

FEBRUARY 2002

BYLAWS OF THE CALIFORNIA STATE EMPLOYEES' ASSOCIATION
FOUNDATION

A California Nonprofit Public Benefit Corporation

ARTICLE I NAME

The name of this corporation is California State Employees' Association Foundation.

ARTICLE II PRINCIPLE OFFICE

The principal office of the corporation is in Sacramento.

ARTICLE III PURPOSE AND LIMITATIONS

Section 1 General Purpose

The purpose of this corporation is to raise funds for [charitable, philanthropic, benevolent, scientific, testing for public safety, literary, or educational purposes](#) and to [expend, contribute, loan and otherwise handle and dispose of the same for such purposes, either directly or by contributions to individuals, institutions and organizations.](#) in accordance with procedures established by the Foundation. Funds to be used for disaster relief are limited to those that, when received, were specifically designated for such purpose.

Section 2 Limitations

a. Nonpartisan Activities

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 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.

b. Dedication of Assets

The properties and assets of this nonprofit corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member or director of the corporation. On liquidation or dissolution, all properties and assets and obligations shall be distributed and paid over to an organization dedicated to charitable purposes.

ARTICLE IV MEMBERS

Section 1 Definition

The members of this corporation shall be the members of the Board of Directors of the California State Employees' Association.

Section 2 Duties

The duties of the members of the CSEA Board are the election of the directors of the Board of Directors of the Foundation.

Section 3 Delegation of Authority By the CSEA Board

The members delegate all duties, responsibilities and authority to conduct the business of the corporation to the California State Employees' Association Foundation.

ARTICLE V FOUNDATION BOARD OF DIRECTORS

Section 1 Composition

The Foundation Board of Directors shall consist of six (6) directors (the number may be changed by amendment to these bylaws), only one of which shall be a member of the Board of Directors of the California State Employees' Association.

Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the articles of incorporation or bylaws regarding actions that require approval of the members, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Foundation Board.

Section 2 Qualification

To qualify as a member of the Foundation Board of Directors, the person must be a member in good standing of the California State Employees' Association.

- a. The secretary shall publish notice of an upcoming election of directors [for the Foundation in key CSEA publications at least 60 days prior to the first regular meeting of the CSEA Board of Directors each year](#)
- b. Candidates must submit resumes to the Foundation office at least 30 days prior to any election. Each resume shall be accompanied by a cover letter indicating the candidate's willingness and desire to serve. Nominations will not be accepted from the floor.
- c. Directors of the Foundation shall be elected by the members of the Board at the first regular meeting of the CSEA Board of Directors each year.
- d. Two directors of the Foundation Board of Directors shall be elected each year for three year terms.

Section 3 Vacancy

A vacancy on the Foundation Board shall exist on the death or resignation of a director or upon a majority vote of the members of the CSEA Board of Directors for such removal.

- a. [Unexcused absences from three \(3\) properly noticed board meetings is considered as an automatic resignation. An absence may be excused by advanced notification to another Foundation Director.](#)

Section 4 Filling a Vacancy on the Foundation Board

When deemed necessary by the Foundation Board of Directors, a special election shall be held to fill a vacancy on the Foundation Board of Directors for the remainder of the term. The notice publicizing this special election shall require only 30 days in the same manner as for regular elections and the return of resumes shall be 15 days prior to the election.

ARTICLE VI FOUNDATION BOARD MEETINGS

Section 1 Place of Meetings

Meetings of the Foundation shall be held at the principle office of the corporation or in conjunction with meetings of the CSEA Board of Directors or other scheduled meetings of CSEA or other locations, as needed.

Section 2 Annual Meeting

An annual meeting of the Foundation Board of Directors shall be held on a date to coincide with CSEA's first regular Board of Directors meeting. This meeting shall include the election of officers of the Foundation Board of Directors. Notice of such meeting shall be at least 30 days and shall be by first class mail.

Section 3 Biennial Meetings

The Foundation shall hold biennial meetings for the regular transaction of business. Notice for such meetings shall be as set forth in Section 4 of this Article VI, except that at least 30 days notice shall be required.

Section 4 Special Meetings

Special meetings of the Foundation may be called by the President, or upon request of two or more Board members. The time and place of such meetings shall be determined by the President. No business other than that in the call of the meeting shall be considered.

- a. Notice of time and place of special meetings shall be given by: (i) personal delivery; (ii) first class mail; or (iii) telephone, (iv) email. All such written notices shall be sent to directors address as shown on the records of the corporation. Telephonic notices shall be followed by a written confirmation.
- b. Notices sent by first class mail shall be deposited in the United State mail at least 15 days prior to the time set for the meeting. Notices given by telephone shall be delivered at least 24 hours prior to the time set for the meeting.
- c. The notice shall state the date, time, place and purpose of the meeting.

Section 5 [Conference Calls](#)

Special meetings may be held by conference telephone call as long as all directors participating in the meeting can hear one another. All such directors shall be deemed to be present, in person, at such meeting.

Section 6 Quorum

[A quorum of the Foundation Board must be present to conduct Foundation business.](#) A [two thirds](#) majority of the members of the Foundation Board of Directors shall constitute a quorum for the transaction of business, except to adjourn. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting. Voting by proxy shall be prohibited.

Section 7 Foundation Member Expenses

In order to [keep](#) expenses at a minimum, Foundation members attending CSEA functions shall be limited to those who are already in attendance by reason of another office or position held in CSEA and whose expenses are, therefore, already being paid, except that any Foundation member may attend any CSEA function at his or her own expense.

