

BYLAWS OF THE FOUNDATION FOR GROSSMONT & CUYAMACA COLLEGES

First Amendment October 19, 2011
Second Amendment February 6, 2013

ARTICLE I. AUTHORITY

SECTION 1:1. FOUNDING AND PURPOSE. The Foundation for Grossmont & Cuyamaca Colleges was established June 14, 2011, to provide continuous support and resources to the Grossmont-Cuyamaca Community College District (hereinafter known as “the District”), Grossmont College and Cuyamaca College. Programs may include, but shall not be restricted to, offering scholarships to students based on merit and need, funding capital improvements not provided by any governmental entity, and funding special projects to support and further the needs of the students.

SECTION 1:2. INCORPORATION. The Foundation for Grossmont & Cuyamaca Colleges (hereinafter known as “the Foundation”) is a Nonprofit Public Benefit Corporation under provisions of Internal Revenue Service Code Section 501(c)(3) and the California State Corporations Code.

SECTION 1:3. NAME. The name of the Foundation for all legal purposes is the Foundation for Grossmont & Cuyamaca Colleges.

SECTION 1:4. PRINCIPAL OFFICE. The principal office of the Foundation for its transaction of business is located at District Offices North, 8800 Grossmont College Drive, El Cajon, San Diego County, California 92020.

The Board of Directors is hereby granted full power and authority to change the principal office of the Foundation from one location to another in the County of San Diego, California. Any such change shall be noted by the Secretary in these Bylaws, but shall not be considered an amendment of these Bylaws.

SECTION 1:5. TERM. The term of the existence of the Foundation is perpetual.

SECTION 1:6 FISCAL YEAR. The fiscal year of the Foundation shall be from July 1 to June 30.

SECTION 1:7. REGISTERED AGENT. The Foundation shall have and continuously maintain at its principal office a registered agent to be designated by the Board of Directors (hereinafter known as “the Board”) as the Chief Executive Officer of the Foundation. The Secretary of the Board shall annually notify appropriate legal officers of the registered office and agent.

SECTION 1:8. RECORDS. The Foundation shall keep correct, complete, and up-to-date records of all management policies, personnel services, programs, fiscal accounts, and inventories, as allowable by law. The minutes and proceedings of the Board of Directors, its committees and related units and departments shall be kept at its Principal Office. All records of the Foundation may be inspected by any member of the Board of Directors, any member of the public, or the member’s agent or attorney for any proper purpose during business hours with appropriate advance approval.

SECTION 1:9. MEMBERS. Members of the Foundation shall consist only of the members of the Board of Directors.

SECTION 1:10. CORPORATE SEAL. The Foundation shall not have a corporate seal.

**ARTICLE II.
THE BOARD OF DIRECTORS**

SECTION 2:1. The governance and management of the Foundation shall be vested in a self-perpetuating Board of Directors with responsibilities for management of the Nonprofit Corporation under the auspices of California State statutes, the Articles of Incorporation, and appropriate federal rules and regulations.

SECTION 2:2. MEMBERSHIP. The Board of Directors shall be composed of not fewer than nine (9) nor more than twenty-five (25) members (not including ex-officio directors) and shall exercise the powers of the Foundation, control its property, and conduct its affairs, except as otherwise provided by law or these Bylaws. Each Director shall serve as set forth herein below.

SECTION 2:3. EX-OFFICIO DIRECTORS. The Board of Directors shall always include three ex-officio members from the Grossmont-Cuyamaca Community College District and its colleges. These shall be the Chancellor of the Grossmont-Cuyamaca Community College District, the President of Cuyamaca College, and the President of Grossmont College. The ex-officio members shall serve as full voting members of the Board.

SECTION 2:4. QUALIFICATION. Directors shall be residents of the State of California and shall be selected for their interest in, concern for, and personal commitment to participating effectively in fulfilling their responsibilities for managing the Foundation and assuring the mission of the Grossmont-Cuyamaca Community College District is fulfilled.

SECTION 2:5. TERM OF OFFICE.

