

Bylaws of

**Emerson Arts and Education Foundation**

A California Nonprofit Public Benefit Corporation

as adopted, September 2, 2008, and amended June 1, 2013

## ARTICLE 1 NAME

### Section 1.1 Corporate Name

The name of this corporation is **Emerson Arts and Education Foundation** (the “Corporation”).

## ARTICLE 2 PURPOSES

### Section 2.1 General Purpose

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.

### Section 2.2 Specific Purposes

The specific purposes of the Corporation shall include without limitation,

- (a) To promote the student performing arts programs at Ralph Waldo Emerson Middle School in Los Angeles, California (“Emerson”).
- (b) To promote the educational welfare and brighter academic future of students at Emerson, including assisting the administration and teaching staff in meeting the academic and cultural needs of their students by providing additional financial resources for books, supplies, technology and other identified needs.
- (c) To enrich the physical environment of Emerson by helping fund upkeep and improvements to school facilities.
- (d) To promote the growth and development of extracurricular and after-school enrichment activities for students at Emerson.

### Section 2.3 Fund-Raising

The Purposes of the Corporation may be promoted through outreach for donations to the families of Emerson students, staff members, and the surrounding community, and through local non-profit fundraising activities, and are governed and qualified by the basic policies set forth in Article 3.

## ARTICLE 3 LIMITATIONS AND POLICIES

### Section 3.1 Political Activities

The Corporation has been formed under California Nonprofit Corporation Law for the charitable purposes described in Article 2, and it shall be nonprofit and nonpartisan. No substantial part of the activities of this Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

### Section 3.2 Prohibited Activities

The Corporation shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the Purposes described in Article 2. The Corporation may not carry on any activity for the profit of its Officers, Directors or other persons or distribute any gains, profits or dividends to its Officers, Directors or other persons as such. Furthermore, nothing in Article 2 shall be construed as allowing the Corporation to engage in any activity not permitted to be carried on: (a) by a corporation exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended (the “Code”), or (b) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Code, or

Section 17240 et. seq. of the California Revenue and Taxation Code or corresponding Section of any future California tax code.

Section 3.3      Use of the Corporation Name

The name of the Corporation or the names of any members in their official capacities shall not be used to endorse or promote a commercial concern or in connection with any partisan interest or for any purpose not appropriately related to promotion of the Purposes described in Article 2.

Section 3.4      Relationships with other Organizations

The Corporation shall not enter into membership with any other organizations except with the approval of the Corporation Board but may cooperate with other organizations and agencies concerned with child welfare, but shall make no commitments that bind the Corporation.

#### **ARTICLE 4      DEDICATION OF ASSETS**

Section 4.1      Property Dedicated to Nonprofit Purposes

The property of this Corporation shall be irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director or officer thereof or to the benefit of any private person; provided that compensation may be paid for services rendered to or for the Corporation by any person or entity to the extent that such compensation is “reasonable and necessary” and “not excessive” as provided in Section 4941 (d) (2) (E) of the Code.

Section 4.2      Distribution of Assets Upon Dissolution

Upon the dissolution or winding up of the Corporation, its assets remaining after payment, or provisions set up for payment, of all its debts and liabilities, shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501 (c) (3) of the Code and contributions to which are deductible pursuant to Section 170 (c) (2) of the Code.

#### **ARTICLE 5      MEMBERSHIP**

Section 5.1      Members

Membership in the Corporation shall be made available to any member of the Emerson community – faculty, staff, parents or guardians of current students– who subscribes to the purposes described in Article 2, without regard to race, color, creed, or national origin.

Section 5.2      No Annual Dues

No specific annual dues are required for membership. The Corporation conducts an annual solicitation of donations from all members of the Emerson community to further the purposes described in Article 2, but making a donation shall not be considered a requirement of membership.

#### **ARTICLE 6      DIRECTORS AND OFFICERS**

Section 6.1      Corporate Powers Exercised by Board

Subject to the provisions of the Articles of Incorporation of the Corporation (the “Articles of Incorporation”), California Nonprofit Corporation Law and any other applicable laws, 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 (the “Board”). The Board may delegate the management of the activities of the Corporation to any person or persons, management company or committee however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. Without limiting the foregoing, the Board

- (a) Shall transact necessary business between meetings of the Corporation and such other business as may be referred to it by the Corporation
- (b) May authorize the payment of Corporation bills within the limits of the budget adopted by the Corporation. Such action must be ratified at the next Corporation meeting and must be recorded in the Corporation minutes.
- (c) May authorize the payment of other unbudgeted Corporation bills not to exceed a cumulative total of \$75.00 (seventy-five dollars) between meetings of the Corporation. Ratification of payment of these bills must occur at the next Corporation meeting and must be recorded in the Corporation minutes.
- (d) Shall create committees as are deemed necessary to promote the Purposes and to carry on the work of the Corporation.
- (e) Shall fill all vacancies in office, including that of President, pursuant to Section 6.4.
- (f) Shall present a report at meetings of the Corporation.
- (g) Shall receive a financial report from the Treasurer at each meeting.

