

Adopted

Proposed For Adoption By Board of Directors : June 13, 2013

**BYLAWS OF THE TUOLUMNE COUNTY ARTS ALLIANCE, INC.**  
A California Nonprofit Public Benefit Corporation

**Preamble**

The name of the corporation is the **TUOLUMNE COUNTY ARTS ALLIANCE, INC.** (formerly THE CENTRAL SIERRA ARTS COUNCIL, INC.). These Bylaws amend and replace in full any prior Bylaws of this Corporation.

**ARTICLE I**

**Purposes and Limitations**

**1.01** The specific purpose of this corporation is to promote the arts and arts education in Tuolumne County, California thereby enriching the lives of residents and visitors. No substantial part of the activities of this corporation shall consist of lobbying or propaganda, or otherwise attempting to influence legislation, except as provided in Section 501(h) of the Internal Revenue Code of 1986, and this corporation shall not participate in or intervene (including publishing or distributing statements) in any political campaign on behalf of or in opposition to any candidate for public office.

**ARTICLE II**

**Offices of the Corporation**

**2.01 Principal Office**

The principal office for the transaction of the activities and affairs of the corporation (principal office) is currently located 251 Barretta St, Sonora, CA 95370, Sonora, Tuolumne County, California. The board of directors (board) may change the principal office from one location to another in Tuolumne County. Any change of location of this principal office shall be noted by the secretary on these bylaws opposite this Section, or this Section may be amended to state the new location.

**2.02 Other Offices**

The board may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to conduct its activities.

**ARTICLE III**  
**Membership**

**3.01 Members**

The corporation shall have no members. Any action which would otherwise require approval by a majority of all members or approval by the members shall require only the approval of the board of directors. All rights which would otherwise vest in the members shall vest in the directors.

**3.02 Associates**

Nothing in this Article shall be construed as limiting the right of the corporation to refer to persons associated with it as "members" even though such persons are not members, and no such reference shall constitute anyone a member, within the meaning of Section 5056 of the California Nonprofit Corporation Law. The corporation may confer by amendment of its Articles of Incorporation or of these Bylaws some or all of the rights of a member, as set forth in the California Nonprofit Corporation Law, upon any person or persons who do not have the right to vote for the election of directors, on a disposition of substantially all of the assets of the corporation, on a merger, on a dissolution, or on changes to the corporation's Articles of Incorporation or Bylaws, but no such person shall be a member within the meaning of Section 5056.

**ARTICLE IV**  
**Directors**

**4.01 Number and Qualifications of Directors**

**4.01.1 Authorized Number and Qualification of Directors**

The authorized number of directors shall be from five (5) to thirteen (13) the exact number to be determined by the board of Directors. The initial number of Directors shall be fixed at eight (8). Directors shall be selected for their interest in and ability to contribute to the purposes of the corporation. A majority of directors shall reside in Tuolumne County. Race, creed, religion, sexual orientation, and gender shall not be criteria in the appointment of directors. The number of directors may be increased or decreased only by amendment of these bylaws.

#### **4.01.2 Provision for Immediate Past President as Director**

A person who is ending a term as President of the Board of Directors, pursuant to Section 5.01 of these bylaws, is eligible to be elected to a one year term as a Director with the title "**Immediate Past President**" and if so elected shall join the board as a Director with the same standing as other Directors. If such person is completing three years as a Director, that person by virtue of election as "**Immediate Past President**", may serve an additional one year as a Director notwithstanding the provisions of Section 4.01.4 of these bylaws. The "**Immediate Past President**" may have such duties as provided-for by a majority of the Directors. A person may not be "**President**" and "**Immediate Past President**" simultaneously.

#### **4.01.3 Restriction on Interested Persons as Directors**

No more than forty-nine percent (49%) of the persons serving on the board may be interested persons. An interested person is (a) any person compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, daughter-in-law, mother-in-law, or father-in-law of such persons. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation.

#### **4.01.4 Election**

All directors shall be elected by a majority of the directors of the corporation. Returning directors may be nominated and re-appointed to a new term by a majority of the directors of the corporation.

