



**Bylaws**

**of**

**The San Francisco Maritime National Park  
Association**

**A California Nonprofit Public Benefit Corporation**

**As Amended October 19, 2017**

## TABLE OF CONTENTS

<b>Section 1. Organization, Trustees, Directors, and Members.</b>	<b>1</b>
<b>Section 2. Objects and Purposes.</b>	<b>1</b>
<b>2.1 Purposes.</b>	<b>1</b>
<b>2.2 Nonprofit Status.</b>	<b>1</b>
<b>Section 3. Trustees.</b>	<b>2</b>
<b>3.1 Board Management of Association's Activities and Affairs.</b>	<b>2</b>
<b>3.2 Trustees, Senior Trustees, Observer Trustees, and         Advisory Council Members.</b>	<b>2</b>
<b>(a) Trustees.</b>	<b>2</b>
<b>(b) Senior Trustees.</b>	<b>2</b>
<b>(c) Observer Trustees</b>	<b>2</b>
<b>(d) Advisory Council Members.</b>	<b>3</b>
<b>3.3 Number of Trustees.</b>	<b>3</b>
<b>3.4 Term of Office of Trustees.</b>	<b>3</b>
<b>3.5 Qualifications of Trustees.</b>	<b>3</b>
<b>3.6 Nomination of Trustee and Other Candidates.</b>	<b>3</b>
<b>3.7 Election of Trustees.</b>	<b>4</b>
<b>3.8 Removal of Trustees.</b>	<b>4</b>
<b>3.9 Resignation of Trustees.</b>	<b>4</b>
<b>3.10 Compensation of Trustees.</b>	<b>4</b>
<b>3.11 Self-Dealing Transactions.</b>	<b>4</b>
<b>(a) Definition.</b>	<b>4</b>
<b>(b) Disclosure of Self-Dealing Transactions.</b>	<b>4</b>
<b>(c) Procedures for Addressing Self-Dealing Transactions.</b>	<b>4</b>
<b>3.12 Transactions with Firms Having Common Directors.</b>	<b>5</b>

3.13 Loans, Guaranties, or Advances.....	5
3.14 Duty of Care of Trustees. ....	5
3.15 Right to Indemnification. ....	6
3.16 Insurance. ....	7
<b>Section 4. Committees of the Board. ....</b>	<b>7</b>
4.1 Creation and Powers of Committees.....	7
4.2 The Executive Committee. ....	8
4.3 The Board Governance Committee.....	9
4.4 The Finance Committee. ....	9
4.5 The Audit Committee. ....	10
4.6 The USS PAMPANITO Committee. ....	10
4.7 The Development Committee.....	10
4.8 Ad Hoc Committees. ....	11
4.9 Trustee Participation in Committee Meetings. ....	11
4.10 Committee Meetings by Conference Communications. ....	11
<b>Section 5. Meetings of The Board.....</b>	<b>11</b>
5.1 Annual Meetings. ....	11
5.2 Regular Meetings. ....	11
5.3 Special Meetings.....	11
5.4 Notice.....	11
5.5 Quorum.....	12
5.6 Adjourned Meetings. ....	12
5.7 Waiver of Notice and Consent to Meetings. ....	12
5.8 Action Without a Meeting.....	12
5.9 Board Meetings by Conference Communications. ....	12
5.10 Review of Internal Revenue Service Form 990 .....	13

<b>Section 6. Officers.</b>	<b>13</b>
<b>6.1 Identification and Title.</b>	<b>13</b>
<b>6.2 Term of Office and Compensation.</b>	<b>13</b>
<b>6.3 Resignations and Filling of Vacancies.</b>	<b>13</b>
<b>6.4 President.</b>	<b>13</b>
<b>6.5 Vice Presidents.</b>	<b>14</b>
<b>6.6 Treasurer.</b>	<b>14</b>
<b>6.7 Secretary.</b>	<b>14</b>
<b>6.8 Chief Executive Officer.</b>	<b>14</b>
<b>6.9 Chief Financial Officer.</b>	<b>15</b>
<b>Section 7. Records, Reports, and Inspection Rights.</b>	<b>15</b>
<b>7.1 Annual Report.</b>	<b>15</b>
<b>7.2 Annual Statement of Certain Transactions.</b>	<b>16</b>
<b>7.3 Annual Statements to State and Federal Governmental Agencies.</b>	<b>16</b>
<b>7.4 Financial Audit.</b>	<b>16</b>
<b>7.5 Inspection Rights of Trustees.</b>	<b>17</b>
<b>Section 8. Policies</b>	<b>17</b>
<b>8.1 Conflict of Interest Policy</b>	<b>17</b>
<b>8.2 Whistleblower Policy</b>	<b>17</b>
<b>8.3 Document Retention and Destruction Policy</b>	<b>18</b>
<b>8.4 Joint Venture Policy</b>	<b>19</b>
<b>8.5 Policy on the Process for Determining Compensation</b>	<b>20</b>
<b>8.6 Nondiscrimination Policy</b>	<b>20</b>
<b>Section 9. Miscellaneous Provisions.</b>	<b>21</b>
<b>9.1 Interpretation of Bylaws.</b>	<b>21</b>
<b>9.2 Notices.</b>	<b>21</b>
<b>9.3 Fiscal Year.</b>	<b>21</b>

<b>9.4 Instruments in Writing.....</b>	<b>21</b>
<b>9.5 Procedures Governing Credit Facilities.....</b>	<b>21</b>
<b>9.6 Legal Counsel .....</b>	<b>22</b>
<b>Section 10. Adoption, Amendment, or Repeal of Bylaws.....</b>	<b>22</b>
<b>10.1 Approval Requirements .....</b>	<b>22</b>
<b>10.2 Adoption.....</b>	<b>22</b>

**Bylaws of**  
**The San Francisco Maritime National Park Association**  
**A California Nonprofit Public Benefit Corporation**  
**As Amended May 28, 2014**

**Section 1. Organization, Trustees, Directors, and Members.**

The San Francisco Maritime National Park Association (the “Association”) is a corporation organized under the California Nonprofit Public Benefit Corporation Law, California Corporations Code §5110 et seq., for public and charitable purposes. The persons referred to as “directors” in the Corporations Code are called “Trustees” in these Bylaws, and they constitute the Board of Trustees (the “Board”). The Association shall have no “members” as that term is used in the Corporations Code, and any action that would otherwise require approval by a majority of all “members” or approval by the “members” shall require only approval of the Board. Nevertheless the Association may refer to persons associated with it as “members” (even though such persons are not “members” within the meaning of the Corporations Code), and the Association may benefit, serve, or assist those persons for the consideration, if any, as the Board may determine, but those persons shall not have any voting rights in the Association. The principal office for the transaction of the business of the Association shall be in San Francisco, California.