Section 6.2 Offices, Number and Qualifications

6.2.1 Number

The authorized number of directors of the Corporation (“Directors”) shall be not less than 5 nor more than 17 the exact authorized number to be fixed, within these limits, by resolution of the Board.

6.2.2 Officers

The officers of the Corporation (“Officers”), each of whom will also be directors, shall be the following:

- President (or Co-Presidents)
- Vice President-Administration (in addition to or in lieu of a Co-President)
- Vice President-Fundraising
- Vice President-Service and Hospitality
- Vice President-Communications
- Secretary
- Treasurer
- Grade Representative Chair

6.2.3 Ex Officio Directors

The Emerson principal, a designated faculty or staff representative, and the LAUSD Parent Liaison, will be non-elected, *ex officio*, voting members of the Board. The Emerson principal and the designated faculty or staff representative each will not vote on matters related to his or her employment status or compensation.

6.2.4 Qualifications

Each non-*ex officio* Director of the Corporation shall be a parent or guardian of a current Emerson student.

6.2.5 Representatives and Liaisons

The Membership shall elect a Community Representative, a Community Outreach Liaison, an 8<sup>th</sup> Grade Representative, a 7<sup>th</sup> Grade Representative, and a 6<sup>th</sup> Grade Representative. The Community Outreach Liaison and the grade-level representatives

must have one or more children currently enrolled at Emerson in the grade to which they have been elected as representative. An individual's status as a representative or liaison will not automatically qualify them as voting members of the Board, but individuals holding these positions may be elected to positions as Directors-at-Large (but not to officer positions) if the Board authorizes a sufficient number of director positions.

Section 6.3      Terms; Nominations; Election of Successors

6.3.1.      Terms

Directors, Officers, and Representatives/Liaisons (other than the 6<sup>th</sup> Grade Representative) shall be elected at each annual meeting of the Board for one year terms. The 6<sup>th</sup> Grade Representative shall be elected at the first regular meeting after the start of the school year. Each Director, Officer, and Representative/Liaison, including someone elected to fill a vacancy, shall hold office until the expiration of the term for which he or she was elected, or until that individual's earlier resignation or removal in accordance with these Bylaws and California Nonprofit Corporation Law.

6.3.2.      Nominating Committee

Nominations for Directors, Officers, and Representatives/Liaisons shall be made by a nominating committee appointed by the current Officers at least two months prior to the annual election meeting. The committee shall consist of at least three members. The principal of Emerson, or a faculty representative appointed by the principal, shall serve in an advisory capacity.

6.3.3      Committee Report; Nominations from the Floor

The report of the nominating committee shall be submitted to the membership at the monthly meeting prior to the annual election meeting. At the annual election meeting, additional nominations may be made from the floor.

6.3.4.      Limitations on Nominations

Only those persons who are eligible and who have signified their consent to serve if elected shall be nominated for or elected as a Director, Officer, or Representative/Liaison.

Section 6.4      Vacancies

6.4.1      Events Causing Vacancy

A vacancy or vacancies on the Board shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any Director; (ii) the failure of a Director to continue to comply with the required qualification under Section 6.2.4 that was in effect at the beginning of that Director's current term in office, (iii) whenever the number of authorized Directors is increased; or (iv) the failure of the members of the Corporation, at any meeting at which any Director or Directors are to be elected, to elect the full authorized number of Directors.

6.4.2      Removal

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

When a Director fails to attend three consecutive meetings without adequate excuse or when a Director is not fulfilling the responsibilities of the office as prescribed in the bylaws or standing rules, or engages in conduct which the Board determines to be injurious to the organization or its purposes, the Board may by a two-thirds (2/3) affirmative vote, take such action as it determines appropriate, which may include: (1)

asking for the resignation of the Director, (2) making a formal recommendation that the Director be removed following a hearing in accordance with Due Process (as defined by Robert's Rules of Order Newly Revised).

