

**APPENDIX A8.0 SHERWOOD MONTESSORI BYLAWS**

**BYLAWS  
OF  
Sherwood Montessori  
A CALIFORNIA PUBLIC BENEFIT CORPORATION**

**ARTICLE 1  
OFFICES**

**SECTION 1. PRINCIPAL OFFICE**

The principal office of the corporation for the transaction of its business is located in Butte County, California.

**SECTION 2. CHANGE OF ADDRESS**

The county of the corporation's principal office can be changed only by amendment of these Bylaws and not otherwise. The Board of Directors may, however, change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed an amendment of these Bylaws:

\_\_\_\_\_ Dated: \_\_\_\_\_

\_\_\_\_\_ Dated: \_\_\_\_\_

\_\_\_\_\_ Dated: \_\_\_\_\_

**SECTION 3. OTHER OFFICES**

The corporation may also have offices at such other places, within or without the State of California, where it is qualified to do business, as its business may require and as the Board of Directors may, from time to time, designate.

**ARTICLE 2  
PURPOSES**

**SECTION 1. PURPOSE AND OBJECTIVES**

The purpose of the Sherwood Montessori is to provide Montessori education within the context of mutual respect and joy.

The primary objectives and purposes of this corporation shall be:

1. To serve our community by providing a rich and supportive educational environment for children based upon the philosophy of Maria Montessori, that allows each child to reach his/her own potential academically, personally, and socially;
2. To provide high quality before and after school programs for our students;
3. To promote an active partnership between parents and teachers in the education of children;
4. To serve the educational community by providing learning opportunities in Montessori methods for teachers, parents and other adults.

### **ARTICLE 3 BOARD OF DIRECTORS**

#### **SECTION 1. NUMBER OF DIRECTORS**

As a community school, the governance of the corporation will reflect both the interests of the parents of the students attending Sherwood Montessori and the greater community. The corporation shall have seven Board Members and collectively they shall be known as the Board of Directors. The number may be changed by amendment of this Bylaw, or by repeal of this Bylaw and adoption of a new Bylaw, as provided in these Bylaws.

#### **SECTION 2. SELECTION**

The Board of Directors will be selected in the following way:

1. An Elections Committee, appointed by the Board of Directors, will accept applications for potential candidates. The Elections Committee shall be made up of two current members of the Board of Directors with terms that extend beyond the current year and one member of the Sherwood Montessori Parent Organization (SMPO);
2. The Elections Committee shall review applications and present a slate of candidates for consideration to the SMPO at the annual meeting in May. Voting will be carried out by the SMPO in consultation with the Elections Committee. Interim appointment shall be done in accordance with Article 4 Section 10 of these by-laws;
3. The top vote getter in the event of one seat being open or vote getters in the event of more than one seat being open shall win;
4. In the event of a tie, the deciding votes will be made by the Elections Committee.
5. New Directors will be announced before the end of the school year and will assume duties at the June meeting.

#### **SECTION 3. POWERS**

This corporation is subject to the provisions of the California Nonprofit Public Benefit Corporation law and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the Board of Directors of this corporation. The activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

#### **SECTION 4. DUTIES**

It shall be the duty of the Board of Directors to:

1. Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these Bylaws;
2. Register their addresses with the Secretary of the corporation and notices of meetings mailed to them at such addresses shall be valid notices thereof;
3. Appoint and remove officers of the corporation;
4. Employ, discharge and provide guidance to the Director of the school who shall be authorized to manage day to day operations of the corporation on behalf of the Board of Directors.

## **SECTION 5. TERMS OF OFFICE**

Each member of the Board of Directors shall hold office for a term of three years, for a maximum of two terms (six years). Renewal of the three-year terms shall be done at the SMPO meeting for election of the Board of Directors as specified in these Bylaws.. The initial term of office of the Board of Directors shall be three years with staggered terms of approximately one third of the Board of Directors to one, two, and three year terms. Upon expiration of those designated terms the term of each newly elected Board of Directors shall continue for three years.

## **SECTION 6. COMPENSATION**

Directors shall serve without compensation. In addition, they shall be allowed reasonable reimbursement of expenses incurred in the performance of their regular duties as specified in Section 4 of this Article. Directors may not be compensated for rendering services to the corporation in any capacity unless such other compensation is reasonable and is allowable under the provisions of Section 6 of this Article.