#### **4.01.5 Terms**

The directors shall be elected for three (3) year terms, and may serve for a maximum of two (2) consecutive full terms of office, with a mandatory one (1) year hiatus following two (2) consecutive full terms of office. A partial term shall not constitute a full term unless at

least four (4) years are served under the partial term. All terms shall commence on July 1.

The current Directors and their terms are set forth in Exhibit "A" to these Bylaws which Exhibit "A" is incorporated herein and made a part hereof by this reference.

#### **4.01.6 Conflict of Interest**

All directors shall comply with the conflict of interest policy adopted by the board.

#### **4.01.7 Confidentiality**

Board members must uphold the highest standards of confidentiality with respect to its internal operations and specifically to protect donor anonymity unless expressly authorized otherwise by the donor. The board will expect the same standard to apply to all employees, consultants and contractors as part of the terms of employment or engagement.

#### **4.02 Vacancies on Board**

##### **4.02.1 Events Causing Vacancy**

A vacancy or vacancies on the board shall exist on the occurrence of the following: (a) Removal of residence of a director from the area designated in section 4.01.1 herein above; (b) the death or resignation of any director; (c) the declaration by resolution of the board of a vacancy in the office of a director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law; (d) the appointment of a conservator for the person or the estate of a director; (e) at the discretion of the board, three (3) unexcused absences or six (6) unexcused and/or excused absences of a director from regularly scheduled Board meetings within any consecutive one year period; or (f) upon the unanimous vote of all directors, at a duly noticed special meeting called for that purpose, with or without cause (not counting the vote of the affected director).

#### **4.02.2 Resignations**

Except as provided below, any director may resign by giving written notice to the chair of the board, or the secretary of the board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the board may elect a successor to take office as of the date when the resignation becomes effective. Except on notice to the Attorney General of California, no director may resign if the corporation would be left without a duly elected director or directors.

#### **4.02.3 Filling Vacancies**

Vacancies pursuant to paragraph 4.02 (1) hereinabove on the board may be filled by a majority of the directors then in office, whether or not less than a quorum, or by a sole remaining director. The board may, in its absolute discretion, utilize the nominating committee for the purpose of selecting a director to fill a vacancy on the board.

#### **4.02.4 No Vacancy 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.

### **4.03 Powers**

#### **4.03.1 General Corporate Powers; Quorum**

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, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the board. Except where otherwise expressly set forth, All board decisions requiring the vote of a majority of directors shall be made by a majority of a quorum of directors. A quorum shall constitute a majority of directors then serving.

#### **4.03.2 Specific Powers**

Without prejudice to the general powers set forth in article IV (4.03.1) of these bylaws, but subject to the same limitations, the directors shall have the power to:

(a) Appoint and remove, at the pleasure of the board, all the corporation's officers, agents, employees and consultants, prescribe powers and duties for them that are consistent with law, with the articles of incorporation, and with these bylaws; and fix their compensation and require from them security for faithful performance of their duties.

(b) Change the principal office or the principal business office in California from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country and conduct its activities within or outside California; and designate any place within or outside California for holding any meeting of members.

(c) Adopt and use a corporate seal and alter the forms of the seal.

(d) Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered by the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation and other evidences of debt and securities.

#### **4.03.3 Exercise of Powers Required by Treasury Regulations**

The board is hereby committed to exercise, in the best interest of the corporation, the powers described in Treasury Regulation §1.170A-9(e) (11) (v) (B), (C), and (D).

#### **4.04 Meetings**

##### **4.04.1 Place of Meetings**

Meetings of the board shall be held at any place within California that has been designated by resolution of the Board or in the notice of the meeting or, if not so designated, at the principal office of the Corporation.

#### **4.04.2 Meetings by Telephone**

Any meeting may be held by conference telephone or similar communication equipment, 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.

#### **4.04.3 Annual Regular Meeting**

The board shall hold a regular meeting for purposes of organization, election of officers, and transaction of other business during the month of June of each year.

#### **4.04.4 Other Regular Meetings**

Other regular meetings of the Board may be held at such time and place as the board may fix from time to time.

#### **4.04.5 Special Meetings**

Special Meetings of the Board for any purpose may be called at any time by the Executive Director, the President or any Vice President, or the Secretary or any two (2) Directors.