If a Director who is also a Representative or Liaison is removed or the office is declared vacant for the reasons described in this section, that person will also be deemed to have been removed from the status of being a Representative or Liaison. Furthermore, the Board may declare vacant or remove an individual from their position as a Representative or Liaison on the same basis and under the same procedure as that outlined for a Director.

6.4.3 No Removal on Reduction of Number of Directors

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

6.4.4 Vacancies for *Ex Officio* Directors

A Director holding a position *ex officio* will not be permitted to continue if he or she no longer holds the underlying office. A vacancy in one or more of the positions held *ex officio* will remain unfilled until the underlying offices are filled.

6.4.5 Election to Fill Vacancies

If there is a vacancy on the Board, including a vacancy created by the removal of a Director, the Board may fill such vacancy by electing an additional Director as soon as practicable after the vacancy occurs. If the number of Directors then in office is less than a quorum, additional directors may be elected to fill such vacancies by (i) the unanimous written consent of the Directors then in office, (ii) the affirmative vote of a majority of the Directors in office at a meeting held according to notice or waivers complying with section 5211 of the California Nonprofit Corporation Law, or (iii) a sole remaining Director.

6.4.6 Vacancies for Representatives/Liaisons

If there is a vacancy among the Representatives/Liaisons, including a vacancy created by the removal of a Representative/Liaison, the Board may fill the vacancy by electing a new Representative or Liaison as soon as practicable after the vacancy occurs.

Section 6.5 Responsibilities of Officers

6.5.1 President

The president of the Corporation (the "President") shall attend to the following:

- (a) Coordinate the work of Officers and committees of the Corporation in order that the Purposes may be promoted.
- (b) Preside at all meetings of the Corporation and the Board.
- (c) Be a member *ex officio* of all committees.
- (d) Appoint the chairmen and members of committees, subject to ratification of the Board.
- (e) Serve as a designated signatory for the Corporation checking account.
- (f) Perform such other duties as may be prescribed in these Bylaws or assigned by the Corporation.

- (g) Have all donation letters, newsletters, flyers and/or notices approved by the principal, prior to distribution.
- (h) Have all contracts and/or legally binding documents approved by the Corporation, prior to having any two elected Officers sign a contract.

6.5.2 Vice President - Administration

The vice president-administration of the Corporation (the “Vice President-Administration”) shall attend to the following:

- (a) In the absence or disability of the President, perform all the duties of the President and, when so acting, have all the powers of and be subject to all the restrictions upon, the President. The Vice President-Administration shall have such other powers and perform such other duties as may be prescribed by the Board.
- (b) Appoint chairs to complete projects as needed.

6.5.3 Vice President - Fundraising

The vice president-fundraising of the Corporation (the “Vice President-Fundraising”) shall attend to the following:

- (a) Oversee and coordinate the annual fundraising of the Corporation.
- (b) Appoint chairpersons of individual fundraising activities and for individual programs, such as Drama.
- (c) Develop long-range fundraising strategies, including programs to solicit endowment funds, alumni gifts, and corporate charitable contributions.
- (d) Ensure that all donors are individually thanked and, if appropriate, publicly recognized.
- (e) Report on fundraising activities at meetings of the Corporation.
- (f) Review legal and financial documents for general compliance with applicable rules and regulations.

6.5.4 Vice President – Service and Hospitality

The vice president-service and hospitality of the Corporation (the “Vice President-Service and Hospitality”) shall attend to the following:

- (a) Oversee and coordinate the Corporation’s provision of school service programs, community building events, and public relations initiatives. This may include school tours, open houses, conference nights, international potluck, new parent mixers, and volunteer recruitment events.
- (b) Oversee and coordinate the Corporation’s provision of funds and volunteers for facilities and infrastructure, including events such as Big Sunday and UCLA beautification days and services such as copier maintenance and emergency preparedness.

6.5.5 Vice President – Communications

The vice president-communications of the Corporation (the “Vice President-Communications”) shall attend to the following:

- (a) Oversee and coordinate the solicitation or information for and the creation of a membership directory

- (b) Oversee and coordinate e-mail communications.
- (c) Create and disseminate beginning of the year packets, including emergency cards, volunteer forms etc.
- (d) Oversee and coordinate the dissemination of information through the Emerson website, school tours, the Emerson marquee, hallway display cases, automated phone calls, newsletters, and announcements.

