

# BYLAWS OF THE COSTA MESA COMMUNITY FOUNDATION

## ARTICLE I

### Name

The name of this Corporation shall be The Costa Mesa Community Foundation.

## ARTICLE II

### Principal Office

The principal office of this Corporation for transaction of business is located in the City of Costa Mesa in the County of Orange, California, at 77 Fair Drive, California, 92626. The Board of Directors has full power and authority to change the principal office of this Corporation from one location to another in the City of Costa Mesa, California.

## ARTICLE III

### Purpose

The purpose of the Costa Mesa Community Foundation is to raise money to support and promote community projects within the City of Costa Mesa as designated and selected by the Board of Directors.

## ARTICLE IV

### Membership

This Corporation shall have no members other than the Board of Directors. The Board shall, under any statute or rule of law, be the members of this Corporation and shall have all the rights and powers members would otherwise have.

## ARTICLE V

### Board of Directors

Section 1. Number of Directors. The number of Directors shall be up to fifteen (15), one of whom shall be a member of the Costa Mesa City Council.

Section 2. Powers of Directors. Subject to the provision of the California Nonprofit Corporation Law and any limitations in the Articles of Incorporation and these Bylaws, the business and affairs of this Corporation shall be managed, and all corporate powers shall be exercised by or under the direction of the Board of Directors. The Board of Directors may delegate the performance of any duties or the exercise of any powers to such officers or agents as may from time to time by resolution be designated.

Section 3. Term of Office. Each at-large member may serve a term of two years and may serve a total of four (4) terms. After a period of one (1) year off, the Board Members may be re-elected to serve a new term.

Section 4. Vacancies. A vacancy in the City Council Member position because of removal, death, resignation, expiration of term or otherwise, shall be filled by appointment by the Mayor pursuant to the provisions of Article V, Section 3. A vacancy in any other Director position shall be filled by a majority vote of the Board of Directors. Any person selected to fill a vacancy on the Board of Directors shall hold office for the remaining term of his or her predecessor in office, subject to the power of removal contained herein.

Section 5. 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.

## ARTICLE VI Board of Directors Meetings

Section 1. Annual Meeting. There shall be an annual meeting of the Board of Directors in January of each year. Such meetings shall be for the purpose of electing Directors and for the presentation of the Annual Report of the Treasurer, and for the transaction of such other business as may come before the Board.

Section 2. Regular Meetings. Regular meetings of the Board of Directors for any purpose or purposes may be called at any time by the President. The President shall be required to call a meeting upon the joint request of any three (3) members of the Board. All meetings of the Board of Directors shall be guided 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.

Section 3. Place of Meetings. Meetings of the Board of Directors shall be held at any place within this City, which has been designated from time to time by resolution of the Board or by written consent of all members of the Board. In the absence of such designation, meetings shall be held at Costa Mesa City Hall.

Section 4. Notice of Meeting.

a) Written notice of every regular meeting shall be given each Director at least seven (7) days before each meeting. Notice may be delivered personally by mail or by email to the last known address of the addressee and, if mailed is complete upon mailing. Written notice of any meeting shall also be given pursuant to this subsection to any person who requests such notice in writing.

b) An agenda listing the matters to be considered at each meeting shall be given to each Director, and to any person so requesting at least seven (7) days before the meeting.

c) Notwithstanding anything in this section to the contrary, the President may call an emergency meeting of the Board without giving the normal notice if such a meeting is necessary to consider any unforeseen emergency condition. An emergency condition for the purpose of this subsection is any condition that, if not addressed by the Board promptly, may result in a detriment to this Corporation or to the City of Costa Mesa. Notice of any emergency meeting may be delivered personally, by telephone or by mail, and shall be received at least twenty-four (24) hours before the time of such a meeting.

Section 5. Open Meetings. All meetings of the Board shall be open and public, and all persons shall be permitted to attend any meeting of the Board; provided, however, that the Board may hold closed sessions during any meeting to consider those matters that may lawfully be considered in such sessions under Chapter 9 of Part 1 of Division 2 of Title 5 of the Government Code, commencing with Section 54950.