(a) Notice of the time and place of special meetings shall be given to each Director by one of the following methods: (i) by personal delivery of written notice; (ii) by first-class mail, postage prepaid; (iii) by telephone, either directly to the director or to a person at the Director's office who would reasonably be expected to communicate that notice promptly to the Director; (iv) or by e-mail. All such notices shall be given or sent to the Director's address, e-mail address, or telephone number as shown on the records of the Corporation.

(b) Notices sent by first-class mail shall be deposited in the United States mails at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or e-mail shall be delivered, telephoned, or sent at least forty-eight (48) hours before the time set for the meeting.

(c) The notice shall state the time of the meeting, and the place if the place is other than the principal office of the Corporation. It need not specify the purpose of the meeting.

#### **4.04.6 Quorum**

A majority of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (b) approval of certain transactions between Corporations having common Directorships, (c) creation of an appointments to committees of the Board, and (d) indemnification of Directors. 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.

#### **4.04.7 Waiver of Notice**

Notice of a meeting need not be given to any Director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any Director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

#### **4.04.8 Adjournment**

A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.



#### **4.04.9 Notice of Adjournment Meeting**

Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than twenty-four (24) hours. If the original meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the Directors who were not present at the time of the adjournment.

#### **4.04.10 Action without a Meeting**

Any action that the Board is required or permitted to take may be taken without a meeting if all members of the Board consent in writing to the action; provided, however, that the consent of any Director who has a material financial interest in a transaction to which the Corporation is a party and who is an "interested Director" as defined in Section 5233 of the California Corporations Code shall not be required for approval of the transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the board. All such consents shall be filed with the minutes of the proceedings of the Board.

### **4.05 Committees**

#### **4.05.1 Committees of the Board**

The board, by action adopted by a majority of the directors then in office, provided a quorum is present, may create one or more committees. Appointments to committees of the board shall be by majority vote of the directors then in office. Except to the extent otherwise provided in a board resolution, no actions taken by a committee shall be binding upon the corporation unless specifically approved by a majority of the directors.

#### **4.05.2 Meetings and Actions of Committees**

Meetings and actions of committees of the board shall be governed by, held, and taken in accordance with the provisions of these bylaws concerning meetings and other board actions, except that the time for regular meetings of such committees and the calling of special meetings of such committees may be determined informally without board

resolution or resolution of the committee of the board. Minutes of each meeting of any committee of the board may be kept at the discretion of the committee. The board may adopt rules for the government of any committee, provided they are consistent with these bylaws or, in the absence of rules adopted by the board, the committee may adopt such rules.

## **ARTICLE V Officers**

### **5.01 Officers of the Corporation**

The officers of the corporation shall be the president, the vice-president, the secretary and the treasurer. The corporation may also have, at the discretion of the board, one (1) or more other officers as may be appointed in accordance with the provisions of Section 5.05 of this Article V. Any number of offices may be held by the same person; except that neither the vice-president nor the secretary may serve concurrently as the president.

### **5.02 Election of Officers**

The officers of the corporation shall be elected by the board at the annual regular meeting and shall serve at the pleasure of the board.

### **5.03 Term of Office**

The term of the office shall begin July 1st and shall be for a term of one year (twelve months).

### **5.04 Term Limits of Officers**

No officer shall serve more than three consecutive terms in any office.

### **5.05 Other Officers**

The board may appoint, and may authorize the president to appoint any other officers that the business of the corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform

the duties specified in the bylaws or determined from time to time by the board of directors.

#### **5.06 Removal of Officers**

Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without cause by a majority of directors and also, if the officer was not chosen by the board, by any officer on whom the board may confer that power of removal.

#### **5.07 Resignation of Officers**

Any officer may resign at any time by giving written notice to the corporation. 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 effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

#### **5.08 Vacancies in Office**

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for regular elections to that office.

#### **5.09 Responsibilities of Officers**

##### **5.09.1 President**

The president shall preside at meetings of the board of directors and exercise and perform such other powers and duties as may be from time to time assigned by the board or prescribed by the bylaws. The president shall, in addition, provide general guidance and supervision to the executive director. The president must also be a director of the Corporation.