6.5.6 Grade Representative Chair

The Grade Representative Chair of the Corporation (the “Grade Representative Chair”) shall attend to the following:

- (a) Serve as a liaison with the administration, including counselors, and the faculty regarding requests for assistance in curricular or co-curricular activities, including GATE, SAS, ELAC, and Emerson Sports Academy.
- (b) Oversee and coordinate the grade-level representatives in identifying and responding to requests for assistance.
- (c) Oversee and coordinate teacher requests through the Donors Choose website.
- (d) Oversee and coordinate events held during Teacher Appreciation Week.

6.5.7 Secretary

The secretary of the Corporation (the “Secretary”) shall attend to the following:

- (a) Keep an accurate record of the proceedings of all meetings of the Corporation.
- (b) Be prepared to refer to minutes of previous meetings.
- (c) Prepare a list of all unfinished business for the use of the President.
- (d) Record all expenditures in the minutes.
- (e) Keep a current copy of the Bylaws and standing rules. Upon request, the Secretary shall exhibit or cause to be exhibited at all reasonable times to any Director these Bylaws and the minute book.
- (f) Conduct all necessary correspondence of the Corporation upon authorization of the President, Board, or Corporation.
- (g) Give, or cause to be given, notice of all meetings of the Board in accordance with these Bylaws.

6.5.8 Treasurer

The treasurer, who is the chief financial officer of the Corporation, (the “Treasurer”) shall attend to the following:

- (a) The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts as shall be sufficient to establish the items of gross income, receipts and disbursements of the association, including specifically, a record of all donations received from members. The books of account shall be open to inspection by any Director at all reasonable times.

- (b) Keep the membership informed of expenditures as they relate to the budget adopted by the Corporation.
- (c) Present a statement of account at every meeting of the Corporation and the Board and at other times when requested by the Corporation.
- (d) Make an annual financial report of receipts and disbursements.
- (e) Oversee the receipt of all moneys for the Corporation, the transmittal of a receipt thereof, and the deposit of said money in the name of the Corporation in a bank approved by the Board.
- (f) Receive and retain a copy of the deposit slip for any deposit made.
- (g) Oversee the payment of all bills in accordance with the procedures set forth in Section 10.4.
- (h) File annually (or arrange to be filed) all forms and reports required to obtain and maintain the Corporation's tax-exempt status with the Federal Government and the State of California.

Section 6.6 Non-Liability of Directors and Officers

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

**ARTICLE 7 MEETINGS**

Section 7.1 Regular Meetings

- (a) There shall be a minimum of six (6) meetings of the Corporation within the academic calendar year, at a time and place to be determined by the Board, unless the Board otherwise votes to hold regular meetings more frequently. Notice of any change in time, date, or place of regularly scheduled meetings must be given to the members at least five (5) days in advance.
- (b) The Board may hold separate meetings at a time and place to be determined by the President or Co-Presidents when and if necessary to exercise the corporate powers of the Board described in Section 6.1. Notice of such meetings must be given to members of the Board at least five (5) days in advance.

Section 7.2 Annual Election Meeting

At the end of the academic calendar year, there shall be an annual election meeting at which time Directors and Officers shall be elected. At least thirty (30) days prior notice of the annual election meeting must be given to all members.

Section 7.3 Special Meetings

Special Corporation meetings for any purpose may be called at any time by the Board upon five (5) days) notice.

Section 7.4 Quorum and Action of the Corporation and Board

7.4.1 Quorum and Minimum Vote Requirements for Valid Action of the Corporation

Ten (10) members shall constitute a quorum for the transaction of business in any meeting of the Corporation. Every act taken or decision made by a vote of the majority of the members present at a meeting duly held at which a quorum is present is the act of the Corporation, unless a greater number is expressly required by California Nonprofit

Corporation Law, the Articles of Incorporation or these Bylaws. In the event of a tie vote, the motion or resolution at issue will be deemed not to have passed. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of members from the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting.

7.4.2 Quorum and Minimum Vote Requirements for Valid Board Action

A majority of Directors then in office (but no fewer than two Directors or one-fifth of the authorized number in Section 6.2.1, whichever is greater) shall constitute a quorum for the transaction of business. Every act taken or decision made by a vote of the majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board, unless a greater number is expressly required by California Nonprofit Corporation Law, the Articles of Incorporation or these Bylaws. In the event of a tie vote, the motion or resolution at issue will be deemed not to have passed. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors from the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting.

