

**AMENDED AND RESTATED BYLAWS
OF
PRESCOTT COLLEGE, INC.
An Arizona nonprofit corporation
(Revised May 2020)**

Article I: Name and Location

Section 1. Name

The name of the corporation is Prescott College, Inc. (the “**Corporation**”).

Section 2. Governing Law

The Corporation is incorporated pursuant to and shall be governed by the Arizona Nonprofit Corporation Act, Arizona Revised Statutes, Title 10, Chapters 24-35 and Chapters 36-40. To the extent that any provision of these bylaws is inconsistent with laws in effect in the State of Arizona, state law shall control.

Section 3. Principal Office

The principal office of the Corporation is located in Prescott, Arizona.

Section 4. Other Offices

The Board of Trustees (the “**Board**”) may establish other offices within or without Arizona, as it deems advisable.

Article II: Primary Purpose

The primary purpose of the Corporation is to establish and maintain a college (the “**College**”) with the power to confer academic degrees, certificates, and honorary degrees, if authorized.

Article III: Members

If the Corporation’s articles of incorporation state that the Corporation has members, the members of the Corporation shall be the trustees elected to the Board and they shall act by and through the Board as provided in these bylaws.

Article IV: Board

Section 1. Principles of Governance

The Corporation shall be governed according to the general principles of inclusiveness, transparency, open access to information, and respect for all participants. To further the principles set forth in this Article IV, Section 1, the Board (a) shall deliver, or cause to be delivered, an annual “State of the College” report to the College community, (b) shall act in good faith to provide timely and appropriate information to the College community regarding material initiatives, plans, strategies, and issues relating to the mission and welfare of the

College, and (c) in conjunction with at least two regular Board meetings each year, provide an open forum for interested individuals from the College community to, orally or in writing, express their views, present information or ideas, or provide feedback directly to the Board.

All trustees shall exercise the fiduciary duties of care, loyalty, good faith, prudence, confidentiality, and disclosure with respect to all matters that come before the Board.

Section 2. Powers

The governing body of the Corporation shall be the Board. The Board is vested with all power and authority to do all things necessary or convenient to carry out the affairs of the Corporation in accordance with applicable law and to engage in any other lawful activity ancillary to the Corporation's purpose.

Section 3. Responsibilities

Responsibilities of the Board shall include, but not be limited to: (a) govern the Corporation in order to achieve its primary purpose, (b) select, appoint and remove the president of the College and determine conditions of the president's employment, duties, and compensation, (c) support and periodically assess the performance of the president, (d) charge the president with the task of leading a strategic planning process, participate in that process, approve a multi-year strategic plan, and monitor its progress, (e) ensure the Corporation's fiscal integrity, adopt an annual operating budget prior to the commencement of each fiscal year, preserve and protect its assets for posterity, and exercise fiduciary responsibility in all matters related to the annual budget, tuition, fees, investments, and endowments, (f) engage in fundraising, institute a development program that will help support the annual budget, capital campaigns, and planned-giving programs, (g) oversee the management of physical assets, (h) approve capital projects and the acquisition or disposition of real property in each case in excess of \$500,000, (i) ensure the educational quality of the College and its academic programs, (j) preserve and protect academic freedom, (k) ensure that institutional policies and processes are current and properly implemented, and review and approve all governing documents, (l) interact regularly with the Corporation's major constituencies, (m) conduct the Board's business in a prudent fashion and with appropriate transparency, (n) ensure the currency of Board governance policies and practices, (o) periodically assess the performance of the Board, its committees, and their respective members, (p) approve degrees and certificates upon recommendation of the faculty, and (q) grant honorary degrees recommended by the Governance Committee.

Section 4. Trustees and Numbers

The Board shall include no fewer than nine and no more than 25 trustees, and shall include one current full-time faculty member, two current students (one from a resident program and one from an on-line program), and one current full-time staff member (the "**Non-public Trustees**"). Non-public Trustees shall be appointed or elected by their constituent bodies.

Section 5. Method of Selection

Except for Non-public Trustees, new and incumbent trustees who are eligible for re-election shall be nominated by the Governance Committee and elected by a majority of the trustees then in office.