## **SECTION 7. RESTRICTION REGARDING INTERESTED DIRECTORS**

The Governing Board desires to maintain the highest ethical standards and help ensure that decisions are made in the best interest of the school and the public. Accordingly, no Board member, school employee, or other person in a designated position shall participate in the making of any decision for the school when the decision will or may be affected by his/her financial, family, or other personal interest or consideration. Even if a prohibited conflict of interest does not exist, a Board member shall abstain from voting on personnel matters that uniquely affect his/her relatives. Relative means an adult who is related to the Board member by blood or affinity within the third degree, as determined by the common law, or an individual in an adoptive relationship within the third degree. A relationship within the third degree includes an individual's parents, grandparents, great-grandparents, children, grandchildren, great-grandchildren, brothers, sisters, aunts, uncles, nieces, nephews, and the similar family of the individual's spouse/registered domestic partner unless the individual is widowed or divorced.

## **ARTICLE 4 MEETINGS**

### **SECTION 1. MEETINGS**

Meetings shall be held at the principal office of the corporation or as otherwise provided by the Board of Directors.

Any meeting, regular or special, may be held by conference telephone, electronic video screen communication, or other communications equipment. Participation in a meeting

through use of conference telephone constitutes presence in person at that meeting so long as all Directors participating in the meeting are able to hear one another. Participation in a meeting through use of electronic video screen communication or other communications equipment (other than conference telephone) constitutes presence in person at that meeting if all of the following apply:

1. Each Director participating in the meeting can communicate with all of the other Directors concurrently;
2. Each Director is provided the means of participating in all matters before the board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation;
3. The corporation adopts and implements some means of verifying: 1) that all persons participating in the meeting are Directors of the corporation or are otherwise entitled to participate in the meeting, and 2) that all actions of, or votes by, the board are taken and cast only by Directors and not by persons who are not Directors.

## **SECTION 2. REGULAR AND ANNUAL MEETINGS**

Regular meetings of Board of Directors shall be held at least monthly on a day and time which is agreed upon by the Directors and/or may be changed by agreement of all the Directors. The Board of Directors shall conduct an annual meeting each June. In addition to other items as necessary, the annual meeting shall include the review of the School Director and final approval of the annual budget.

## **SECTION 3. SPECIAL MEETINGS**

Special meetings of the Board of Directors may be called by the Chair of the board, or by the Director of the school. Such meetings shall be held at the place, within or without the State of California, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the corporation. The Board of Directors will not call a special meeting to discuss the salary, salary schedule, or compensation paid in the form of fringe benefits for the Director or the head of any of its departments.

## **SECTION 4. NOTICE OF MEETINGS**

The Board of Directors shall meet in a public space generally on a monthly basis. The dates for the regular meetings shall be announced by the Secretary and posted no later than July 31 of each year. All meetings shall be open to the public. Written notice of general meetings shall be mailed or e-mailed to all members in advance. Written notice of Committee Meetings shall be mailed or e-mailed to committee members in advance.

## **SECTION 5. WAIVER OF NOTICE AND CONSENT TO HOLDING MEETINGS**

The transactions of any meeting of the board, however called and noticed, or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as hereinafter defined, is present and provided that either before or after the meeting each Director not present signs a waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

## **SECTION 6. QUORUM FOR MEETINGS**

A quorum shall consist of a majority of Directors. Except as otherwise provided in these

Bylaws, or in the Articles of Incorporation of this corporation, or by law, no business shall be considered by the board at any meeting at which a quorum, as hereinafter defined, is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn. However, a majority of the Directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the board.

When a meeting is adjourned for lack of a quorum, it shall not be necessary to give any notice of the time and place of the adjourned meeting, or of the business to be transacted at such meeting, other than by announcement at the meeting at which the adjournment is taken, except as provided in Section 10 of this Article.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business, notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of this corporation.

## **SECTION 7. MAJORITY ACTION AS BOARD ACTION**

Every act done or decision made by a majority of the Directors present at a meeting duly held at which a quorum is present, is the act of the Board of Directors. This is always the case unless the Articles of Incorporation or Bylaws of this corporation, or provisions of the California Nonprofit Public Benefit Corporation Law, particularly those provisions relating to appointment of committees (Section 5212), approval of contracts or transactions in which a Director has a material financial interest (Section 5233) and indemnification of Directors (Section 5238e), require a greater percentage or different voting rules for approval of a matter by the board.

