

**BYLAWS OF  
THE FOUNDATION FOR CALIFORNIA COMMUNITY COLLEGES**

**ARTICLE I**

**Name**

The name of this corporation shall be:

THE FOUNDATION FOR CALIFORNIA COMMUNITY COLLEGES

**ARTICLE II**

**Principal Office**

The principal office of this corporation for transaction of business is located in the City of Sacramento and the County of Sacramento, California. The Board of Directors (also referred to herein as the "Board") has full power and authority to change the principal office of this corporation from one location to another in the State of California.

**ARTICLE III**

**Purpose**

This foundation is created for the purpose of furthering and enhancing the educational effectiveness of the California Community Colleges and the administrative effectiveness of the Board of Governors and Chancellor of the California Community Colleges ("System") in the discharge of responsibilities appropriate to the educational objectives of the colleges and to their administration, both severally and as a System of Colleges, which may include services and programs outside the System if the objective is to 1) increase the visibility of the California Community Colleges to attract funding, donors, students or teachers, or 2) improve the practices and procedures of the California Community Colleges and System by emulating or expanding upon practices in other systems and for no other purpose.

The specific and primary purposes for which the corporation is formed are to promote and assist education, administrative and related services of the California Community Colleges, and the Board of Governors and the Chancellor thereof, and to receive and apply exclusively the funds and properties coming into its hands toward furthering the services and programs of the California Community Colleges, the Board of Governors and Chancellor thereof, of a nature and kind undertaken by colleges and college systems in the United States, pecuniary profit not being an object or purpose. To this end, the corporation will also promote cooperation among

the local foundations of the California Community Colleges to mutually enhance each other's purposes.

## ARTICLE IV

### Membership

#### **Members: Directors.**

The corporation has no members. The directors of the corporation shall be those persons designated as such in these Bylaws, who shall serve as the directors of the corporation, within the meaning of the California Nonprofit Public Benefit Corporation Law.

## ARTICLE V

### Board of Directors

#### **Section 1. Number of Directors.**

The Board of Directors shall consist of not less than five(5) and not more than eleven (11) voting members, with the exact number to be determined from time to time by the Board until changed by an amendment of these Bylaws pursuant to Article XI.

~~The Board of Directors shall consist of not less than five (5) and not more than nine (9) voting members, with the exact authorized number of Directors to be fixed by approval of the Board from time to time.~~

#### **Section 2. Powers of Directors.**

Subject to the provisions of the Articles of these Bylaws, and 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 without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

- a. To select and remove all the officers, agents, and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law, or with the Articles of these Bylaws, fix their compensation, and require from them security for faithful service.
- b. To conduct, manage, and control the affairs and business of the corporation and to make such rules and regulations therefor not inconsistent with law, or with the Articles or these Bylaws, as they may deem best.
- c. To establish standing and ad hoc committees, as needed, to advance the Foundation's mission and programs.

#### **Section 3. Selection and Terms of Office.**

~~Published September~~ ~~Published September 15~~ ~~—, 2014~~ ~~7, 2011~~ Board Meeting

The Board of Directors shall be composed of the following appointees:

- a. Directors appointed by the Board of Governors of the California Community Colleges ~~for six year terms~~.
- b. Two members of the Board of Governors appointed by the president of that board.

#### **Section 4. Terms of Office.**

The Board of Directors desires to transition from six (6) year terms of office for Board members to four (4) year terms. The Board of Directors implements the following transition system, which shall take effect upon adoption of the applicable amendments to these Bylaws:

- a. New Directors appointed subsequent to the **amendment** of these Bylaws shall serve a four (4) year term.
- a-b. No Director appointed subsequent to the **amendment** of these Bylaws shall serve more than three (3) full consecutive terms.
- c. Directors with twelve (12) or more years of total service as of the date these Bylaws are **amended** shall serve the remainder of their current term.
- b-d. Directors with less than twelve (12) years of total service as of the date these Bylaws are **amended** shall serve the remainder of their current term. The Board may elect these Directors to one additional four (4) year term.

#### **Section 45. Vacancies.**

A vacancy in any Director position because of removal, death, resignation or otherwise, shall be filled in the same manner as the former occupant of the position was selected. A director who resigns office ceases to hold office immediately upon the Board's acceptance of the Director's resignation. Any person selected to fill a vacancy on the Board of Directors shall hold office for a new six year term.

#### **Section 56. Voting.**

Each member of the Board of Directors shall have one vote. There shall be no proxy voting permitted for the transaction of any of the business of this corporation.

#### **Section 67. Quorum.**

A majority of the total number of currently appointed voting Directors shall constitute a quorum for the transaction of business at every meeting. Every act or decision done or made by a majority of the Directors present at a meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

#### **Section 78. Removal of Directors.**

Directors of this corporation may be removed at any time without cause by the vote of a majority of the total voting membership of the Board of Directors.