Section 6. Terms

To the extent possible, Board terms shall be staggered. Each term shall commence with the first meeting after the trustee is elected to the Board unless otherwise determined by the Board. Non-public Trustees shall serve for terms determined by their constituent bodies; provided, however, that no term shall exceed the limitations set forth in the following sentence. All other trustees shall serve for a three-year term, with the possibility of re-election to a maximum of three full consecutive terms. When a maximum number of terms is reached, a trustee may be re-elected to the Board for additional terms after a gap of one year. The Board may extend the term of a trustee who has served as an officer of the Board for one additional year in accordance with Article IV, Section 5.

Section 7. Resignation

Any trustee may resign at any time by submitting a written notice to the Board chair or secretary. Such resignation shall take effect at the time specified therein or within 30 days of the date of receipt.

Section 8. Removal

Any trustee may be removed from the Board by a two-thirds majority vote of the trustees at any regular or special meeting called expressly for that purpose. Any trustee proposed to be removed shall be entitled to reasonable notice and an opportunity to be heard.

Section 9. Emeriti Trustees

Upon recommendation of the Governance Committee, a trustee who served with exceptional distinction may be elected by a majority of the trustees then in office as a trustee emeritus. Trustees emeriti shall not have voting privileges, shall not be Board officers or standing committee chairs, and shall not be counted as part of quorum determinations, except as a duly appointed member of a Board committee. Trustees emeriti shall be subject to removal as outlined in Article IV, Section 8.

Article V: Board Meetings

Section 1. Regular Meetings

The Board shall have at least three regular meetings each year on such dates and at such places as it shall determine. At such meetings any business related to the authority of the Board may be discussed and transacted.

Section 2. Special Meetings

Special meetings may be held at the call of the Board chair, the president of the College, or any three trustees.

Section 3. Notice

Notice of the time and place of each regular and special meeting together with a proposed agenda and all available, pertinent material shall be made available to each trustee, including trustees emeriti, by regular mail, electronic mail, or provided by such other mechanism reasonably calculated to give actual notice of such meeting, not less than ten days before any regular scheduled meeting or any special meeting. A trustee may waive any notice required by state law, the articles of incorporation or these bylaws at any time. The waiver shall be in writing, signed by the trustee entitled to notice and delivered to the Board secretary for inclusion with the minutes or filing with the Corporation's records. A trustee's attendance at a meeting shall waive any objection to lack of notice or defective notice unless the trustee objects at the beginning of the meeting to holding the meeting or transacting business at the meeting or objects to consideration of a particular matter not addressed by the meeting notice at the time the matter is presented.

Written notice of all regular and special meetings of the Board shall be posted in a public place at the College or on the College's official website, at least ten days prior to the meeting. Except for executive sessions, all regular and special meetings of the Board shall be open. The secretary shall cause an executive summary of the minutes of each meeting approved by the president of the College and the chair of the Board to be posted in a public place at the College or on the College's official website within 30 days of each Board meeting.

Section 4. Remote Participation

Any trustee may participate in a meeting of the Board, or meetings of the Board may be held, by means of a conference telephone or similar communication mechanism that allows all persons participating in the meeting to hear each other simultaneously. Participation by such mechanism shall be equivalent to presence in person at the meeting.

Section 5. Quorum

A quorum for the transaction of business at meetings of the Board shall consist of a majority of the trustees. The trustees at any meeting, if constituting less than a quorum, may adjourn any meeting until such quorum shall be present.

Section 6. Manner of Acting

Except as otherwise provided in these bylaws, the articles of incorporation, or by law, a majority vote of those trustees present at any meeting at which a quorum is achieved shall constitute an action of the Board.

Section 7. Board Action without a Meeting

Any action required or permitted to be taken by the Board or by any committee may be taken without a meeting if the secretary or the committee chair, as the case may be, delivers a written ballot to every member entitled to vote on the matter setting forth each proposed action and (a) the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and (b) the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Voting may be conducted by electronic means that (i) authenticates the member's identity and the validity of each electronic vote, (ii) transmits a receipt to each member who casts an electronic vote, and (iii) stores electronic votes for recount, inspection and review purposes.