**ARTICLE 8 TRANSACTIONS BETWEEN CORPORATION AND DIRECTORS OR OFFICERS**

Section 8.1 Transactions with Directors and Officers

8.1.1 Interested Party Transactions

Except as described in Section 8.1.2, the Corporation shall not be a party to any transaction:

- (a) in which one or more of its Directors or Officers has a material financial interest, or
- (b) with any corporation, firm, association, or other entity in which one or more Directors or Officers has a material financial interest.

8.1.2 Requirements to Authorize Interested Party Transactions

The Corporation shall not be a party to any transaction described in 8.1.1 unless:

- (a) the Corporation enters into the transaction for its own benefit;
- (b) the transaction is fair and reasonable to the Corporation at the time the transaction is entered into;
- (c) prior to consummating the transaction or any part thereof, the Board authorizes or approves the transaction in good faith, by a vote of a majority of Directors then in office (without counting the vote of the interested Directors), and with knowledge of the material facts concerning the transaction and the interested Director's or Officer's financial interest in the transaction;
- (d) prior to authorizing or approving the transaction, the Board considers and in good faith determines after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and
- (e) the minutes of the Board meeting at which such action was taken reflect that the Board considered and made the findings described in paragraphs (a) through (d) of this Section 8.1.2.

8.1.3 Material Financial Interest

A Director or Officer shall not be deemed to have a "material financial interest" in a transaction:

- (a) if the contract or transaction is part of a public or charitable program of the Corporation and it (1) is approved or authorized by the Corporation in good faith and without unjustified favoritism, and (2) results in a benefit to one or more Directors or their families only because they are in the class of persons intended to be benefited by the program; or
- (b) where the interested Director has no actual knowledge of the transaction and it does not exceed the lesser of one percent of the gross receipts of the corporation for the preceding year or \$100,000.

Section 8.2            Loans to Directors and Officers

The Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or Officer, unless approved by the Attorney General; except that, however, the Corporation may advance money to a Director or Officer for expenses reasonably anticipated to be incurred in the performance of duties of such Director or Officer, if in the absence of such advance, such Director or Officer would be entitled to be reimbursed for such expenses by the Corporation.

Section 8.3            Interlocking Directorates

No contract or other transaction between the Corporation and any corporation, firm or association of which one or more Directors are directors is either void or voidable because such Director(s) are present at the Board or Committee meeting that authorizes, approves or ratifies the contract or transaction, if (a) the material facts as to the transaction and as to such Director's other directorship are fully disclosed or known to the Board or Committee, and the Board or Committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Director(s) (subject to the quorum provisions of Article 6); or if (b) the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified.

Section 8.4            Duty of Loyalty

Nothing in this Article 8 shall be construed to derogate in any way from the absolute duty of loyalty that every Director and Officer owes to the Corporation.

**ARTICLE 9        CORPORATE RECORDS, REPORTS**

Section 9.1            Minute Book

The Corporation shall keep a minute book in written form which shall contain a record of all actions by the Board or any committee including (i) the time, date and place of each meeting; (ii) whether a meeting is regular or special and, if special, how called; (iii) the manner of giving notice of each meeting and a copy thereof; (iv) the names of those present at each meeting of the Board or any Committee thereof; (v) the minutes of all meetings; (vi) any written waivers of notice, consents to the holding of a meeting or approvals of the minutes thereof; (vii) all written consents for action without a meeting; (viii) all protests concerning lack of notice; and (ix) formal dissents from Board actions.

Section 9.2            Books and Records of Account

The Corporation shall keep adequate and correct books and records of account. "Correct books and records" includes, but is not necessarily limited to: accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains, and losses.

Section 9.3            Articles of Incorporation and Bylaws

The Corporation shall keep at Emerson the original or a copy of the Articles of Incorporation and Bylaws as amended to date.

Section 9.4            Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

The Corporation shall at all times keep at Emerson a copy of its federal tax exemption application and, for three years from their date of filing, its annual information returns. These documents shall be open to public inspection and copying to the extent required by the Code.

Section 9.5            Annual Report; Statement of Certain Transactions

The Board shall cause an annual report to be sent to each Director within 120 days after the close of the Corporation's fiscal year containing the following information:

- (a) The assets and liabilities of the Corporation as of the end of the fiscal year, as defined in Section 10.3;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for this fiscal year;
- (d) The expenses or disbursements of the Corporation for both general and restricted purposes during the fiscal year;
- (e) A statement of any transaction (i) to which the Corporation was a party, (ii) which involved more than \$50,000 or which was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (iii) in which any Director or Officer had a direct or indirect material financial interest (a mere common directorship is not a financial interest)

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

- (g) A brief description of the amounts and circumstances of any loans, guaranties, or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Director under Article 8.