Directors of this corporation may be automatically removed by the vote of a majority of the total voting membership of the Board of Directors if, pursuant to California Corporations Code section 5221, he or she fails to attend (in person or telephonically) any three consecutive regular Board meetings.

The Board of Governors may remove at any time without cause any director of the corporation by a majority vote of the Board of Governors.

**Section 89. Compensation.**

The Directors of this corporation shall be allowed and paid their actual and necessary expenses incurred in attending the meetings of the Board.

**Section 910. Employees.**

The Directors of this corporation may employ individuals for foundation/administrative services.

## ARTICLE VI

### Meetings of the Board of Directors

The Directors of this corporation shall conduct its business in public meetings in accordance with the most current version of chapter 9 (commencing with section 54950) of part 1 of the Government Code and applicable provisions of the Education Code (collectively "Brown Act"). Except as otherwise provided in Government Code section 54954(b)(1) through (7), regular quarterly meetings shall be held within the State of California at any place which has been decided upon by the Board from time to time. All meetings of the Board of Directors shall be governed by Robert's Rules of Order, including such revisions thereof as may from time to time be published except insofar as such rules are inconsistent with these Bylaws, with the Articles of Incorporation, or with applicable law.

## ARTICLE VII

### Officers

**Section 1. Officers of the Board.**

The officers of the Board shall be a chair, vice-chair, secretary-treasurer, and such other officers as the Board of Directors may appoint.

**Section 2. Election.**

The Board of Directors shall elect all officers of the Board for terms of two years, or

until their successors are elected and qualified. The annual election shall be held at the annual meeting. All officers shall be drawn from the Board membership.

**Section 3. Chair.**

Subject to the control of the Board of Directors, the Chair shall preside at all meetings of the Board, and shall have such other powers and duties as may be prescribed from time to time by the Board of Directors. The Chair shall have a vote on all matters.

**Section 4. Vice-Chair.**

In the absence or disability of the Chair, the Vice-Chair shall perform all the duties of the Chair. The Vice-Chair shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors.

**Section 5. Secretary-Treasurer.**

In the absence or disability of the Vice-Chair, the Secretary-Treasurer shall perform all the duties of the Vice-Chair. However, the Secretary-Treasurer shall not act as the chief financial officer of the corporation if there is no chief financial officer nor shall the Secretary-Treasurer serve concurrently as the Board Chair or President. The Secretary-Treasurer shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors.

**Section 6. Officers of the Corporation.**

The officers of this corporation shall be a president (CEO), chief financial officer (CFO), and secretary. This corporation may also have any other corporate officers, as determined in the discretion of the Board of Directors, whose duties shall be determined by the Board. The officers of the Corporation shall be elected by the Board of Directors, and shall serve until their successors are elected.

**Section 7. President.**

The President shall serve as the Chief Executive Officer (CEO) of the Corporation.

**Section 8. Chief Financial Officer.**

The Chief Financial Officer of this corporation, if required by the Board of Directors, shall give a bond for the faithful discharge of his or her duties in such sum and with the surety as the Board of Directors shall deem appropriate.

**Section 9. Secretary.**

The Secretary of the Corporation shall:

- a. assist the President and Chair in the preparation of the agenda for the meetings,

- b. shall keep a full and complete record of the proceedings of all meetings of the Board of Directors,
- c. keep the seal of this corporation and affix the same to such papers and instruments as may be required in the regular course of business,
- d. provide such notices as may be necessary and proper,
- e. supervise the keeping of the books of this corporation and shall discharge such other duties as pertain to the office or as prescribed by the Board of Directors.

## **ARTICLE VIII**

### **Special Invitees**

The Board of Directors shall invite the following non-Board members to attend all activities of the Board of Directors and to receive or be able to inspect all documents of the corporation received or available for inspection by the Board of Directors.

- a. The Chancellor of the California Community Colleges and up to one designee.
- b. Chair or Vice-Chair of the Board of Governors or designee.

This article is not subject to amendment, change or alteration in any of its clauses or provisions without the consent of the Board of Governors of the California Community Colleges.

## **Article IX**

### **Defense and Indemnification**

1. This corporation shall defend any Director who is a party to, or is threatened to be made a party to, any proceeding, other than an action by or in the right of the corporation, by reason of the fact that such Director is or was an agent of this corporation, and will indemnify any such Director against expenses, judgments, fines, settlements and any other amounts actually and reasonably incurred in connection with such proceeding if such Director acted in good faith and in a manner such Director reasonably believed to be in the best interest of this corporation and, in the case of a criminal proceeding, if such Director had no reasonable cause to believe the conduct was unlawful.
2. The corporation shall have the power to purchase and maintain insurance on behalf of Directors and employees for liability under the provisions of this Article.