Section 8. Executive Sessions

Subject to the requirements of state law, the Board may hold any regular or special meeting, or any part thereof, in executive session with participation limited to trustees. Other individuals may be invited to attend all or portions of an executive session as deemed necessary by the Board chair.

Article VI: Board Officers

Section 1. Officers of the Board

The officers of the Board shall be the chair, vice chair, secretary, and treasurer. The Board may establish additional officers of the Board as it deems necessary. All officers of the Board shall be trustees and shall be nominated by the Governance Committee and elected by a majority vote of the trustees at any regular or special meeting of the Board expressly called for that purpose.

The Board may also approve one or more assistant treasurers, assistant secretaries, and such other officers as may be deemed necessary for the proper management of the Corporation. Assistant officers need not be trustees. Any of the duties or powers of the secretary or treasurer may be assigned by him/her to an assistant secretary or treasurer selected from the staff of the College who shall be responsible to and report to the secretary or treasurer, as the case may be.

Section 2. Chair

The chair shall preside at all Board meetings, have the right to vote on all questions, and otherwise serve as spokesperson for the Board. The Board chair shall serve as chair of the

Executive Committee and as an *ex officio* voting member of all other standing committees of the Board except the Audit Committee.

Section 3. Vice Chair

In the absence of the chair, the vice chair shall perform the duties of the office of the chair, including presiding at Board and Executive Committee meetings. The vice chair shall have other duties as may be assigned by the Board or the chair from time to time.

Section 4. Secretary

The secretary shall (a) notify the Board and committee members of meetings, (b) prepare and maintain meeting minutes of the Board, (c) prepare and post summaries of meeting minutes, (d) be responsible for authenticating records of the Corporation, (e) oversee all voting within the Board, and (f) maintain records of Board and committee actions.

Section 5. Treasurer

The treasurer of the Board shall also serve as the chair of the Finance Committee. The treasurer shall cause to be kept full and accurate accounts of all funds, property, and accounts of the Corporation. The treasurer shall cooperate with any independent auditors retained by the Board for the purpose of conducting audits of Corporation.

Section 6. Terms of Officers

Officers shall serve for a two-year term with a possibility of re-election to a maximum two full consecutive two-year terms. Any officer whose term has ended may serve until a successor has been elected by the Board.

Section 7. Resignation of Officers

Any Board officer may resign at any time by submitting a written notice to the Board chair or secretary. Such resignation shall take effect at the time specified therein or within 30 days of the date of receipt.

Section 8. Removal of Officers

Any officer may be removed from such office by a two-thirds majority vote of the trustees at any regular or special meeting of the Board called expressly for that purpose.

Article VII: College President

The president is the chief executive officer of the College. The president shall be appointed by the Board and shall serve at the pleasure of the Board. The president may be removed from office only by a two-thirds majority of trustees then in office at a meeting called expressly for that purpose. The president shall be responsible for the supervision and management of the College, for the duties mandated by the Board and these bylaws, for

interpreting and implementing the policies of the College and the Board, and for providing such information to the Board as may be necessary to achieve the College's objectives.

Article VIII: Board Committees

Section 1. Standing and Ad Hoc Committees

The Board shall establish such standing and ad hoc committees as it deems appropriate to discharge its responsibilities. Standing committees may include, but are not limited to, the following: Executive Committee, Governance Committee, Finance Committee, Audit Committee, Development Committee, and Academic and Student Affairs Committee. Each committee shall have a written statement of purpose and primary responsibilities approved by the Board, and such rules of procedure or policy guidelines as it or the Board, as appropriate, may approve.

Section 2. Committee Membership

All committee chairs and a majority of each committee shall be trustees but non-trustees may be appointed to each committee. Each committee shall have a chair who shall serve for two-year terms. Except as otherwise limited by these bylaws, the chair and all other members of each standing committee shall be recommended by the Board chair and approved by the Board. Each committee shall have at least three voting members. The president of the College shall be an *ex officio*, non-voting member of all committees except the Audit Committee. Each committee shall have a faculty or administrative staff member, designated by the president of the College, to assist with its work. A majority of the voting members on a committee shall constitute a quorum.