Section 9.6            Directors' Rights of Inspection

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

Section 9.7            Audit or Review

Upon the approval of the Board, the Corporation will engage an independent accountant to conduct an audit or review of the Corporation's financial statements and submit a report to the Board. Consistent with a Director's right of inspection under Section 9.6 of these Bylaws, a Director may, at his or her own expense, engage an agent to conduct such an audit or review even in the absence of Board approval.

## ARTICLE 10 FINANCIAL

### Section 10.1 Execution of Instruments

The Board, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no 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 10.2 Budget

There will be a written budget prepared by the Board and approved by the membership no later than the Corporation's second regular meeting of the academic calendar year.

### Section 10.3 Fiscal Year

The fiscal year of this Corporation shall begin July 1 and end the last day of June.

### Section 10.4 Deposits and Check Writing

- (a) All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may select.
- (b) The Corporation's checkbook shall be brought to all annual, regular and, when necessary, special meetings to handle disbursements and be available for inspection by the Board and the membership.
- (c) The President (or a Co-President) or Treasurer shall prepare checks and pay bills as authorized by the Board during meetings or via e-mail ratification. Checks authorized via e-mail must be reported to the Board and recorded in the minutes at the next meeting. All checks will be recorded, with a statement of the purpose for the expenditure, on the check ledger.
- (d) There will be three or four authorized signatories on the Corporation accounts:
  - (i) President (or each Co-President)
  - (ii) Vice-President-Administration
  - (iii) Treasurer
- (e) The signature of two authorized signatories will be required on all checks.

### Section 10.5 Directed Donations

The Corporation may accept donations that have been directed by the donor, or "earmarked," for a specific Emerson program or activity, so long as that program or activity is consistent with the charitable purposes described in Article 2 and has been identified in the Corporation budget or by resolution of the Board as an approved object of Corporation funds. The Treasurer will separately account for all directed donations to ensure that such funds are disbursed in accordance with the wishes of the donor, to the extent possible. If an activity or program for which a directed donation was received in a previous year is no longer in operation at Emerson, the Board will re-direct the funds to a similar activity or program, or, if no such activity or program exists, to the general fund.

## ARTICLE 11 CODE OF CONDUCT; WHISTLEBLOWER POLICY

### Section 11.1 Code of Conduct

Directors and Officers shall observe high standards of business and personal ethics in the conduct of their duties and responsibilities, including complying with all applicable laws and regulations. This shall be referred to herein as the Corporation's Code of Conduct (the "Code of Conduct").

Section 11.2 Reporting Responsibility

It is the responsibility of all Directors and Officers to comply with the Code of Conduct and to report violations or suspected violations in accordance with this Whistleblower Policy.

Section 11.3 Compliance Officers

The President and Co-President and/or Vice President-Administration (collectively, the "Compliance Officers") are together responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code of Conduct. All reports will be promptly investigated and appropriate corrective action will be recommended if warranted by the investigation, which may include a recommendation to pursue legal remedies or to refer the matter for possible prosecution. The Compliance Officer will ensure that the Board is kept informed of complaint investigation and resolution.

Section 11.4 No Retaliation

No Director, Officer, member, or Emerson faculty or staff member who in good faith reports a violation of the Code of Conduct shall suffer harassment, retaliation or adverse employment consequence. A Director or Officer who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including removal as a Director or Officer under Section 6.4.2 and disqualification as a member under Article 5.

Section 11.5 Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the Code of Conduct must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code of Conduct. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be grounds for removal as a Director or Officer under Section 6.4.2 or disqualification as a member under Article 5.

Section 11.6 Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible consistent with the need to conduct an adequate investigation.

## **ARTICLE 12 CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions of California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the Corporation and a natural person. All references to statutes, regulations and laws shall include any future statutes, regulations and laws that replace those referenced.

## **ARTICLE 13 AMENDMENTS**

These Bylaws may be amended by a two-thirds (2/3) vote of the Board at any meeting of the Board, provided ten (10) days written notice has been given to the members of the Board.

**CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting Secretary of **Emerson Arts and Education Foundation**, a California nonprofit public benefit corporation; that these Bylaws, consisting of 12 pages, are the Bylaws of this Corporation as adopted by the Board of Directors on September 2, 2008 and as amended by the Board of Directors on \_\_\_\_\_; and that these Bylaws have not been amended or modified since that date.

Executed on \_\_\_\_\_ at \_\_\_\_\_, California.

\_\_\_\_\_  
Secretary