## **SECTION 8. CONDUCT OF MEETINGS**

Meetings of the Board of Directors shall be presided over by: the Chair of the Board, or, if no such person has been so designated or, in his or her absence, by the Vice-Chair of the Board or, in the absence of each of these persons, by a Chair chosen by a majority of the Directors present at the meeting. The Secretary of the Board 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 Robert's Rules of Order as such rules may be revised from time to time, 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.

### **Meeting Procedures**

All Sherwood Board of Directors meetings shall begin on time and shall be guided by an agenda prepared and delivered in advance to all Board members and to other persons upon request.

The Chair of the Board shall conduct Board meetings in accordance with Board bylaws and procedures that enable the Board to efficiently consider issues and carry out the will of the majority.

The Chair of the Board shall not permit any disturbance or willful interruption of Board meetings. Persistent disruption by an individual or group shall be grounds for the chair to terminate the privilege of addressing the Board. The Board may remove disruptive individuals and order the room cleared if necessary; in this case, members of the media not participating in the disturbance shall be allowed to remain, and individual(s) not

participating in such disturbances may be allowed to remain at the discretion of the Board. When the room is ordered cleared due to a disturbance, further Board proceedings shall concern only matters appearing on the agenda. (Government Code 54957.9)

### **Quorum**

A majority of the number of filled positions on the Board constitutes a quorum. (Education Code 5095, 35165) Unless otherwise provided by law, affirmative votes by a majority of all the membership of the Board are required to approve any action under consideration, regardless of the number of members present. (Education Code 35164)

### **Abstentions**

The Board believes that when no conflict of interest requires abstention, its members have a duty to vote on issues before them. When a member abstains, his/her abstention shall be considered to concur with the action taken by the majority of those who vote, whether affirmatively or negatively.

### **Public Participation**

Members of the public are encouraged to attend Board meetings and to address the Board concerning any item on the agenda or within the Board's jurisdiction. So as not to inhibit public participation, persons attending Board meetings shall not be requested to sign in, complete a questionnaire, or provide other information as a condition of attending the meeting.

The Board need not allow the public to comment on any item that is scheduled for future Board discussion. The Board need not allow the public to speak on any item that has already been considered at a public meeting by a committee composed exclusively of Board members where the public had the opportunity to address the committee on that item. However, if the Board determines that the item has been substantially changed since the committee heard it, the Board shall provide an opportunity for the public to speak. (Government Code 54954.3)

The Board shall not prohibit public criticism of its policies, procedures, programs, services, acts or omissions. (Government Code 54954.3) In addition, the Board may not prohibit public criticism of school employees. However, when a member of the public initiates specific complaints or charges against an employee, the Chair of the Board shall inform the complainant that in order to protect the employee's right to adequate notice before a hearing of such complaints and charges, and also to preserve the ability of the Board to legally consider the complaints or charges in any subsequent evaluation of the employee, it is the policy of the Board to hear such complaints or charges in closed session unless otherwise requested by the employee. (Government Code 54957)

In order to conduct district business in an orderly and efficient manner, the Board requires that public presentations to the Board comply with the following procedures:

#### **1. Items on the Agenda**

The Board shall give members of the public an opportunity to address the Board either before or during the Board's consideration of each item of business to be discussed at regular or special meetings. (Education Code 35145.5, Government Code 54954.3)

In case of numerous requests to address the same item, the Board may select representatives to speak on each side of the item. Each person who addresses the Board must be first recognized by the presiding officer and then give his/her name. Comments must be directed to the Board as a whole and not to individual members or

district employees. Individual speakers will be allowed five (5) minutes to address the Board. Speakers will not be allowed to yield their time to other speakers.

## 2. Items from the Floor

At a time so designated on the agenda, members of the public may bring before the Board, at a regular meeting, matters that are not listed on the agenda. Items from the floor will be heard for up to one (1) hour.

The Board shall not take action or enter into discussion or dialog on any matter that is not on the meeting agenda, except as allowed by law, however Board members may briefly respond to statements made or questions posed by the public on items not appearing on the agenda. A Board member may ask a question for clarification, make a brief announcement, or make a brief report on his/her own activities regarding a topic posed by the public. (Government Code 54954.2)

The Board may refer such a matter to the Superintendent or designee or take it under advisement. The matter may be placed on the agenda of a subsequent meeting for action or discussion by the Board. (Education Code 35145.5, Government Code 54954.2) Speakers will identify themselves and will direct their comments to the Chair. Each speaker will be given five (5) minutes to present on a topic on a first-come, first-serve basis. In order to allow adequate time for multiple issues that could come before the Board, each general topic for public comment will be allowed three speakers. Once two speakers have shared similar viewpoints on a topic, the Chair will ask for a presentation by a differing viewpoint. If no other viewpoint is represented then a third speaker may present. After all general topics have been presented, the public comment will continue for the remainder of the hour allowing those wishing to address a previously raised issue an opportunity to speak. Speakers will not be allowed to yield their time to other speakers. The Chair of the Board may rule on the appropriateness of a topic. If the topic would be more suitably addressed at a later time, the Chair may indicate the time and place when it should be presented.