**Section 2. Objects and Purposes.**

**2.1 Purposes.** The purposes for which the Association is organized are those stated in the Articles of Incorporation, and include: supporting and assisting the purposes and objectives of the San Francisco Maritime National Historical Park and the National Park Service; furthering education in and preservation of maritime history to enhance public understanding, appreciation, and enjoyment of our maritime heritage; engaging or assisting in the maintenance, acquisition, and operation of maritime-related museums, exhibits, libraries, and parks; building, maintaining, displaying, and operating vessels for educational and other purposes; and engaging in other endeavors of benefit to the public.

**2.2 Nonprofit Status.** The properties and assets of the Association are irrevocably dedicated to the public benefit and charitable purposes. No part of the net earnings, properties, or assets of the Association shall inure to the benefit of any Trustee, Senior Trustee, Officer, or member of the Association, or to the benefit of any private individual. Upon the winding up and dissolution of the Association, and after paying or adequately providing for the debts and liabilities of the Association, the remaining assets shall be distributed to nonprofit funds, foundations, corporations, or other organizations that are operated exclusively for charitable and public benefit purposes and that shall at

the time qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, as amended (or corresponding provisions of any future United States Internal Revenue Law). The Association is organized exclusively for charitable and public benefit purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended. The Association shall not carry on any activities not permitted to be carried on by: (i) a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, as amended (or the corresponding provision of any future United States Internal Revenue Law), or (ii) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, as amended (or the corresponding provisions of any future United States Internal Revenue Law). No substantial part of the activities of the Association shall consist of the carrying on of propaganda or otherwise attempting to influence legislation, nor shall the Association participate (including the publishing or distributing of statements) or intervene in any political campaign on behalf of any candidate for public office.

### **Section 3. Trustees.**

**3.1 Board Management of Association's Activities and Affairs.** Subject to the provisions of the Corporations Code, the Board shall direct and manage the activities and affairs of the Association and shall exercise all corporate powers of the Association. The Board may delegate the management of certain of the Association's activities and affairs to any person, committee of the Board, or other entity, provided that the Board shall exercise ultimate direction and management over all the activities and affairs of the Association.

### **3.2 Trustees, Senior Trustees, Observer Trustees, and Advisory Council Members.**

**(a) Trustees.** The Board shall be composed of one class of directors possessing voting power, who shall be known for all purposes as "Trustees."

**(b) Senior Trustees.** The Board may elect as "Senior Trustees" persons who have served as Trustees or as Officers of the Association and who in the judgment of the Board have made outstanding contributions in furtherance of the purposes of the Association. The Board Governance Committee will review the status of Senior Trustees annually and then make recommendations for re-election by the Board. Senior Trustees are entitled to attend all meetings of the Board and to serve as members on any Board committee to which elected or appointed, but Senior Trustees shall have no voting power at any Board or committee meeting.

**(c) Observer Trustees.** The President of the Board and the Chief Executive Officer may jointly appoint one or more "Observer Trustees" for the purpose of developing relationships with maritime, national park, or other appropriate organizations. The term for an Observer Trustee shall be one year, renewable year to year by joint appointment of the President and the Chief

Executive Office, but subject to immediate termination either by joint decision of the President and Chief Executive Officer or by a majority vote of the Board at their absolute discretion. An Observer Trustee may attend Board and committee meetings but shall have no voting power at any meeting. The President of the Board may exclude an Observer Trustee from the whole or any part of any Board meeting, and the Chair of any committee may exclude an Observer Trustee from the whole or any part of any committee meeting.

**(d) Advisory Council Members.** The Board or the President of the Association may designate persons whose expertise might assist the Association in its efforts to enhance public understanding, appreciation, and enjoyment of our national maritime heritage as “Advisory Council Members.” The Advisory Council Members shall have such privileges and duties as the Board or the President of the Association may from time to time prescribe but shall have no voting power at any Board or committee meeting.

**3.3 Number of Trustees.** The maximum authorized number of Trustees of the Association shall be forty-five (45).

**3.4 Term of Office of Trustees.** Subject to the other provisions of this paragraph, the term of office of Trustees shall be three years. Trustees may serve for an unlimited number of additional three-year terms, consecutively or not. The Board shall renew terms of office of Trustees at the Board’s annual meeting by a vote of a simple majority of Trustees in attendance, provided that a quorum is present. The initial term of a Trustee shall begin on the date he or she is elected and end at the conclusion of the third consecutive annual meeting thereafter. The renewal term of a Trustee shall begin at the conclusion of the annual meeting at which his or her term is renewed and end at the conclusion of the third consecutive annual meeting thereafter, unless renewed again.

**3.5 Qualifications of Trustees.** Any person 18 years of age or older may be nominated and elected to serve as a Trustee. In the nomination and election of Trustees special attention shall be given to Trustee candidates with historical, cultural, business, or other backgrounds related to maritime activities. Trustees need not be residents of the State of California.

**3.6 Nomination of Trustee and Other Candidates.** All nominations by the Board Governance Committee for Trustee, Senior Trustee, or Officer positions shall be made in writing to the entire Board. The Board Governance Committee shall provide biographical resumes of each Trustee candidate nominated for the first time. The recommendations and resumes shall be sent to all Trustees before the meeting at which the election will be conducted or before election by action without a meeting.

