or transaction:

(a) In which one or more of its Directors or officers has a material financial interest, or;

(b) With any corporation, firm, association, or other entity in which one or more Directors or officers has a material financial interest, or;
(c) With any corporation, firm, association, or other entity (other than a California nonprofit public benefit corporation) in which one or more of its Directors is a member; unless:

(1) The material facts concerning the contract or transaction and such Director’s or officer’s financial interest or common Directorship are fully disclosed in good faith and are noted in the minutes;

(2) Prior to authorizing or approving the contract or transaction, the board considers and in good faith determines after reasonable investigation that the Corporation could not obtain a more advantages arrangement with reasonable investigation under the circumstances or that the contract or transaction implements a charitable program of the Corporation;

(3) The Corporation enters into the contract or transaction for its own benefit;

(4) The contract or transaction is fair and reasonable to this Corporation or implements a charitable program of the Corporation at the time the contract or transaction is entered into, and;

(5) Such contract or transaction is authorized or approved in good faith by a majority of disinterested Directors at the meeting with any interested Directors abstaining from voting, provided that majority has decision making authority under the quorum provisions of Section 7.9 of Article 7.

13.1.2 Material Financial Interest
A Director or officer of this Corporation shall not be deemed to have a “material financial interest” in a contract or transaction:

(a) that fixes the compensation of a Director as a Director or officer;

(b) that is authorized by the Board in good faith and results in a benefit to a Director or their families because they are in the class of persons intended to be benefited by the charitable program of this Corporation; or

(c) where the interested Director has no actual knowledge of the transaction and it does not exceed the lesser of one (1) percent of the gross receipts of the Corporation for the preceding year or $100,000.

Section 13.2 Loans to Directors and Officers
The Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or officer, unless approved by the Attorney General of
the State of California; provided, however, the Corporation may advance money to a Director or officer of the Corporation for expenses reasonable anticipated to be incurred in the performance of duties of such Director or officer, provided that in the absence of such advance, such Director or officer would be entitled to be reimbursed for such expenses by the Corporation.

Section 13.3 Interlocking Directorates
No contract or other transaction between the Corporation and any California nonprofit public benefit corporation of which one or more Directors are Directors is either void or voidable because such Director(s) are present at a meeting of the Board that authorizes, approves, or ratifies the contract or transaction, if the material facts as to the transaction and as to such Director’s other Directorship are fully disclosed to the Board, and the Board authorizes, approves, or ratifies the contract or transaction in good faith by a vote of disinterested Directors at the meeting (subject to the quorum provisions of Article 7), or if the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved, or ratified.

Section 13.4 Duty of Loyalty; Construction with Article 14
Nothing in this Article shall be construed to derogate in any way from the absolute duty of loyalty that every Director and officer owes to the Corporation. Furthermore, nothing in this Article shall be construed to override or amend the provisions of Article 14. All conflicts between the two articles shall be resolved in favor of Article 14.

Article 14 INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Section 14.1 Definitions
For purpose of this Article,

14.1.1 “Agent”
means any person who is or was a Director, officer, employee, or other agent of this Corporation, or is or was serving at the request of this Corporation as a Director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Director, officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of this Corporation or of another enterprise at the request of the predecessor corporation;

14.1.2 “Proceeding”
means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and
14.1.3 “Expenses”
includes, without limitation, all attorneys’ fees, costs, and any other expenses reasonably incurred in the defense of any claims or proceedings against an Agent by reason of his position or relationship as Agent and all attorneys’ fees, costs, and other expenses reasonably incurred in establishing a right to indemnification under this Article 14.

Section 14.2 Successful Defense by Agent
To the extent that an Agent of this Corporation has been successful on the merits in the defense of any proceeding referred to in this Article 14, or in the defense of any claim, issue, or matter therein, the Agent shall be indemnified against expenses actually and reasonably incurred by the Agent in connection with the claim. If an Agent either settles any such claim or sustains a judgment rendered against him, then the provisions of Sections 14.3 through Section 14.5 shall determine whether the Agent is entitled to indemnification.