### Recording by the Public

The Chair of the Board or designee shall designate locations from which members of the public may broadcast, photograph or tape record open meetings without causing a distraction.

If the Board finds that noise, illumination or obstruction of view related to these activities would persistently disrupt the proceedings, these activities shall be discontinued or restricted as determined by the Board. (Government Code 54953.5, 54953.6)

### Legal Reference:

#### EDUCATION CODE

5095 Powers of remaining board members and new appointees

32210 Willful disturbance of public school or meeting a misdemeanor

35010 Prescription and enforcement of rules

35145.5 Agenda; public participation; regulations

35163 Official actions, minutes and journal

35164 Vote requirements

35165 Effect of vacancies upon majority and unanimous votes by seven member board

#### GOVERNMENT CODE

54953.5 Audio or video tape recording of proceedings

54953.6 Broadcasting of proceedings

54954.2 Agenda; posting; action on other matters

54954.3 Opportunity for public to address legislative body; regulations

54957 Closed sessions

54957.9 Disorderly conduct of general public during meeting; clearing of room

#### COURT DECISIONS

Baca v. Moreno Valley Unified School District, (C.D. Cal. 1996) 936 F.Supp. 719  
ATTORNEY GENERAL OPINIONS  
76 Ops.Cal.Atty.Gen. 281 (1993)  
66 Ops.Cal.Atty.Gen. 336, 337 (1983)  
63 Ops.Cal.Atty.Gen. 215 (1980)  
61 Ops.Cal.Atty.Gen. 243, 253 (1978)  
59 Ops.Cal.Atty.Gen. 532 (1976)

(Based on the Chico Unified School District Board of Education Bylaw: #9323)

## **SECTION 9. ACTION BY UNANIMOUS WRITTEN CONSENT WITHOUT MEETING**

Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if all members of the board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the board. Such action by written consent shall have the same force and effect as the unanimous vote of the Directors. Any certificate or other document filed under any provision of law which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting and that the Bylaws of this corporation authorize the Directors to so act and such statement shall be *prima facie* evidence of such authority.

## **SECTION 10. VACANCIES**

Vacancies on the Board of Directors shall exist from (1) the death; resignation or removal of any Director, and (2) whenever the number of authorized Directors is increased.

The Board of Directors may declare vacant the office of a Director, who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under Section 5230 and following of the California Nonprofit Public Benefit Corporation Law.

Directors may be removed without cause by a two-thirds majority of the Directors then in office.

Any Director may resign effective upon giving written notice to the Chair of the Board, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No Director may resign if the corporation would then be left without a duly elected Director in charge of its affairs, except upon notice to the Attorney General.

Vacancies on the board may be filled by approval of the board, or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office or (2) the affirmative vote of a majority of the Directors then in office at a meeting held pursuant to notice or waivers of notice complying with this Article of these Bylaws.

A person elected to fill a vacancy as provided by this Section, shall hold office until the next annual election of the Board of Directors or until his or her death, resignation or removal from office.

## **SECTION 11. NON-LIABILITY OF DIRECTORS**

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.



## **SECTION 12. INDEMNIFICATION BY CORPORATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS**

To the extent that a person who is, or was, a Director, employee or other agent of this corporation, has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the corporation, or has been successful in defense of any claim, issue or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding.

If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation, but only to the extent allowed by, and in accordance with the requirements of, Section 5238 of the California Nonprofit Public Benefit Corporation Law.

## **SECTION 13. INSURANCE FOR CORPORATE AGENTS**

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a Director, employee or other agent of the corporation), against any liability other than for violating provisions of law relating to self-dealing (Section 5233 of the California Nonprofit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such Liability under the provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

## **ARTICLE 5 OFFICERS AND DIRECTOR**

### **SECTION 1. NUMBER OF OFFICERS**

The officers of the corporation shall be a Chair of the Board, a Vice-Chair, a Secretary, and a Chief Financial Officer who shall be designated the Treasurer. This constitutes the Executive Committee. No member of the Board of Directors shall hold any combination of these offices.