Section 3. Executive Committee

The Executive Committee shall have not more than seven voting members, all of whom shall be trustees, plus the president, who shall be an *ex officio* member without a vote. The Executive Committee shall be composed of the Board chair, vice chair, secretary, treasurer, and such other trustees as may be appointed by the chair and approved by the Board. The Executive Committee shall have the authority of the Board in the management of the business of the Corporation in the interval between meetings of the Board only to the extent of taking necessary actions in cases when the Board cannot act in a timely fashion or in instances where the health, safety, and security of the Corporation or individuals associated with it are immediately threatened or when otherwise specifically authorized by the Board.

Section 4. Governance Committee

The purpose of the Governance Committee is to determine the most effective composition of the Board and to develop practices and policies that enhance Board performance. The primary responsibilities of the Governance Committee are (a) nominating new trustees, existing trustees eligible for re-election, trustees emeriti, and Board officers, (b) establishing

and maintaining standards of trustee and Board conduct, (c) developing and facilitating trustee recruitment, (d) ensuring that trustees have adequate orientation and ongoing education, (e) assessing the performance of the Board and trustees, (f) developing, maintaining and updating Board policies, and (g) periodically reviewing and ensuring compliance with these bylaws and other Board policies.

Section 5. Finance Committee

The purpose of the Finance Committee is to oversee the integrity of the Corporation's financial operations, long-term economic health, and allocation of resources. The primary responsibilities of the Finance Committee are (a) developing financial policies and metrics appropriate for the Board to measure the financial health of the Corporation, (b) monitoring financial performance, including compliance with all financial reporting requirements, (c) reviewing and recommending operating budgets, (d) reviewing and recommending plans for borrowing, (e) ensuring that accurate and complete financial records are maintained, (f) ensuring that timely and accurate financial information is presented to the Board, and (g) overseeing the endowment and other investments and accounts.

Section 6. Audit Committee

The purpose of the Audit Committee is to oversee the Corporation's financial practices and standards of conduct. The Audit Committee is responsible for (a) overseeing the external financial audit, (b) ensuring compliance with legal and regulatory requirements, and (c) monitoring internal controls and risk-management systems. The Audit Committee shall have authority, through its chair upon the direction of the committee, to (i) ask management to address specific issues within the mandate of the committee, and (ii) engage independent legal counsel and other professional advisers to carry out its duties. The Audit Committee chair shall not be a member of the Finance Committee. Neither the president of the College nor the chair of the Board shall be a member of the Audit Committee. No member of the Audit Committee may accept any consulting, advisory, or other compensatory fee from the Corporation and no member of the Audit Committee can be affiliated with the Corporation or its administration. The chief financial officer of the College shall serve as staff to the Audit Committee.

Section 7. Academic and Student Affairs Committee

The purpose of the Academic and Student Affairs Committee is to oversee educational quality. The primary responsibilities of the committee are (a) monitoring (i) learning goals and outcomes, (ii) program quality, and instructional and program accreditation, (iii) policies and procedures related to faculty compensation, appointment, tenure, and promotion, (iv) academic planning, (v) the structure of the academic program, (vi) budgets for academic programs and services; and (b) developing policies and procedures for student well-being.

Section 8. Development Committee

The purpose of the Development Committee is to assist the Board in all areas relating to development, fundraising and alumni relations and to provide Board oversight of and support to the Office of Advancement and Alumni Relations. The primary responsibilities of the committee are (a) monitoring development plans and progress, (b) assisting in developing and reviewing fundraising policies and procedures, (c) supporting alumni relations plans, (d) monitoring donations to ensure that all trustees make an annual gift to the College, and providing leadership by making their own gifts, and (e) participating in identifying, engaging and stewarding major donors.

Article IX: Conflicts of Interest

Section 1. Conflict of Interest Policy

Trustees must act in accordance with applicable state laws and regulations, these bylaws, and the Corporation's Conflict of Interest Policy. The Board shall adopt and revise, as appropriate, the Conflict of Interest Policy. Each provision of this article shall apply to all trustees, trustees emeriti, and all members of Board committees; provided, however that notwithstanding anything to the contrary in Article IX, Section 3 or in the Corporation's Conflict of Interest Policy, salaries, stipends, and financial aid received by a Non-public Trustee or committee member from the Corporation shall not constitute a conflict of interest.