Section 14.3 Actions Brought by Persons Other than the Corporation
Subject to the required findings to be made pursuant to Section 14.5, below, this Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding by reason of the fact that such person is or was an Agent of this Corporation, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding. Notwithstanding the foregoing, no indemnification shall be permitted under this Section 14.3 for any action brought by, or on behalf of this Corporation, or by an officer, Director or person granted relator status by the Attorney General, or by the Attorney General on the ground that the defendant Director was or is engaging in self-dealing within the meaning of Section 5233 of the California Nonprofit Corporation Law, or by the Attorney General or person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust.

Section 14.4 Action Brought by or on Behalf of the Corporation

14.4.1 Claims Settled Out of Court
If any Agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of this Corporation, with or without court approval, the Agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses reasonably incurred in defending against the proceeding, unless it is settled with the approval of the Attorney General.

14.4.2 Claims and Suits Awarded Against Agent
This Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action brought by or on behalf of this Corporation by reason of the fact that the person is or was an Agent of this Corporation, for all expenses actually and reasonably
incurred in connection with the defense of that action, provided that both of the following are met:

(a) The determination of good faith conduct required by Section 14.5 of this Article 14, must be made in the manner provided for in that Section; and

(b) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the Agent should be entitled to indemnity for the expenses incurred. If the Agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 14.5 Determination of Agent’s Good Faith Conduct

The indemnification granted to an Agent in Section 14.3 and Section 14.4 above is conditioned on the following:

14.5.1 Required Standard of Conduct

The Agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he or she believed to be in the best interest of this Corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner he or she reasonably believed to be in the best interest of this Corporation or that he or she had reasonable cause to believe that his conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that his conduct was unlawful.

14.5.2 Manner of Determination of Good Faith Conduct

The determination that the Agent did act in a manner complying with Section 14.5.1 above shall be made by:

(a) The Board by a majority vote of a quorum consisting of Directors who are not parties to the proceeding; or

(b) The court in which the proceeding is or was pending. Such determination may be made on application brought by this Corporation or the Agent or the attorney or other person rendering a defense to the Agent, whether or not the application by the Agent, attorney, or other person is opposed by this Corporation.

Section 14.6 Limitations

No indemnification or advance shall be made under this Article 14, except as provided in Sections 14.2 or 14.4.2, in any circumstances when it appears:
(a) That the indemnification or advance would be inconsistent with a provision of the Articles of Incorporation, as amended, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 14.7 Advance of Expenses
Expenses incurred in defending any proceeding may be advanced by this Corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it is determined ultimately that the Agent is entitled to be indemnified as authorized in this Article 14.

Section 14.8 Contractual Rights of NonDirectors and Nonofficers
Nothing contained in this Article 14 shall affect any right to indemnification to which persons other than Directors and officers of this Corporation, or any subsidiary hereof, may be entitled by contract or otherwise.

Section 14.9 Insurance
The Board may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any Agent of the Corporation, as defined in this Article 14, against any liability asserted against or incurred by any Agent in such capacity or arising out of the Agent’s status as such, whether or not this Corporation would have the power to indemnify the Agent against the liability under the provisions of this Article 14.

Article 15 CORPORATE RECORDS AND REPORTS

Section 15.1 Minute Book – Maintenance and Inspection
The Corporation shall keep a minute book in written form at its principal office which shall contain a record of all actions by the Board or any committee including the time, date and place of each meeting; whether a meeting is regular or special and, if special, how called; the manner of giving notice of each meeting and a copy thereof; the names of those present at each meeting of the Board or the executive committee thereof; the minutes of all meetings; any written waivers of notice, consents to the holding of a meeting or approvals of the minutes thereof; all written consents for action without a meeting; all protests concerning lack of notice; and formal dissents from Board actions.