### **SECTION 2. QUALIFICATION, ELECTION, AND TERM OF OFFICE**

Any person may serve as officer of this corporation. Officers shall be elected by a majority vote of the Board of Directors at the June meeting. Each officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

### **SECTION 3. SUBORDINATE OFFICERS**

The Board of Directors may appoint such other officers or agents as it may deem desirable, and such officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

### **SECTION 4. REMOVAL AND RESIGNATION**

Any officer may be removed, either with or without cause, by the Board of Directors, at any

time. Any officer may resign at any time by giving written notice to the Board of Directors or to the Chair or Secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the corporation.

## **SECTION 5. VACANCIES**

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of Chair, such vacancy may be filled temporarily by appointment by the Chair until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the board may or may not be filled as the board shall determine. An Interim Chair may be appointed by the outgoing Chair in the case where the position of Vice-Chair is vacant, and/or the current Vice-Chair unable to accept the longer term duties of the Chair and /or there are less than four current Directors to fulfill the requirements of a voting quorum. The Interim Chair shall serve in this capacity until the next annual election of the Board of Directors, typically held in May.

## **SECTION 6. DUTIES OF CHAIR**

The Chair shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chair of the Board of Directors, he or she shall preside at all meetings of the Board of Directors. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

## **SECTION 7. DUTIES OF VICE-CHAIR**

In the absence of the Chair, or in the event of his or her inability or refusal to act, the Vice-Chair shall perform all the duties of the Chair, and when so acting shall have all the powers of, and be subject to all the restrictions on, the Chair. The Vice-Chair shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

## **SECTION 8. DUTIES OF SECRETARY**

The Secretary shall:

1. Certify and keep at the principal office of the corporation the original, or a copy of these Bylaws as amended or otherwise altered to date;
2. Keep at the principal office of the corporation or at such other place as the board may determine, a book of minutes of all meetings of the Board of Directors, and, if applicable, meetings of committees of Directors, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof;

3. See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;
4. Be custodian of the records;
5. Exhibit at all reasonable times to any Director of the corporation, or to his or her agent or attorney, on request therefore, the Bylaws, and the minutes of the proceedings of the Directors of the corporation. In general, perform all duties incident to the office of Secretary, and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

## **SECTION 9. DUTIES OF TREASURER**

Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and Funds," the Treasurer shall:

1. Have oversight responsibility for all funds and securities of the corporation, and deposit and/or provide direction to the School Director to deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors;
2. Provide review, perspective and advice to the Board with regard to the integrity of financial statements, the validity of financial projections and the viability of the financial condition of the corporation;
3. Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports including the Annual Budget, First and Second Interim Budget Reports, and Final Unaudited Actuals;
4. Provide access at all reasonable times to the books of account and financial records to any Director of the corporation, or to his or her agent or attorney, on request therefore;
5. Perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

## **ARTICLE 6 COMMITTEES**

### **SECTION 1. EXECUTIVE COMMITTEE**

The Board of Directors may, by a majority vote of Directors, designate an Executive Committee to include a Chair, Vice-Chair, Secretary, and Treasurer and delegate to such Committee any of the powers and authority of the board in the management of the business and affairs of the corporation, except with respect to:

1. The approval of any action which, under law or the provisions of these Bylaws, requires the approval of the members or of a majority of all of the members;
2. The filling of vacancies on the board or on any committee which has the authority of the board;
3. The amendment or repeal of Bylaws or the adoption of new Bylaws;
4. The amendment or repeal or any resolution of the board which by its express terms is not so amendable or repealable;

5. The appointment of committees of the board or the members thereof;
6. The approval of any transaction to which this corporation is a party and in which one or more of the Directors has a material financial interest, except as expressly provided in Section 5233(d)(3) of the California Nonprofit Public Benefit Corporation Law.

By a majority vote of its members then in office, the board may at any time revoke or modify any or all of the authority so delegated, increase or decrease but not below two (2) the number of its members, and fill vacancies therein from the members of the board. The Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

## **SECTION 2. OTHER COMMITTEES**

The corporation shall have such other committees as may from time to time be designated by resolution of the Board of Directors. Such other committees may consist of persons who are not also members of the board. These additional committees shall act in an advisory capacity and only make recommendations to the board.