## **ARTICLE X**

### **Conflict of Interest**

No director of this corporation shall have a financial interest in any contract or transaction entered into by the corporation unless (except as set forth in California Education Code section §72678): (1) the material facts regarding that director's financial interest in such contract or transaction are fully disclosed in good faith and noted in the minutes; (2) such contract or transaction is authorized in good faith by a majority of the Board members without counting the votes of the interested director(s); (3) Board considers, in good faith, whether the contract or transaction is in the best interest of the corporation and (4) the contract or transaction is just and reasonable at the time it is authorized or approved. The Board shall promulgate and follow a comprehensive Conflict of Interest Policy to prevent, identify and mitigate conflicts of interest involving the corporation and its directors and officers. No Director may utilize information obtained by reason of Board membership for personal gain, and the Board of Directors may recover any such gain realized.

## **ARTICLE XI**

### **Amendment of Bylaws**

These Bylaws may be amended at any regular meeting of the Board of Directors by a majority vote of the total voting membership of the Board of Directors, providing that the amendment has been submitted in writing at the previous regular meeting. Articles III, V, VI, VII, and VIII are not subject to amendment, change or alteration in any of its clauses or provisions without the consent of the Board of Governors of the California Community Colleges.

## **ARTICLE XII**

### **Other Provisions**

#### **Section 1. Maintenance of Other Corporate Records.**

The accounting books, records and minutes of proceedings of the Board of Directors and any committee(s) of the Board of Directors shall be kept at any place or places designated by the Board of Directors, or, in the absence of such designation, at the principal executive office of the corporation.

#### **Section 2. Advice of Attorney and Certified Public Accountant.**

The Board shall have the benefit of the advice and counsel of at least one attorney admitted to practice law in the State of California and at least one licensed certified public accountant. Neither the attorney at law nor the certified public accountant need be members of the Board.

#### **Section 3. Endorsement of Documents: Contracts.**

Subject to the provisions of applicable law, any note, mortgage, evidence or indebtedness, contract, share certificate, conveyance, or other instrument in writing, and any assignment or endorsements thereof executed or entered into between this

corporation and any other person, shall be valid and binding on this corporation (in the absence of actual knowledge on the part of the other person that the signing person(s) had no authority to execute the same), when signed by such person or persons and in such manner as from time to time shall be determined by the Board of Directors and, unless so authorized by the Board of Directors, no officer, agent, or employee shall have power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

#### **Section 4. Gifts.**

The Board of Directors shall accept on behalf of the corporation any contribution, gift, bequest, or devise, either unconditionally or for a specific purpose consistent with the purposes of the corporation.

#### **Section 5. Representation of Shares of Other Corporations.**

The Chair/Vice-Chair, or any other officers authorized by the Board of Directors, or the Chair or Vice-Chair are each authorized to vote, represent and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority herein granted may be exercised either by any such officer in person or by any other person authorized so to do by proxy or power of attorney duly executed by said officer.

#### **Section 6. Construction and Definitions.**

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

#### **Section 7. Annual Report.**

7.1 The Board shall cause an annual report to be prepared within one hundred twenty (120) days after the close of its fiscal year. That report shall contain the following information in appropriate detail:

- a. The assets and liabilities of the corporation at the end of the fiscal year.
- b. The principal changes in assets and liabilities during the fiscal year.
- c. The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes.
- d. The expenses or disbursements of the corporation, for both general and restricted purposes.
- e. The information required by section 7.3 of this Article XII.

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.

This requirement of an annual report shall not apply if the corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all directors who request it in writing.

7.2 As part of the annual report, or as a separate document if no annual

report is issued, the corporation shall annually furnish to each director a statement of any transaction or indemnification of the following kind within 120 days after the end of the corporation's fiscal year:

- a. Any transaction (i) in which the corporation, its parent, or its subsidiary was a party, (ii) in which an "interested person" had a direct or indirect material financial interest, and (iii) which involved more than \$50,000, or was one of a number of transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an "interested person" is either of the following:
  - i Any director or officer of the corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest); or
  - ii Any holder of more than 10 percent of the voting power of the corporation, its parent, or its subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.
- b. Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the corporation under Article IX of these bylaws.

**CERTIFICATE OF SECRETARY**

I, the undersigned, do hereby ratify:

1. That I am the duly elected and acting Secretary of The Foundation for California Community Colleges, a California nonprofit public benefit corporation; and

2. That the foregoing Bylaws comprised of \_\_\_\_\_ (\_\_) pages constitute a true and correct copy of the Bylaws adopted at the Meeting of the Board of Directors of The Foundation for California Community Colleges held on \_\_\_\_\_, 2014~~1~~.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation this \_\_\_ day of \_\_\_, 2014~~1~~.

\_\_\_\_\_  
Secretary of the Corporation