Section 15.2 Books and Records of Account – Maintenance and Inspection
The Corporation shall keep adequate and correct books and records of account to be kept at its principal office. “Correct books and records” includes, but is not
necessarily limited to: accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains, and losses.

Section 15.3 Articles of Incorporation and Bylaws – Maintenance and Inspection
The Corporation shall keep at its principal office, the original or a copy of its Articles of Incorporation and Bylaws as amended to date.

Section 15.4 Annual Report; Statement of Certain Transactions
The Board shall cause an annual report to be sent to each Director within one hundred and twenty (120) days after the close of the Corporation’s fiscal year containing the following information:

(a) The assets and liabilities of the Corporation as of the end of the fiscal year;

(b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;

(c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for this fiscal year;

(d) The expenses or disbursements of the Corporation for both general and restricted purposes during the fiscal year;

(e) A statement of any transaction (1) to which the Corporation, its parent, or its subsidiary was a party, (2) which involved more than $50,000 or which was one of a number of such transactions with the same person involving, in the aggregate, more than $50,000, and (3) in which either of the following interested persons had a direct or indirect material financial interest (a mere common Directorship is not a financial interest):

(1) Any Directors or officer of the Corporation, its parent, or its subsidiary;

(2) Any holder of more than 10 percent of the voting power of the Corporation, its parent, or its subsidiary.

(f) The statement shall include: (i) a brief description of the transaction; (ii) the names of interested persons involved; (iii) their relationship to the Corporation; (iv) the nature of their interest in the transaction, and; (v) when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

(g) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than $10,000
paid during the fiscal year to any officer or Director of the Corporation under Article 10 of these Bylaws.

Section 15.5  Directors’ Rights of Inspection
Every Director shall have the absolute right at any reasonable time to inspect the Corporation’s books, records, documents of every kind, physical properties, and the records of each of its subsidiaries. The inspection may be made in person or by the Director’s agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

Article 16  EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

Section 16.1  Execution of Instruments
The Board, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no Director, associate or other designated member, officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 16.2  Checks and Notes
Except as otherwise specifically determined by resolution of the Board, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Corporation shall be signed by the Chief Financial Officer and countersigned by the Chief Executive Officer of the Corporation.

Section 16.3  Deposits
All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may select.

Section 16.4  Gifts
The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the charitable or public purposes of this Corporation.

Article 17  MISCELLANEOUS

Section 17.1  Fiscal Year.
The fiscal year of the Corporation shall commence on July 1 and end on June 30 of each year.
Article 18 AMENDMENTS

Section 18.1 Amendment by Directors:
The Board may propose to the membership an adoption, amendment or repeal of these Bylaws by a 2/3 vote. Such power is subject to the following limitations:

(a) The Board may not propose amendments to Bylaw provisions fixing the authorized number of Directors or establishing procedures for the nomination or appointment of Directors other than by a 4/5 super majority vote of all Directors.

(b) This Section may be proposed for amendment only by the unanimous vote of all Directors.

Section 18.2 Amendment Voting Process
The following procedure shall be followed for amending any portion of these Bylaws.

(a) The proposed amendment shall be submitted in writing to the Board of Directors for approval at a Board of Director's meeting.

(b) Subsequent to the Board of Directors' approval, a chairperson appointee shall distribute ballots to each eligible voting member within sixty days from the amendment's approval by the Board of Directors. Ballots received, by the appointee; within three weeks from the date of distribution shall constitute valid votes.

(c) A favorable vote of two-thirds of the responding voting membership shall be required to ratify the proposed amendment.

(d) The general membership shall be notified of the results within two weeks of the voting deadline.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of Society of Hispanic Professional Engineers, a California nonprofit public benefit corporation; that these Bylaws, consisting of 28 pages, are the Bylaws of this Corporation as adopted by the Board of Directors and approved by the Secretary of State on March 13, 2016. Executed on May 16, 2016 at Los Angeles, California.

[Signature]
Yuliana Porras Mendoza
Board Secretary