[The expenses of members, other than as set forth elsewhere in these bylaws, will not be reimbursed without prior written authority by motion of the Foundation Board of Directors](#)

ARTICLE VII FOUNDATION COMMITTEES

Section 1 Committees of the Board

The Foundation Board may create one or more committees, each consisting of two or more directors to serve at the pleasure of the Board. The president shall appoint members to committees subject to confirmation by the Board. The chair of each committee is responsible for reporting its activities to the Board.

- a. The meetings and actions of committees shall be in accordance with the charge of the committee and these bylaws.

ARTICLE VIII FOUNDATION OFFICERS

Officers of the corporation are President, Vice President, Secretary and Treasurer.

Section 1 Election of Foundation Officers

Officers of the Foundation Board of Directors shall be elected at its first meeting of the year to serve for one year terms of office.

Section 2 Removal of Foundation Officers

Any officer may be removed from office for cause by [a vote of two thirds \(2/3\) of](#) the Foundation Board members.

Section 3 Resignation of Foundation Officers/[Board Members](#)

Any officer [or board member](#) may resign at any time by giving written notice to the Board. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be affective.

- a. [Unexcused absences from three \(3\) properly noticed board meetings is considered to be an automatic resignation. An absence may be excused by advanced notification to another Foundation Director.](#)

Section 4 Vacancy of Foundation Officers

A vacancy in any office shall be filled by election by the Foundation Board.

Section 5 Duties of Foundation Officers

a. President

The president shall supervise and direct the corporation's activities, affairs and officer of the corporation. The president shall preside at all meetings and shall have such other powers and duties as the Board or these bylaws may prescribe.

b. Vice President

If the president is absent or disabled, the vice president shall perform the duties of the president and shall have such other duties as the Board or these bylaws may prescribe.

c. Secretary

(1) Minutes

The secretary shall keep, or cause to be kept, at the corporation's principal office, a book of minutes of all meetings, proceedings and actions of the Board and of committees of the Board. The minutes of meetings shall include the date, time and place the meeting was held, whether the meeting was annual, quarterly or special and the names of those directors present at such meetings. The secretary shall also keep, or cause to be kept, at the corporation's principal office, a copy of the Articles of Incorporation and the bylaws, as amended.

(2) Notices, Seal and Other Duties

The secretary shall: 1. give, or cause to be given, notice of all meetings of the Board and of committees of the Board; 2. keep records of each director's name, address and telephone number; 3. keep the corporate seal in safe custody; and 4. have such other duties as the Board or these bylaws may prescribe.

d. Treasurer

(1) Books of Accounts

The treasurer shall: 1. keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions; and 2. prepare and submit such financial statements and reports as requested by the Board or as may be required by law. The books of account shall be open to inspection by any Foundation director at all reasonable times.

(2) Deposits

The treasurer shall: 1. deposit, or cause to be deposited, all money and other such funds in the name and to the credit of the corporation with such financial institutions as the Board may designate; 2. disburse the funds of the corporation as the Board may direct; 3. render to the president and the Board when so requested, an account of all transactions and of the financial condition of the corporation; and 4. have

such other duties as the Board or these bylaws may prescribe.

(3) Bond

If required by the Foundation Board, the treasurer shall give the corporation a bond in the amount and with the surety specified by the Board for the faithful performance of the duties of office and for restoration to the corporation all of its books, papers, vouchers, money and other property of every kind in the possession or under the control of the treasurer on the end of his or her term of office, death, resignation or removal from office.

(4) Liability Insurance

The treasurer is responsible for assuring that CSEA entities have provided liability insurance for events wherein the name of CSEA Foundation is used.

(5) Authorized Signatures

All checks drawn on the funds of the corporation shall be signed by any two of the following three designees, the Board's treasurer, president or one designated CSEA staff person.

(6) Gifts

The Foundation may accept any contribution, gift or bequests for the general purposes of or for any special purpose of the corporation.

ARTICLE IX INDEMNIFICATION

Section 1 Right of Indemnity

To the fullest extent permitted by law and these bylaws, this corporation shall indemnify its directors, officers, in the just and proper performance of their duties on behalf of this corporation.

ARTICLE X RECORD AND REPORTS

The Foundation Board shall cause the following records and reports be maintained and be available to the members and others as appropriate.

- a. The assets and liabilities, including any trust funds, of the corporation.
- b. The principal changes in assets and liabilities, including any trust funds.
- c. The revenue of the corporation, both unrestricted and restricted.
- d. The expenses and the disbursements of the corporation funds for both general and restricted purposes.
- e. Such other information required by these bylaws or law.

Section 1 Annual Financial Review

The Foundation shall annually contract the services of a Certified Public Accounting Firm to review the Foundation's records, statements of financial condition and to render comprehensive reports of its review and findings for the year then ended to the Foundation's Board of Directors.

ARTICLE XI AMENDMENTS

New bylaws may be adopted or these bylaws may be amended by a [two thirds \(2/3\)](#) vote of the Foundation Board of Directors. No amendment may, however, extend a director's term of office beyond that for which the director was elected.

ARTICLE XII CERTIFICATION OF SECRETARY

I certify that I am the duly elected Secretary of the California State Employees Association Foundation, a California nonprofit public benefit corporation, that the above bylaws are the amended bylaws of this corporation originally adopted by the Board of Directors on October 8, 1995.

Amended on _____, at Sacramento, California.

_____, Secretary

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