Nothing in these Bylaws shall be construed as limiting a Trustee’s right to nominate Trustees, Senior Trustees, or Officers at any duly noticed regular or special meeting during which nomination and election of such Trustees, Senior Trustees, or Officers are scheduled to occur.



**3.7 Election of Trustees.** Trustees, Senior Trustees, and Officers shall be elected at any regular or special meeting of the Board, or by action without a meeting in accordance with Section 5.8, by vote of a simple majority of Trustees who vote, provided that a quorum of Trustees vote.

**3.8 Removal of Trustees.** The Board may remove any Trustee or Senior Trustee who has been declared of unsound mind by a final order of court, or been convicted of a felony, or been found by a final order of judgment of any court to have breached any duty under Corporations Code §§5230-5238. The Board may remove any Trustee or Senior Trustee for reasons other than those listed above if: (a) the Trustee or Senior Trustee is given 15 days' prior notice of the removal and the reasons therefor; (b) the Trustee or Senior Trustee is given an opportunity to be heard, orally or in writing, before the removal becomes effective; and (c) a majority of the Board approves the removal. Except as provided in this Section or by the laws of the State of California, a Trustee may not be removed prior to the expiration of the Trustee's term of office.

**3.9 Resignation of Trustees.** Any Trustee or Senior Trustee may resign effective upon giving written notice to the President, the Secretary, or the Board. A successor may be elected to take office when the resignation becomes effective. Except upon notice to the California Attorney General, no Trustee may resign if the Association then would be left without a duly elected Trustee in charge of its activities and affairs.

**3.10 Compensation of Trustees.** Trustees shall receive such compensation, if any, as the Board may from time to time determine. Nothing in this Section shall preclude any Trustee from serving the Association in any other capacity and receiving reasonable compensation for such other service. No obligation, otherwise valid, to pay such compensation shall be voidable merely because the persons receiving the compensation participated in the decision to pay it, unless it was not just and reasonable as to the Association at the time it was authorized, ratified, or approved. The Board may authorize the advance or reimbursement of actual reasonable expenses incurred by a Trustee, Senior Trustee, or Observer Trustee in carrying out his or her duties.

### **3.11 Self-Dealing Transactions.**

**(a) Definition.** For the purpose of this Section a "self-dealing transaction" means a transaction to which the Association is a party and in which one or more of its Trustees has a material financial interest (an "interested Trustee").

**(b) Disclosure of Self-Dealing Transactions.** In connection with any actual or possible self-dealing transaction, an interested Trustee must disclose to the Board the existence of the financial interest and all material facts concerning the transaction.

#### **(c) Procedures for Addressing Self-Dealing Transactions.**

(i) An interested Trustee may make a presentation to the Board or to the applicable committee of the Board, but after the presentation the

Trustee shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(ii) The President of the Board or the Chair of the applicable committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction.

(iii) After exercising due diligence the Board or the applicable committee shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction from a person or entity that would not give rise to a conflict of interest.

(iv) If a more advantageous transaction is not reasonably possible under circumstances that would not produce a conflict of interest, the Board or the applicable committee shall determine by a majority vote of the disinterested Trustees or committee members whether the transaction is in the Association's best interest, is for its own benefit, and is fair and reasonable. In conformity with the above determination the Board or committee shall make its decision as to whether to enter into the transaction.

**3.12 Transactions with Firms Having Common Directors.** Except as provided in Section 3.11, no contract or other transaction between the Association and any other domestic or foreign corporation, firm, or association of which one or more of the Association's Trustees is a director is either void or voidable because such Trustee or Trustees are present at the meeting of the Board or a committee of the Board that authorizes, approves, or ratifies the contract or transaction if:

(a) the material facts about the transaction and the Trustee'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 majority vote of a quorum without counting the presence or the vote of the common Trustee or Trustees; or

(b) as to contracts or transactions not approved as provided in subsection (a), the contract or transaction is just and reasonable as to the Association at the time it is authorized, approved, or ratified.

**3.13 Loans, Guaranties, or Advances.** The Association shall not make any loan of money or property to or guarantee the obligation of any Trustee, Senior Trustee, Observer Trustee, or Officer, except that the Association may advance money to a Trustee, Senior Trustee, Observer Trustee, or Officer of the Association for expenses reasonably anticipated to be incurred in the performance of his or her duties if, in the absence of such advance, that person would be entitled to be reimbursed for the expenses by the Association.

**3.14 Duty of Care of Trustees.** In addition to the duties of care imposed upon the Trustees by law:

(a) A Trustee shall perform the duties of a Trustee, including duties as a member of any committee of the Board, in good faith, in a manner that the Trustee believes to be in the best interests of the Association, and with such care and reasonable inquiry as an ordinarily prudent person in a like position would use under similar circumstances.

(b) A Trustee in performing his or her duties shall be entitled to rely upon information, opinions, reports, or statements, including financial statements and other financial data, that is prepared or presented by:

(1) One or more Officers or employees of the Association whom the Trustee believes to be reliable and competent in the matters presented;

(2) Legal counsel, independent accountants, or other persons as to matters that the Trustee believes to be within that person's professional or expert competence; or

(3) A committee of the Board upon which the Trustee does not serve, as to matters within its designated authority, which committee the Trustee believes to merit confidence, so long as the Trustee acts in good faith, after reasonable inquiry when the circumstances indicate, and without knowledge that would cause reliance to be unwarranted.

(c) Except as provided in Section 3.11, a person who performs the duties of a Trustee in accordance with subsections (a) and (b) shall have no liability based upon any alleged failure to discharge his or her obligations as a Trustee, including but not limited to any actions or omissions that exceed or defeat a public or charitable purpose to which the Association, or assets held by it, are dedicated.

**3.15 Right to Indemnification.** The Association shall indemnify any person who was or is a party, or is threatened to be made a party, to any legal action or proceeding by reason of the fact that the person is or was a Trustee, Senior Trustee, Observer Trustee, or Officer of the Association, for expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the action or proceeding, to the fullest extent permitted under California nonprofit corporation law and other applicable law.