Section 6. Quorum. A majority of the total number of voting Directors shall constitute a quorum for the transaction of business at every meeting. Vacancies on the Board are not counted for purposes of entertainment of a quorum. Every act or decision made by a majority of the Directors present at the meeting at which a quorum is present shall be regarded as an act of the Board of Directors.

Section 7. Minutes of Meetings and Conduct. Regular minutes of the meetings of the Board of Directors shall be kept in a book provided for that purpose. The President shall preside at meetings of the Board of Directors. The Board of Directors may adopt its own rules of procedure to supersede Roberts Rules of Order, insofar as such rules are not inconsistent with, or in conflict with, these Bylaws, the Articles of Incorporation of the Corporation or with the Law.

Section 8. Resignation and Removal of Directors. Any Director may resign from the Board of Directors at any time by giving written notice to the President or the Secretary. The acceptance of such a resignation shall not be necessary to make it effective. Directors of the Corporation who miss three or more meetings in a calendar year may be subject to removal by a majority vote of the remaining Directors. Directors may also be removed at any time without cause by a majority vote of the remaining Directors.

Section 9. Compensation of Directors. No Director shall receive any salary or other similar compensation for any services as Director, however, the Board of Directors may authorize the reimbursement of actual and necessary expenses incurred by individual Directors performing duties as Directors.

Section 10. Inspection by Directors. Each Director shall have the right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation for a purpose reasonably related to such person's interest as a Director, provided that such Director shall not have the right to inspect those books, records or documents made privileged or confidential by law. This inspection must be made by the Director in person. The right of inspection includes the right to copy and make extracts of documents.

## ARTICLE VII Officers

Section 1. Officers. The Officers of this Corporation shall be a President, Vice President, Secretary, and Treasurer.

Section 2. Election. The Board of Directors shall elect all officers of this Corporation for terms of one year, or until their successors are elected. The annual election shall be held in November. Officers elected in November shall take office following the annual meeting in January. All officers shall be drawn from the Board membership.

Section 3. President. Subject to the control of the Board of Directors, the President 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 President shall have a vote on all matters.

Section 4. Vice President. In the absence or disability of the President, the Vice President shall perform all the duties of the President. The Vice President shall have such other powers and perform such duties as may be prescribed from time to time by the Board of Directors.

Section 5. Secretary. The Secretary shall assist the President in the preparation of the agendas for the meetings, shall keep a full and complete record of the proceedings of all meetings of the Board of Directors, shall 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, shall provide such notices as may be necessary and proper. In case of the absence or disability of the Secretary or his or her refusal or neglect to act, such notices may be provided by the President, or by the Vice President or by any person thereunto authorized by the President or by the Vice President or by the Board of Directors, and shall discharge such other duties as pertain to the office or as prescribed by the Board of Directors.

Section 6. Treasurer. The Treasurer shall be the Chief Financial Officer of this Corporation, shall supervise the keeping of the books of this Corporation and, if so required by the Board of Directors, shall give a bond for the faithful discharge of his or her duties in such sum and with such surety as the Board of Directors shall deem appropriate. The Treasurer shall submit an annual report to the Board in January of each year. In case of the absence or disability of the Treasurer, or his or her refusal or neglect to act, the Treasurer's duties may be performed by the President, or by the Vice President or by any person thereunto authorized by the President or by the Vice President, or by the Board of Directors.

## ARTICLE VIII Committees

Section 1. Committees. The Board may appoint one or more committees, each consisting of two or more Directors, and delegate to such committees any of the authority of the Board except with respect to:

The filling of vacancies on the Board or on any committee;

The fixing of compensation of the Directors for serving on the Board or on any committee;

The amendment or repeal of Bylaws or the adoption of any new Bylaws;

The amendment or repeal of any resolution of the Board which by its express terms cannot be amended or repealed;

The appointment of other committees of the Board or the members thereof; or

The approval of any self-dealing transaction, as such transactions are defined in Section 5233 (a) of the California Nonprofit Public Benefit Corporation Law.