##### **5.09.2 Vice President**

In the absence or disability of the president, the vice president shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The

vice president shall have such other powers and perform such other duties as from time to time may be prescribed respectively by the board or the president. The vice president must also be a director of the corporation.

**5.09.3 Secretary**

**a. Book of Minutes**

The secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the board may direct, a book of minutes of all meetings, proceedings, and actions of the board. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual, regular, or special, and, if special, how authorized, the notice given, and the names of those present at board meetings. The secretary shall keep or cause to be kept, at the principal office in California, a copy of the articles of incorporation and bylaws, as amended to date.

**b. Notices, Seal and Other Duties**

The secretary shall give, or cause to be given, notice of all meetings of the board and of committees of the board required by these bylaws to be given. The secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

**5.09.4 Treasurer**

**a. Books of Account**

The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The treasurer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these bylaws, or by the board. The books of account shall be open to inspection by any director at all reasonable times.

**b. Deposit and Disbursement of Money and Valuables**

The treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the board may designate, shall disburse the corporation's funds as the board may order, shall render to the president of the board and the board, when requested, an account of all transactions as treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

**c. Bond**

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

**ARTICLE VI  
Indemnification and Insurance**

**6.01 Right of Indemnity**

To the fullest extent allowed by Section 5238 of the California Nonprofit Public Benefit Corporation Law, this corporation shall indemnify and advance expenses to its agents, in connection with any proceeding, and in accordance with Section 5238. For purposes of this Article, "agent" shall have the same meaning as in Section 5238(a), including directors, officers, employees, other agents, and persons formerly occupying such positions; "proceeding" shall have the same meaning as in Section 5238(a), including any threatened action or investigation under Section 5233 or brought by the Attorney General; and "expenses" shall have the same meaning as in Section 5238(a), including reasonable attorneys' fees.

### **6.02 Approval of Indemnity.**

On written request to the board in each specific case by any agent seeking indemnification, to the extent that the agent has been successful on the merits, the board shall promptly authorize indemnification in accordance with Section 5238(d). Otherwise, the board shall promptly determine, by a majority vote of a quorum consisting of directors who are not parties to the proceeding, whether, in the specific case, the agent has met the applicable standard of conduct stated in Section 5238(b) or Section 5238(c), and, if so, shall authorize indemnification.

### **6.03 Advancing Expenses.**

To the fullest extent allowed by Section 5238 of the California Nonprofit Public Benefit Corporation Law, and except as otherwise determined by the board in specific instances, the board shall authorize the advance of expenses incurred by or on behalf of an agent of this corporation in defending any proceeding prior to final disposition, if the board finds that:

- a. the requested advances are reasonable in amount under the circumstances; and
- b. before any advance is made, the agent will submit a written undertaking satisfactory to the board to repay the advance unless it is ultimately determined that the agent is entitled to indemnification for the expenses under this Article.

Unless the board finds compelling reasons to do otherwise, the undertaking shall be unsecured, and no interest shall be charged on the obligation created thereby.

### **6.04 Insurance.**

The board may adopt a resolution authorizing the purchase of insurance on behalf of any agent against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, and such insurance may provide for coverage against liabilities beyond this corporation's power to indemnify the agent under law.

**ARTICLE VII**  
**Records and Reports**

**7.01 Maintenance of Corporate Records**

The corporation shall keep:

- (a) Adequate and correct books and records of account;
- (b) Written minutes of the proceedings of the board.

**7.02 Inspection by Directors**

Every director shall have the absolute right at any reasonable time to inspect the corporation's books, physical properties, records of each of its subsidiaries records, and documents of every kind, with the exception of personal employee social security numbers and confidential employee files, including contracted employees. The inspection may be made in person. The right of inspection includes the right to copy and make extracts of documents.

**ARTICLE VIII**  
**Amendments**

**8.01 Amendment by Board**

Subject to limitations contained in the Articles of Incorporation and to any provisions of law applicable to amendment of bylaws of nonprofit corporations, these bylaws, or any of them, may be amended or repealed and new bylaws adopted by the vote or written consent of the majority of the directors of the corporation.