- a) **Initial Directors and Term.** The initial officers and directors shall be appointed by the Grossmont-Cuyamaca Community College District Governing Board. The initial officers shall serve a term of one (1) year.
- b) **Directors Term.** Thereafter, an elected Director shall hold office for the term of three (3) years, however, that the Director is appointed at any time other than the annual meeting of the Board of Directors, such Director's initial term shall expire on the date of the annual meeting closest to, but not after, the expiration of three (3) years following the date of appointment. This term of office shall not apply to ex-official Directors. Directors shall be eligible for reelection for additional terms of three (3) years each, provided they continue to meet the qualifications required by Section 2:4 of these Bylaws.

SECTION 2:6. NOMINATION. Any person qualified to be a Director under Section 2:4 of these Bylaws may be nominated by a method of nomination authorized by the Board or by any other method authorized by law, and shall be nominated to fill partial or full three-year terms as designated by the Board. The Board may fill any board member vacancy at any regular meeting of the Board of Directors as prescribed by Section 2:14 of these Bylaws.

SECTION 2:7. ROLE OF THE BOARD. The Board of Directors shall exercise all corporate powers and authority on behalf of the Foundation for Grossmont and Cuyamaca Colleges, Inc., in order to fulfill the purposes of the Foundation as stated in the Foundation's bylaws, the operating conditions, and the Articles of Incorporation, which are:

- a) fulfill the responsibilities contained in Federal and California State statutes;
- b) promote the purpose, mission, and goals cited in the Articles of Incorporation are accomplished;

- c) study, establish, review, and evaluate periodically all policies set by the Board;
- d) elect members for defined terms as officers of the Foundation;
- e) participate in the selection, appointment and evaluation process of the Chief Executive Officer and support that person in the execution of his/her responsibilities;
- f) create a long-range plan for all services, programs, and fiscal stability and security of the Foundation;
- g) personally support and serve as diligent advocates of the Mission and services of the Foundation;
- h) assume a leadership role in raising funds for the Foundation;
- i) receive, hold, invest and administer property and contributions, and to make expenditures for the benefit of the District, Grossmont College and Cuyamaca College;
- j) recognize that the board acts as a whole and support the majority decision on issue decided by the board;
- k) other responsibilities as may be assigned in the future.

SECTION 2:8. COMPENSATION. Directors shall serve without compensation.

SECTION 2:9. HONORARY DIRECTORS. The Board may appoint honorary Directors who may have served with distinction as regular voting Directors, or whose positions render authentication and validity of the mission of the organization. There shall be a position description, defined term of service, and agreement regarding their ex officio role with or without vote at Board and committee meetings.

SECTION 2:10. REPRESENTATION. No member of the Board of Directors is authorized to represent any discussion or decision of the Board or to act as a personal representative of the Board unless specifically authorized to do so.

SECTION 2:11. CONFLICT OF INTEREST. Any member of the Board of Directors who has a direct or indirect financial or executive interest in any contract or transaction with the Foundation must disclose such interest to the Board. The individual concerned may not participate in discussions or votes relating to the subject of their interest.

SECTION 2:12. TERMINATION.

- a) Removal for Cause. The Board of Directors may declare vacant the office of a Director on the occurrence of any of the following events:
 - 1) The individual has been declared of unsound mind by two medical professionals or final order of court; or
 - 2) The individual has been convicted of a felony; or
 - 3) The individual has been found by final order or judgment of a court to have breached any duty under the provisions of the California Corporations Code commencing with Section 5230 or any applicable successor statute; or
 - 4) The individual has failed to attend fewer than a majority of meetings of the Board over the previous twelve (12) month period.
- b) Removal Without Cause. Any Director may be removed without cause if such removal is approved by two-thirds (2/3) of all of the Directors within the meaning of Section 5032 of the California Corporations Code.

SECTION 2:13. RESIGNATION. Any Director may resign effective on giving written notice to the Chair, the Secretary, or the Board of Directors of the Foundation, unless the notice specifies a later time

for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective. A Director shall not resign where the Foundation would then be left without a duly elected Director or Directors in charge of its affairs.