Section 2. Definition

Subject to the Conflict of Interest Policy, a trustee or committee member shall be considered to have a conflict of interest if he, she, or they, or persons or entities with which he, she, or they is affiliated; has a direct or indirect interest that may impair or may reasonably appear to impair his, her or their independent, unbiased judgement in the discharge of his, her or their responsibilities to the Corporation.

Section 3. Voting

Trustees and committee members shall disclose to the committee or the Board, as the case may be, any actual, apparent, or possible conflict of interest at the earliest practical time. A trustee or committee member who has made such a disclosure shall abstain from voting on such matters. Subject to the Conflict of Interest Policy, the trustee or committee member may be invited by the committee or the Board, as the case may be, to participate in the discussion. The relevant minutes shall reflect that a disclosure was made and note the trustee's or committee member's abstention from voting. The trustee or committee member who is recused may be counted for purposes of determining the presence of a quorum at the meeting but shall not be counted for purposes of determining the presence of a quorum for the related Board action.

Section 4. Annual Disclosure

In accordance with the Conflict of Interest Policy, every trustee and committee member shall complete and sign a disclosure form on an annual basis and update that form as promptly as possible following knowledge of conditions that may create a possible conflict of interest.

Section 5. Compensation

Trustees serve as volunteers and are not compensated for their services. They may be reimbursed for transportation and other direct expenses while engaged in the discharge of their official Board duties to the extent approved by the Executive Committee prior to the incurrence of any such expense.

Article X: Indemnification

Section 1. Indemnification against Expenses

The Corporation shall, to the extent legally permissible, indemnify each of its trustees and officers against all liabilities and expenses (including legal fees) reasonably incurred in connection with the defense of any action, suit, or other proceeding (whether civil, criminal, administrative, or investigative) to which he, she, or they has been made a party by reason of being or having been a trustee or officer, provided he, she, or they acted in good faith and in a manner reasonably believed to be in the best interests of the Corporation. Trustees and officers shall not be entitled to indemnification for acts that are adjudicated in such action, suit, or proceeding to be the result of gross negligence or willful misconduct in the performance of duty. The Corporation shall also maintain directors' and officers' liability insurance coverage.

Section 2. Advance Payment of Expenses

Expenses, including legal fees, reasonably incurred by any trustee or officer in connection with the defense or disposition of any action, suit, or other proceeding in accordance with Article X Section 1 above may be paid from time to time by the Corporation in advance of the final disposition thereof under the condition that the trustee or officer repay such advanced fees and costs if it is ultimately determined that the trustee or officer is not entitled to be indemnified by the Corporation as authorized by these bylaws.

Section 3. Eligibility for Indemnification

The Board may in its discretion and to the extent legally permissible, authorize, purchase and maintain insurance on behalf of any person not otherwise entitled to indemnification hereunder, who is an employee or other agent of the Corporation or who serves at the request of the Corporation as an employee or other agent of an organization in which the Corporation has an interest.

Section 4. Personal Liability

Trustees and officers shall not be personally liable for any debt, liability, or obligation of the Corporation. All persons, corporations, or other entities extending credit to, contracting with or having any claim against the Corporation may look only to the funds and property of the Corporation for the payment of any such contract or claim, or for the payment of any debt, damages, judgement, or decree, or of any money that otherwise becomes due or payable to them from the Corporation.

Section 5. Miscellaneous

The forgoing rights of indemnification and advancement of expenses shall not be exclusive of any other rights to which any trustee, officer or employee may be entitled, under any other bylaws, agreement, vote of disinterested trustees, or otherwise, and shall continue as to a person who has ceased to be a trustee, officer, or employee and shall inure to the benefit of the heirs, executors and administrators of such a person.

Article XI: Amendments to Bylaws

These bylaws may be amended at any meeting of the Board called expressly for that purpose by a three-fourths majority of trustees then in office.

Article XII: Miscellaneous Provisions

Section 1. Fiscal Year

The fiscal year of the Corporation begins on July 1 of each year and ends on June 30 of the succeeding year.

Section 2. Nondiscrimination

The Corporation does not discriminate in its educational and employment policies against any person on the basis of gender, race color religion, age, disability, sexual orientation, national or ethnic origin, or on any other basis proscribed by federal, state, or local laws.