Any such committee must be created, and the members thereof appointed, by resolution adopted by a majority of the Directors in office, provided a quorum is present. Any such committee may be designated an Executive Committee or by such other name as the Board shall specify. The Board may appoint, in the same manner, alternate members of any committee who may replace any absent member at any meeting of the committee. The Board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Minutes shall be kept of each meeting of each committee.

## ARTICLE IX Indemnification of Directors, Officers, and Other Agents

Section 1. Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, Officers, employees, and other persons described in Section 5238 (a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that Section, and including any action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in Section 5238 (a) of the California Corporations Code.

Section 2. Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 5238 (b) or Section 5238 (c) of the California Corporations Code, the Board shall promptly determine under Section 5238 (e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238 (b) or Section 5238 (c) has been met and, if so, the Board shall authorize indemnification.

Section 3. Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

Section 4. Insurance. The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Officers, Directors, employees, and other agents, against any liability asserted against or incurred by an Officer, Director, employee, or agent in such capacity or arising out of the Officer's, Director's, or employee's or agent's status as such.

## ARTICLE X Contracts, Loans, Checks, Deposits and Gifts

Section 1. Contracts. The Board of Directors may authorize any office or agent of the Corporation, in addition to the Officers so authorized by these Bylaws, 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.

Section 2. Loans. The Board of Directors 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.

Section 3. Borrowing. No loan shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors.

Section 4. Checks, Drafts, Etc. All checks, drafts, or other orders for payment of money, and all notes or other evidence of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as, from time to time, shall be determined by the resolution of the Board of Directors.

Section 5. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 6. Gifts. The Board of Directors may at their discretion accept on behalf of the Corporation any contribution, gift, bequest, or device for the general purposes or for any specific purpose of the Corporation.

Section 7. Consultants. The Board of Directors may, at their discretion, authorize any officer of the Corporation to enter into a contract to retain and pay compensation to a consultant to provide administrative services to the Corporation. Such consultant shall be deemed an independent contractor and the contract shall require the consultant to provide for liability insurance, workers' compensation insurance, income taxes and any and all other taxes, licenses or fees related to such retainer.

#### ARTICLE XI Conflict of Interest

No member of the Board of Directors shall be financially interested in any contract or other transaction entered into by the Board of Directors, and any contract or transaction entered into in violation of this is void. No Director may utilize information obtained by reason of Board membership for personal gain, and the Board of Director may recover any such gain realized.

#### ARTICLE XII Miscellaneous

Section 1. Fiscal year. The fiscal year of the Corporation shall begin on the first day of July and end on the last day of June in each year unless otherwise determined by resolution of the Board of Directors.

Section 2. Rules. The Board of Directors may adopt, amend, or repeal rules not inconsistent with these Bylaws for the management of the internal affairs of the Corporation and the governance of its officers, agents, committees, and employees.

Section 3. Books and Records. The Corporation shall keep correct and complete books and records of the account and minutes of the proceedings of the Board of Directors and committees. Copies of the minutes of the Board of Directors and of the committees shall be regularly distributed to each member of the Board of Directors. There shall be an audit of the books and records of the Foundation conducted annually.

Section 4. Corporate Seal. The Board of Directors may provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation, the date of its incorporation, and the word "California."

Section 5. Waiver of Notice. Whenever any notices are required to be given under the provisions of the Nonprofit Public Benefit Corporation Law of the State of California, or under the provisions of the Articles of Incorporation of the Corporation, or these Bylaws, a waiver thereof in writing signed by the persons entitled to such notice, whether dated before or after the time stated herein, to the extent permitted by law, shall be deemed equivalent to the giving of such notice.

ARTICLE XIII  
Amendment of Bylaws

The Bylaws of this Corporation shall be amended only by the vote of a majority of the total voting membership of the Board of Directors.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify under penalty of perjury:

That I am the duly elected and acting Secretary of the Costa Mesa Community Foundation, a California nonprofit corporation; and

That the foregoing Bylaws comprised of nine (9) pages, including this page, constitutes the Bylaws of said Corporation as duly adopted at a meeting of the Board of Directors thereof duly held on the 23<sup>rd</sup> day of November, 2010.

IN WITNESS WHEREOF, I have hereunto subscribed my name on this \_\_\_\_ day of November, 2016

  
Secretary