SECTION 2:14. VACANCY. Vacancies on the Board of Directors shall exist on the death, resignation, or removal of any Director; whenever the number of Directors authorized is increased; and on the failure of the members in any election to elect the full number of Directors authorized. Except as otherwise provided in these Bylaws and except for a vacancy created by the removal of a Director pursuant to Section 2:12 of these Bylaws, vacancies on the Board of Directors may be filled by approval of the Board of Directors or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office; (2) the affirmative vote of a majority of the Directors then in office at a meeting held pursuant to notices or waivers of notice as provided in Sections 3.3 and 3.4 of these Bylaws; or (3) a sole remaining Director.

ARTICLE III. MEETINGS

SECTION 3:1. REGULAR MEETINGS. The Board of Directors shall meet monthly, or as otherwise directed by the Board, but no less than quarterly, each fiscal year at a time and place determined by the Board. Regular meetings shall be scheduled on an annual calendar by the Board with the schedule to be made available at the Principal Office of the Foundation. Modifications to the schedule shall require four (4) days' notice by email or first-class mail, postage prepaid, or on forty-eight (48) hours' notice delivered personally or by email, telephone or other generally accepted means of telecommunications.

SECTION 3:2. ANNUAL MEETING. The annual meeting of the Board of Directors shall be the last regular meeting held before the beginning of the new fiscal year.

SECTION 3:3. SPECIAL MEETINGS. The Board Chair, Vice Chair, Secretary, Treasurer, CEO or any two (2) Directors may call a special meeting. Special meetings shall be held on four (4) days' notice by email, first-class mail, postage prepaid, or on forty-eight (48) hours' notice delivered personally or by email, telephone or other generally accepted means of telecommunications. Notice of any such special meeting shall contain a statement of the purpose of such meeting. No other business shall be transacted at such meeting.

SECTION 3:4. NOTICE. A written notice stating the date, place, and time of Board meetings shall be sent by the Secretary, or his or her designee, on the Friday preceding each meeting together with the proposed agenda and appropriate support materials for agenda items to be studied at the stated meeting.

SECTION 3:5. QUORUM. The attendance of at least a majority of the members of the Board of Directors shall constitute a quorum.

SECTION 3:6. TRANSACTIONS OF THE BOARD. Except as otherwise provided in the Articles, in these Bylaws, or by law, every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be the act of the Board of Directors; provided, however, that at any meeting at which a quorum was initially present, the Board of Directors may continue to transact business notwithstanding the withdrawal of Directors, if any action taken shall be approved by at least a majority of the required quorum for such meeting, or such greater number as is required by law, the Articles, or these Bylaws.

SECTION 3:7. CONDUCT OF MEETINGS. The Chair or, in his or her absence, the Vice Chair, shall preside at meetings of the Board of Directors. The Secretary of the organization or, in the Secretary's absence, any person appointed by the presiding officer shall act as Secretary of the Board.

SECTION 3:8. ACTION BY TELEPHONE CONFERENCE. Members of the Board of Directors may participate in a meeting through the use of conference telephone or similar synchronous communications technology, so long as all members participating in such meeting can communicate with one another. Such participation shall constitute personal presence at the meeting.

SECTION 3:9. PROXY. No attendance or voting by proxy is permitted.

SECTION 3:10. ADJOURNMENT. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four hours, notice of the adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

SECTION 3:11. ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if a quorum of the Board of Directors consent in writing to such action. Such written consent shall be filed with the minutes of the proceedings of the Board of Directors. Such action by written consent shall have the same force and effect as the unanimous vote of such Directors.

ARTICLE IV. OFFICERS OF THE BOARD

SECTION 4:1. OFFICERS. The Officers of the Foundation shall be a Chair, a Vice Chair, a Secretary, a Treasurer, an Immediate Past Chair, and Chief Executive Officer (CEO), and such other Officers with such titles and duties as shall be determined by the Board and as may be necessary to enable it to sign instruments. After the first year of the Foundation's existence, officers, other than the CEO, shall be elected every two (2) years by a majority vote of the Board of Directors and shall serve for no more than two (2) two-year term, except for the Chair, who shall serve for no more than one (1) two-year term. More than one office may be held by the same person except that neither the Secretary nor the Treasurer shall serve concurrently as the Chair.