In determining whether indemnification is available to a Trustee, Senior Trustee, Observer Trustee, or Officer of the Association under California law, the decision whether the applicable standard of conduct set forth in Corporations Code §5238 has been met shall be made by a majority vote of a quorum of Trustees who are not parties to the proceeding. If the number of Trustees who are not parties to the proceeding is less than one half of the total number of Trustees serving at the time the determination is to be made, the court in which the proceeding is or was pending shall decide whether the applicable standard of conduct has been met.

The indemnification provided in this Section: (a) does not exclude any other rights to which the person indemnified or seeking indemnity may be entitled; (b) shall continue as to a person who has ceased to be a Trustee, Senior Trustee, Observer Trustee, or Officer of the Association; and (c) shall inure to the benefit of the person's heirs, executors, and administrators.

**3.16 Insurance.** The Association has the authority and shall use its best efforts to purchase and maintain insurance covering any liability asserted against or incurred by a Trustee, Senior Trustee, Observer Trustee, or Officer in that capacity or arising out of his or her status as such, whether or not the Association would have the authority to indemnify that person against liability under Section 3.15, provided, however, that the Association shall have no authority to purchase and maintain insurance to indemnify any Trustee, Senior Trustee, Observer Trustee, or Officer of the Association for any self-dealing transaction as described in Corporation Code §5233.

## **Section 4. Committees of the Board.**

### **4.1 Creation and Powers of Committees.**

(a) No committee shall have the following power or authority, which the Board has no power to delegate:

- (1) To elect or remove any Trustee, Senior Trustee, or Officer.
- (2) To amend or repeal bylaws or adopt new bylaws.
- (3) To amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable.
- (4) Except as is provided in these Bylaws, to create committees that have the authority of the Board or appoint the members of such committees.
- (5) To approve any self-dealing transaction as defined in Section 3.11, except as provided in that Section.

(b) The Association will have at least the following standing committees: the Executive Committee, the Board Governance Committee, the Finance Committee, the Audit Committee, the USS PAMPANITO Committee, and the Development Committee. The Board may establish additional standing committees.

(c) The standing committees shall conform to the purposes and objectives of the Association as set forth in Section 2.1.

(d) The only standing committee that may exercise the general authority of the Board, as limited by Section 4.1, is the Executive Committee. The power of all other committees is advisory only.

(e) The Board or the Executive Committee shall elect the Chairs of the standing committees. The President of the Board and the Chair of each standing committee shall appoint the other members of that committee.

(f) Ex officio members of committees shall not possess voting power in committee matters.

(g) Voting by proxy is not allowed at committee meetings.

(h) Committee Chairs will report either to the President or, if the President delegates, to an assigned member of the Executive Committee. Except as otherwise provided in these Bylaws, no committee need keep minutes of its meetings.

(i) A quorum for the conduct of business by any committee shall consist of a simple majority of the members of that committee. Senior Trustees and Observer Trustees are not counted for purposes of determining a quorum.

#### **4.2 The Executive Committee.**

**(a) Composition.** The President of the Board shall be the Chair of the Executive Committee. The Executive Committee shall consist of the following members: the Board President, Vice-Presidents, Secretary, and Treasurer, and such additional Trustees as the Board may elect by a majority vote at a meeting at which a quorum is present. All members of the Executive Committee shall be Trustees of the Association.

**(b) Functions.** The Executive Committee may exercise the power and authority of the Board except: (a) for the limitations listed in Section 4.1(a); (b) to the extent the Board has acted on an issue; and (c) that the Executive Committee may not make or commit the Association to any obligation in excess of \$30,000.

**(c) Meetings.** The Executive Committee shall meet at the call of the President. In the absence of the President the Executive Committee shall meet at the call of any other member of the Executive Committee when circumstances arise that require action that cannot be delayed until the next regular meeting of the Board. Executive Committee meetings shall be held at a place that the President or other convening member designates. All Trustees may attend Executive Committee meetings, including by conference communications as described in Section 4.10, but only the Executive Committee members shall have voting power at the meetings.

**(d) Minutes.** Formal written minutes shall be kept of all business conducted at each meeting of the Executive Committee. The Executive

Committee will provide a copy in written form to each Trustee promptly after each meeting.

#### **4.3 The Board Governance Committee.**

**(a) Composition.** The Board Governance Committee shall consist of a Chair, the President, and not more than five other Trustees.

**(b) Functions.** The functions of the Board Governance Committee shall be to:

(1) Prepare and implement the policy, plan, and procedures for Board recruitment.

(2) Encourage Trustees to refer names of potential new Board members and then prepare recommendations for Board action on qualified candidates.

(3) Prepare and present for action by the Board at its annual meeting: (a) a recommendation on term renewals for Trustees and Senior Trustees; (b) a recommendation for Officers and committee Chairs for the coming year; and (c) a recommendation for Executive Committee membership for the coming year.

(4) Organize and conduct the Board orientation for new Trustees.

(5) Prepare the Board conflict of interest form and endeavor to ensure that each Trustee signs it.

(6) Prepare the Board commitment forms and endeavor to ensure that each Trustee signs them.

(7) Spearhead Board self-evaluations and follow up as appropriate.

(8) Prepare the Board whistleblower policy.

(9) Oversee the implementation of the Association's Bylaws, and review, approve, and prepare recommendations for Board action on any proposed additions and modifications to the Bylaws.

**(c) Meetings.** The Chair shall schedule and conduct meetings of the Board Governance Committee as needed at his or her discretion.

#### **4.4 The Finance Committee.**

**(a) Composition.** The Finance Committee shall consist of the Treasurer (as Chair), the President, and at least two other Trustees.

**(b) Functions.** The Finance Committee shall review the annual budget of the Association in consultation with the Chief Executive Officer and the Chief

Financial Officer and present it to the Board. The Finance Committee will periodically review the financial results of the Association in consultation with the Chief Executive Officer and the Chief Financial Officer and present significant financial issues to the Board.

(c) **Meetings.** The Chair shall schedule and conduct meetings of the Finance Committee as needed at his or her discretion, but at least quarterly.

#### **4.5 The Audit Committee.**

(a) **Composition.** The Audit Committee shall consist of at least two Trustees who are not members of the Finance Committee. Members of the Finance Committee must be in the minority on the Audit Committee. The Chair cannot be a member of the Finance Committee.