## **SECTION 3. MEETINGS AND ACTION OF COMMITTEES**

Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The time for special meetings of committees may also be fixed by the Board of Directors. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws. The committee may take regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

# **ARTICLE 7 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

## **SECTION 1. EXECUTION OF INSTRUMENTS**

The Board of Directors, 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 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 2. CHECKS AND NOTES**

Except as otherwise specifically determined by resolution of the Board of Directors, 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 either the Treasurer or a designated proxy of the Board of Directors.

### **SECTION 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 of Directors may select.

### **SECTION 4. GIFTS**

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the charitable or public purposes of this corporation.

## **ARTICLE 8 CORPORATE RECORDS, REPORTS AND SEAL**

### **SECTION 1. MAINTENANCE OF CORPORATE RECORDS**

The corporation shall keep at its principal office in the State of California:

1. Minutes of all meetings of Directors and committees of the board indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
2. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
3. A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection at all reasonable times during office hours.

### **SECTION 2. CORPORATE SEAL**

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

### **SECTION 3. DIRECTORS' INSPECTION RIGHTS**

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation except for personnel records which may be reviewed at a scheduled closed meeting of the Board of Directors.

### **SECTION 4. RIGHT TO COPY AND MAKE EXTRACTS**

Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

### **SECTION 5. ANNUAL REPORT**

The board shall cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the corporation's fiscal year to all Directors of the corporation. The report shall contain the following information in appropriate detail:

1. The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;

2. The principal changes in assets and liabilities, including trust funds, during the fiscal year;
3. The revenue or receipts of the corporation both unrestricted and restricted to particular purposes, for the fiscal year;
4. The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year;
5. Any information required by Section 6 of this Article.

The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

## **SECTION 6. ANNUAL STATEMENT OF SPECIFIC TRANSACTIONS TO BOARD MEMBERS**

This corporation shall make available to all Directors a statement within one hundred and twenty (120) days after the close of its fiscal year which briefly describes the amount and circumstances of any indemnification or transaction of the following kind:

1. Any transaction in which the corporation, or its parent or its subsidiary, was a party, and in which either of the following had a direct or indirect material financial interest:
  - Any Director or officer of the corporation, or its parent or subsidiary (a mere common Directorship shall not be considered a material financial interest); or
  - Any holder of more than ten percent (10%) of the voting power of the corporation, its parent or its subsidiary.

The above statement need only be provided with respect to a transaction during the previous fiscal year involving more than FIFTY THOUSAND DOLLARS (\$50,000) or which was one of a number of transactions with the same persons involving, in the aggregate, more than FIFTY THOUSAND DOLLARS (\$50,000).

Similarly, the statement need only be provided with respect to indemnifications or advances aggregating more than TEN THOUSAND DOLLARS (\$10,000) paid during the previous fiscal year to any Director or officer, except that no such statement need be made if such indemnification was approved by the Board members pursuant to Section 5238(e)(2) of the California Nonprofit Public Benefit Corporation Law.

Any statement required by this Section shall briefly describe the names of the interested persons involved in such transactions, stating each person's relationship to the corporation, the nature of such person's interest in the transaction and, where practical, the amount of such interest, provided that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

## **ARTICLE 9 FISCAL YEAR**

### **SECTION 1. FISCAL YEAR OF THE CORPORATION**

The fiscal year of the corporation shall begin on the first day of July and end on the 30<sup>th</sup> day of June in each year.

## **ARTICLE 10**

## **AMENDMENT OF BYLAWS**

### **SECTION 1. AMENDMENT**

Subject to any provision of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted by approval of a two-thirds majority of the voting members or the Board of Directors then in office.

## **ARTICLE 11 AMENDMENT OF ARTICLES**

### **SECTION 1. AMENDMENT OF ARTICLES**

Any amendment of the Articles of Incorporation may be adopted by approval of a two-thirds majority of the voting members or the Board of the Directors then in office.

### **SECTION 2. CERTAIN AMENDMENTS**

Notwithstanding the above sections of this Article, this corporation shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation of the names and addresses of the first Directors of this corporation, nor the name and address of its initial agent, except to correct an error in such statement or to delete such statement after the corporation has filed a "Statement by a Domestic Non-Profit Corporation" pursuant to Section 6210 of the California Nonprofit Corporation Law.

## **ARTICLE 12 PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS**

### **SECTION 1. PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS**

No Director, officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; 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 dissolution of the corporation.