(b) **Functions.** The Audit Committee shall:

(1) Recommend to the Board the retention or termination of the auditor and the amount of the auditor's compensation.

(2) Confer with the auditor to ensure that the financial affairs of the Association are in order.

(3) Recommend acceptance or rejection of the auditor's report to the Board.

(c) **Meetings.** The Chair shall schedule and conduct meetings of the Audit Committee as needed, but at least annually.

#### **4.6 The USS PAMPANITO Committee.**

(a) **Composition.** The USS PAMPANITO Committee shall consist of a Chair, the President, and at least four other Trustees.

(b) **Functions.** The USS PAMPANITO Committee shall advise and make recommendations to the Board and to the Executive Committee relating to the operation, maintenance, and display of the USS PAMPANITO for the benefit of the public.

(c) **Meetings.** The Chair shall schedule and conduct meetings of the USS PAMPANITO Committee as needed at his or her discretion.

#### **4.7 The Development Committee.**

(a) **Composition.** The Development Committee shall consist of a Chair, the President, and at least two other Trustees.

**(b) Functions.** The Development Committee shall prepare fundraising and development plans for the Association, in consultation with the Chief Executive Officer.

**(c) Meetings.** The Chair shall schedule and conduct meetings of the Development Committee as needed at his or her discretion.

**4.8 Ad Hoc Committees.** From time to time the Board or the President may establish ad hoc committees. Ad hoc committees shall not have the power to exercise the authority of the Board. The Board or the President shall establish the composition, assignment, and conduct of the affairs of any ad hoc committee.

**4.9 Trustee Participation in Committee Meetings.** All Trustees may attend and participate in all meetings of all committees. Only members of the committee, however, shall have power to vote on committee matters.

**4.10 Committee Meetings by Conference Communications.** Members of all committees may participate in committee meetings through the use of telephone, video, internet, or similar conference communications equipment so long as all participants can hear one another. Participation in a meeting pursuant to this subsection constitutes presence in person at the meeting.

## **Section 5. Meetings of The Board.**

**5.1 Annual Meetings.** Annual meetings of the Board shall be held during the first quarter of the fiscal year at such place and time as the President may designate. At the annual meeting the Board, among other business, shall elect the Officers of the Association and may re-elect Trustees in accordance with Section 3.4.

**5.2 Regular Meetings.** Regular meetings of the Board shall be held at least three times (in addition to the annual meeting) during each fiscal year at a place and time that the President shall designate.

**5.3 Special Meetings.** The President may call special meetings of the Board for any purpose at any time, or if the President is unable or refuses to act, by any five Trustees, upon at least one week's notice to each Trustee. Such meetings shall be held in San Francisco, if called by persons other than the President.

**5.4 Notice.** Annual and regular meetings of the Board may be held upon no less than one week's notice of the time and place. The notice shall specify the purpose of the meeting and shall include a general agenda of matters to be considered, plus when practicable the relevant financial and committee reports to be considered. Senior Trustees are entitled to notice of Board meetings, but the lack of notice to Senior Trustees shall not invalidate any Board action taken during any Board meeting.



Whenever notice of a meeting is required to be given to any Trustee under provisions of the Articles of Incorporation, these Bylaws, or the law of California, a waiver of notice in writing signed by the Trustee, whether before or after the time of the meeting, or an oral waiver of notice given during the meeting, shall be equivalent to the proper giving of notice.

**5.5 Quorum.** For the purpose of transacting business of the Board, a quorum shall constitute a simple majority of the Trustees then serving on the Board. Senior Trustees and Observer Trustees are not counted for purposes of determining a quorum. Subject to: (1) Section 4.1(d), relating to committees exercising the authority of the Board, (2) Section 3.11, relating to self-dealing transactions, (3) Section 3.12, relating to transactions between corporations having common directorships, (4) Sections 3.10 and 6.2, relating to compensation of Trustees and Officers, and (5) Section 3.15, relating to indemnification, every act or decision by a majority of the Trustees present at a meeting duly held at which a quorum is present is the act of the Board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Trustees from the meeting, if any action taken is approved by at least a majority of the required quorum for the meeting or any greater number that is required by these Bylaws.

Voting by proxy is not allowed at any Board meeting.

**5.6 Adjourned Meetings.** A majority of the Trustees present, whether or not a quorum is present, may adjourn any Board meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of the adjournment to another time or place shall be given the Trustees prior to the time of the resumed meeting.

**5.7 Waiver of Notice and Consent to Meetings.** Notice of a Board meeting need not be given to any Trustee or Senior Trustee who signs (before or after the meeting) a waiver of notice or a written consent to holding the meeting, or an approval of the minutes of the meeting, or who attends the meeting without protesting the lack of notice. All such waivers, consents, and approvals shall be filed with the Association's records or made a part of the minutes of the meetings.

**5.8 Action Without a Meeting.** The Board may take any action without a meeting if every Trustee receives written notice and the opportunity to vote. The notice and any related material may be sent by mail, email, or other electronic transmission, and responses may be returned by mail, email, or other electronic transmission. The notice shall set forth the proposed action, provide an opportunity to specify approval or disapproval of the proposed action, and provide a reasonable time within which to return the written vote.

**5.9 Board Meetings by Conference Communications.** Trustees, Senior Trustees, and Observer Trustees may participate in Board meetings through the use of telephone, video, internet, or similar conference communications equipment so long as all participants can hear one another. Participation in a meeting pursuant to this subsection

is considered presence in person at the meeting. Annual meetings however shall not be conducted exclusively by telephone, video, or internet conference.

**5.10 Review of Internal Revenue Service Form 990.** The Board shall review the draft of Internal Revenue Service Form 990 before it is submitted to the IRS.

## **Section 6. Officers.**

**6.1 Identification and Title.** The Officers of the Association shall be the President (who is Chair of the Board), at least one but not more than three Vice Presidents (who may be designated “First Vice President,” “Second Vice President,” etc. indicating their order of succession to the President), the Treasurer, the Secretary, the Chief Executive Officer, and the Chief Financial Officer. All Officers except the Chief Executive Officer and the Chief Financial Officer shall be Trustees. Any number of offices may be held by the same person, except that the Treasurer, Secretary, and Chief Financial Officer may not serve concurrently as the President.

**6.2 Term of Office and Compensation.** The Board shall elect the Officers, who shall serve at the pleasure of the Board, subject to the rights of an Officer under any contract of employment. The Board may fix the compensation of an Officer, and no obligation that is otherwise valid to pay such compensation shall be voidable merely because the person receiving the compensation participated in the decision to pay it, unless it was not just and reasonable as to the Association at the time it was authorized, ratified, or approved. Each Officer except the President, Chief Executive Officer, and Chief Financial Officer shall serve from the date of election by the Board until the conclusion of the next annual meeting or (if earlier) until he or she resigns, is removed, or becomes disqualified. The Chief Executive Officer and Chief Financial Officer shall serve until he or she resigns, is removed by a majority vote of the Board, or becomes disqualified. The President shall be elected to a two-year term. There shall be no limitation upon the number of terms any Officer shall be eligible to serve.

**6.3 Resignations and Filling of Vacancies.** Any Officer may resign at any time upon written notice to the Association, without prejudice to the rights of the Association under any contract to which the Officer is a party. Unless otherwise specified in an Officer’s resignation, no acceptance of the resignation shall be necessary to make it effective. The Board may immediately fill any vacancy occurring for any reason in any office of the Association.

**6.4 President.** Subject to the direction and control of the Board and the Executive Committee, the President shall:

- (a) Preside at all meetings of the Board;
- (b) Call all meetings of the Board, including special meetings, except certain special meetings called pursuant to Section 5.3;

- (c) Act as Chair of the Board and as the acting committee chair for any committee chair vacancy that develops; and
- (d) Exercise such other powers and perform such other duties as the Board or these Bylaws may prescribe.

**6.5 Vice Presidents.** The Vice Presidents shall have the powers and perform the duties that the President may delegate. When the President is unable to preside at meetings, or in the President's absence, incapacity, death, or resignation, a Vice President shall preside and otherwise act as President if he or she: (1) has agreed to do so at the request of the President, (2) has been designated to do so based on official title and order of succession as provided in Section 6.1, or (3) has agreed to temporarily assume the Presidency, by vote of the Executive Committee, pending action by the full Board to elect a new President.

**6.6 Treasurer.** Subject to the direction and control of the Board and the Executive Committee, the Treasurer shall:

- (a) Act as Chair and preside at all meetings of the Finance Committee; and
- (b) Exercise such other powers and perform such other duties as the Board or these Bylaws may prescribe.

**6.7 Secretary.** Subject to the direction and control of the Board and the Executive Committee, the Secretary shall:

- (a) Keep or cause to be kept a book of minutes in written form at the Association office or such other place as the Board may direct of all meetings of the Board and of the Executive Committee, with the time and place of the meeting, the names of those present, and a summary of the proceedings of the meeting;
- (b) Give or cause to be given notice of all meetings of the Board as required by these Bylaws and all other notices that the Association is required by law to give;
- (c) Keep at the Association office the original or a copy of the Articles of Incorporation and the Bylaws of the Association, as amended, which shall be open to inspection by the Trustees at all reasonable times during office hours; and
- (d) Attend to such correspondence as may be assigned to him or her, and perform all other duties incidental to the office or prescribed by the Board, the Executive Committee, these Bylaws, or law.

**6.8 Chief Executive Officer.** Subject to the direction and control of the Board and the Executive Committee, the Chief Executive Officer shall have general management of the activities and affairs of the Association. In the absence of a Chief Financial Officer, the Chief Executive Officer shall also be the acting Chief Financial

Officer. In the absence of a Chief Executive Officer, the President shall be the acting Chief Executive Officer. The Board at its discretion has the power to remove the Chief Executive Officer and the Chief Financial Officer for any reason, subject to their rights under a contract of employment.

**6.9 Chief Financial Officer.** Subject to the direction and control of the Board and the Executive Committee, the Chief Financial Officer shall:

- (a) Cause to be kept and maintained adequate and correct books and records of account of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, and surplus. Books of account shall at all reasonable times be open to the inspection of any Trustee;
- (b) Arrange for the deposit and investment of all monies and other valuables in the name and to the credit of the Association with such depositories as the law may permit;
- (c) Disburse the funds of the Association as the Board or the Executive Committee may order, account for all financial transactions, and provide monthly financial statements showing the financial condition of the Association;
- (d) Direct the accounting staff to implement budgetary and financial controls; and
- (e) Have such other powers and perform such other duties consistent with law and as the Board or the Executive Committee may prescribe.

## **Section 7. Records, Reports, and Inspection Rights.**

**7.1 Annual Report.** Pursuant to Corporations Code §6321(e) the Chief Executive Officer shall furnish annually to all Trustees a report containing the following information:

- (a) the assets and liabilities, including trust funds, of the Association as of the end of the fiscal year;
- (b) the principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) the revenue or receipts of the Association, both unrestricted and restricted to particular purposes, for the fiscal year;
- (d) the expenses and disbursements of the Association, for both general and restricted purposes, during the fiscal year; and

(e) any information required by Section 7.2.

The report required shall be accompanied by any report of independent accountants, or if there is no such report, the certificate of the President or Treasurer of the Association that such statements were prepared without audit from the books and records of the Association.

**7.2 Annual Statement of Certain Transactions.** Any provision of these Bylaws notwithstanding, the Chief Executive Officer shall furnish annually to the Trustees a statement of any transaction or indemnification of a kind described below, if any such transaction or indemnification took place. A “covered transaction” under this Section is a transaction in which the Association was a party and in which any Trustee or Officer of the Association (an “interested person”) had a direct or indirect material financial interest, a mere common directorship not being a material financial interest for this purpose.

The statement required by this subsection shall describe briefly: (a) any covered transaction during the previous fiscal year involving more than \$50,000, or which was one of a number of covered transactions in which the same interested person had a direct or indirect material financial interest, and which transactions in the aggregate involved more than \$50,000; and (b) the names of the interested persons involved in the transactions, stating the person’s relationship to the Association, the nature of the person’s interest in the transaction and, where practicable, the amount of the interest, but in the case of a transaction with a partnership of which the person is a partner, only the interest of the partnership need be stated. The statement required by this subsection shall describe briefly the amount and circumstances of any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Trustee of the Association pursuant to Corporations Code §5238, except that no such report need be made in the case of indemnification that the Trustees have approved under Corporations Code §5238(e) or Section 3.15 of these Bylaws.

**7.3 Annual Statements to State and Federal Governmental Agencies.** The Chief Executive Officer shall complete and file all forms required by any state, federal, or local governmental agencies. In particular, without limitation, the Association shall file on a form that the California Secretary of State prescribes a statement containing: (a) the names and complete business or residence addresses of the Association’s Chief Executive Officer, Secretary, and Chief Financial Officer; (b) the street address of the Association’s principal office in California; and (c) the name and address of a person residing in California who is designated as agent of the Association for the purpose of service of process.

**7.4 Financial Audit.** The Association shall obtain a financial audit for any tax year in which it receives or accrues gross revenue. Any audited financial statements that the Association obtains, whether or not required by law, shall be made available for inspection by the Attorney General and by the general public within nine months after the close of the fiscal year to which the statements relate.

**7.5 Inspection Rights of Trustees.** Every Trustee shall have the right at any reasonable time to inspect and copy all of the Association's books, records, and documents and to inspect the physical properties of the Association. Any inspection by a Trustee may be made in person or by agent or attorney, and the right of inspection includes the right to copy and make extracts. If any record subject to inspection pursuant to this subsection is not maintained in hard copy (e.g., is maintained as a computer file), a request for inspection is not complied with unless and until the Association at its expense makes the record available in hard copy.

## **Section 8. Policies.**

**8.1 Conflict of Interest Policy.** This conflict of interest policy: (1) defines conflicts of interest; (2) identifies classes of individuals within the Association covered by this policy; (3) facilitates disclosure of information that may help identify conflicts of interest; and (4) specifies procedures to be followed in managing conflicts of interest.

**(a) Definition of conflicts of interest.** A conflict of interest arises when a person in a position of authority over the Association may benefit financially from a decision he or she could make in that capacity, including indirect benefits such as to family members or businesses with which the person is closely associated. This policy is focused upon material financial interest of, or benefit to, such persons.

**(b) Individuals covered.** Persons covered by this policy are the Association's Trustees, Senior Trustees, Observer Trustees, Chief Executive Officer, and Chief Financial Officer.

**(c) Facilitation of disclosure.** Persons covered by this policy will annually disclose or update to the President of the Board, directly or on a form the Association will provide, their interests that give rise or are expected to give rise to a conflict of interest.

**(d) Procedures to manage conflicts.** For each interest disclosed to the President of the Board, the President will determine whether to: (a) take no action; (b) assure full disclosure to the Board and other individuals covered by this policy; (c) ask the person to recuse from participation in related discussions or decisions within the Association; or (d) ask the person to resign from his or her position in the Association or, if the person refuses to resign, become subject to possible removal in accordance with the Association's removal procedures. The Association's Chief Executive Officer and Chief Financial Officer will monitor proposed or ongoing transactions for conflicts of interest and disclose them to the President in order to deal with potential or actual conflicts, whether discovered before or after the transaction has occurred.

**8.2 Whistleblower Policy.** This whistleblower policy: (1) encourages staff and volunteers to come forward with credible information on illegal practices or serious

violations of adopted policies of the Association; (2) specifies that the Association will protect the person from retaliation; and (3) identifies where such information can be reported.

**(a) Encouragement of reporting.** The Association encourages complaints, reports, or inquiries about illegal practices or serious violations of the Association's policies, including illegal or improper conduct by the Association, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy include financial improprieties, ethical violations, or other similar illegal or improper practices or policies.

**(b) Protection from retaliation.** The Association prohibits retaliation by or on behalf of the Association against staff or volunteers for making good faith complaints, reports, or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. The Association reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports, or inquiries or who otherwise abuse this policy.

**(c) Where to report.** Complaints, reports, or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the bases for the complaints, reports, or inquiries. They should be directed to the Chief Executive Officer or the President of the Board. If both of those persons are implicated in the complaint, report, or inquiry, it should be directed to any other Officer of the Board. The Association will conduct a prompt, discreet, and objective review or investigation.

**8.3 Document Retention and Destruction Policy.** This Document Retention and Destruction Policy identifies the record retention responsibilities of staff, volunteers, Trustees, and outsiders for maintaining and documenting the storage and destruction of the Association's documents and records.

**(a) Rules.** The Association's Trustees, Officers, staff, volunteers, and agents are required to honor these rules: (a) paper or electronic documents that are to be retained as described below will be transferred to and maintained by the Chief Executive Officer or the staff; (b) all other paper documents may be destroyed after three years; (c) all other electronic documents may be deleted from all individual computers, data bases, networks, and back-up storage after one year; and (d) no paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.

**(b) Terms for Retention.**

(1) Retain permanently:

*Governance records* – Articles of Incorporation and amendments, Bylaws, other governing organizational documents, Board minutes, and Board Committee minutes.

*Tax records* - Filed state and federal tax returns/reports and supporting records, tax exemption determination letter and related correspondence, files related to tax audits.

*Financial records* - Audited financial statements.

(2) Retain for ten years:

*Pension and benefit records.* Pension (ERISA) plan participant/beneficiary records, actuarial reports, related correspondence with government agencies, and supporting records.

*Government relations records.* State and federal lobbying and political contribution reports and supporting records.

(3) Retain for three years:

*Employee/employment records.* Employee names, addresses, social security numbers, dates of birth, INS Form 1-9, resume and application materials, job descriptions, dates of hire and termination or separation, evaluations, compensation information, promotions, transfers, disciplinary matters, time and payroll records, leave, comp time and FMLA records, engagement and discharge correspondence, documentation of basis for independent contractor status (retain for all current employees and independent contractors and for three years after departure of each individual).

*Lease, insurance, and contract/license records.* Software license agreements, vendor and service agreements, independent contractor agreements, employment agreements, consultant agreements, and all other agreements (retain during the term of the agreement and for three years after the termination, expiration, or non-renewal of each agreement).

(4) Retain for one year:

*All other electronic records, documents, and files.*

Correspondence files, past budgets, bank statements, publications, employee manuals, policies, and procedures, survey information.

**(c) Exceptions.** The President of the Board or the Chief Executive Officer may grant exceptions to these rules and terms for retention.

**8.4 Joint Venture Policy.** This joint venture policy requires that the Association evaluate its participation in joint venture arrangements under Federal tax law and take steps to safeguard the Association's exempt status with respect to such arrangements. It applies to any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity as further defined in this policy.



**(a) Joint Ventures or Similar Arrangements with Taxable Entities.**

For purposes of this policy a joint venture or similar arrangement means any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity without regard to: (1) whether the Association controls the venture or arrangement; (2) the legal structure of the venture or arrangement; or (3) whether the venture or arrangement is taxed as a partnership, association, or corporation for federal income tax purposes. A venture or arrangement is disregarded if it meets both of the following conditions:

(1) 95% or more of the venture's or arrangement's income for its tax year ending within the Association's tax year is excluded from unrelated business income taxation; and

(2) the primary purpose of the Association's contribution to, or investment or participation in, the venture or arrangement is the production of income or appreciation of property.

**(b) Safeguards to Ensure Exempt Status Protection.** The Association will negotiate and take other needed steps in its transactions with other members of the venture or arrangement to safeguard the Association's exempt status with respect to the venture or arrangement.

**8.5 Policy on the Process for Determining Compensation.** This policy on the process for determining compensation applies to the compensation of the following persons employed by the Association: The Chief Executive Officer and the Chief Financial Officer. The process includes all of these elements: (1) review and approval by the Board; and (2) use of data about comparable compensation.

**(a) Review and Approval.** The Board shall review and approve the compensation of these persons, provided that Trustees with conflicts of interest with respect to the compensation arrangement at issue shall not be involved in this review and approval.

**(b) Use of Data about Comparable Compensation.** In its review the Board shall consider data about comparable compensation for similarly qualified persons in functionally comparable positions at similarly situated organizations.

**8.6 Nondiscrimination Policy.** It is the policy of the Association to support the principles of equal opportunity in employment and in educational development. Subject to programs that benefit the disadvantaged as the Association may from time to time elect to pursue, it is the policy of the Association to recruit, hire, select, train, and advance all persons without regard to race, color, national or ethnic origin, religion, age, sex, sexual orientation, or any other characteristic protected by law.

## **Section 9. Miscellaneous Provisions.**

**9.1 Interpretation of Bylaws.** Unless defined differently in these Bylaws or unless the context requires a different meaning, terms used in these Bylaws shall have the same meaning as is given to them in the California Corporations Code. To the extent possible these Bylaws shall be construed as supplemental to all laws applicable to the same subject matter and shall be fully complied with unless such compliance shall be illegal. Any provision of these Bylaws that is inconsistent with any applicable law shall not be complied with, but such inconsistency shall not affect the validity of any other provision of these Bylaws.

**9.2 Notices.** Unless otherwise expressly provided in these Bylaws, any notice required or permitted to be given under these Bylaws shall be deemed effectively given: (a) when deposited in the United States mail, addressed to the recipient at his or her last known address appearing on the Association's books, with first-class postage prepaid; (b) when personally delivered in writing to the recipient; (c) when transmitted by electronic means such as email to the recipient; or (d) when communicated orally in person or by telephone to the recipient.

**9.3 Fiscal Year.** The fiscal year of the Association shall be October 1 to September 30.

**9.4 Instruments in Writing.** No Trustee, Senior Trustee, Observer Trustee, Officer, employee, or agent of the Association shall have the power to bind the Association by contract or otherwise unless these Bylaws or the Board has authorized him or her to act for the Association.

**9.5 Procedures Governing Credit Facilities.** Any credit facilities and borrowing agreements proposed to be entered into by the Association (for loans, lines of credit, confirmed lending arrangements, guaranties, etc.) must be presented to the Board, which is charged with responsibility for reviewing such arrangements as being in the best interests of the Association. The Board may vote to accept and have executed such credit facilities and borrowing agreements for a period not to exceed twelve months. The Board may subsequently vote to approve any extension or renewal of these arrangements, also for a period not to exceed twelve months. The Board may also direct to whom reports of credit facility use or other activity are to be provided by a financial institution.

The Executive Committee of the Association must authorize beforehand, by at least a two thirds vote of all its members, any action that would result in funds being advanced to the Association under any credit facility or borrowing agreements. For example, if a financial institution has granted the Association (and the Association has accepted) a revolving line of credit for operational purposes, any occasional use or full drawdown of funds under that line of credit must first be authorized by the Executive Committee.

The Chief Executive Officer, the President, and the Secretary, who must all sign and act together, are the three officers of the Association with authority to enter into any

agreements required by a financial institution granting the Association credit facilities. This authority includes, but is not limited to, acts to borrow money, execute notes, grant security, execute security documents, negotiate items and execute and deliver such other documents and agreements that these three officers may deem reasonably necessary to meet the customary and usual requirements of the financial institution.

**9.6 Legal Counsel.** The Board may retain legal counsel, on a pro bono or fee basis, and may designate the terms of retention, including attendance at Board meetings, but legal counsel shall have no voting rights in the Association.

## **Section 10. Adoption, Amendment, or Repeal of Bylaws.**

**10.1 Approval Requirements.** Bylaws may be adopted, amended, or repealed only by 60% approval of those Trustees present and voting provided that they constitute a quorum at a duly noticed meeting of the Board. The proposed text of any substantive changes in the Bylaws, together with a statement or summary of the purpose of such changes, shall be provided in advance of the meeting.

**10.2 Adoption.** These Bylaws, when duly adopted, supersede and replace all prior Bylaws of the Association.