SECTION 4:2. APPOINTMENT. The Officers of the Foundation shall be chosen by and shall serve at the pleasure of the Board of Directors, subject to the rights, if any, of an Officer under any contract of employment. Officers shall be chosen at the Annual Meeting, and the Governance Committee shall prepare a ballot of at least one (1) current Director for each officer's slot.

During the first year of the Foundation, Officers of the Foundation shall be appointed by the Governing Board of the Grossmont-Cuyamaca Community College District.

SECTION 4:3. CHAIR. The Chair shall preside over all Board of Directors meetings and meetings of the Executive Committee, and shall do and perform such other duties as may be reasonably assigned to him/her by the Board of Directors. The Chair shall be authorized to execute all contracts, agreements, and other documents on behalf of the Foundation, as authorized by the Board of Directors. The Chair is hereby authorized to exercise any right to vote or execute a proxy to vote shares of stock of, any bonds, indentures, or other evidences of indebtedness of, any other corporation or corporations owned or possessed by the Foundation.

SECTION 4:4. VICE CHAIR. In the absence of the Chair or in the event of his or her inability or refusal to act, the Vice Chair shall perform all the duties of the Chair and when so acting shall have all the powers of, and be subject to all the restrictions on the Chair. The Vice Chair shall have such other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation of the Foundation, or by these Bylaws, or as may be prescribed by the Board of Directors.

SECTION 4:5. SECRETARY. The Secretary shall keep or cause to be kept at the Principal Office of the Foundation, or such other place as the Board of Directors may order, a book of minutes of all meetings of the Board of Directors. The Secretary shall perform such other and further duties as may be required by law or as may be prescribed or required from time to time by the Board of Directors.

SECTION 4:6. TREASURER. The Treasurer of the Foundation shall ensure, through the Office of the CEO, that financial records are kept and maintained in written form, or in any other form capable of being converted into written form, adequate and correct books and records of account of the properties and business transactions of the foundation, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses. The books and records of account shall at all times be open to inspection by any director of the Foundation. The Treasurer shall ensure, through the Office of the CEO, that all moneys and other valuables in the name of and to the credit of the Foundation are deposited with such depositaries as may be designated by the Board of Directors. The Treasurer shall ensure, through the Office of the CEO, that all funds of the Foundation are disbursed as ordered by the Board of Directors, and shall render to the Chair and the Directors, on request, an account of all such transactions, and of the financial condition of the Foundation. The Treasurer shall perform such other and further duties as may be required by law or as may be prescribed or required from time to time by the Board of Directors or these Bylaws.

SECTION 4:7. RESIGNATION AND REMOVAL OF OFFICERS. Any Officer may resign at any time on written notice to the Foundation without prejudice to the rights, if any, of the Foundation under any contract to which the Officer is a party. Officers may be removed with or without cause at any meeting of the Board of Directors by the affirmative vote of two thirds (2/3) of all of the Directors.

ARTICLE V. OFFICE OF THE CHIEF EXECUTIVE OFFICER

SECTION 5:1. APPOINTMENT. The CEO of the Foundation shall be appointed annually. The CEO shall be appointed by the Chancellor of the Grossmont-Cuyamaca Community College District in accordance with applicable District policies and procedures, and in collaboration with and subject to confirmation by the Board of Directors. The CEO shall report jointly to the Board of Directors and to the Chancellor.

SECTION 5:2. RESPONSIBILITIES. Under policies established by the Board of Directors, the CEO shall supervise and have operational charge over all activities and operations related to the general management of the Foundation. He/she shall see that all activities are properly organized, directed, and accounted for, and shall make such reports to the Chancellor, the Board, and its committees as are requested and necessary to keep them fully informed with regard to any phase of administration of the Foundation. The CEO shall generally be responsible for:

- a) All day-to-day operations
- b) The hiring and supervising of any approved staff (who shall report directly to the CEO or his/her designee, and not to the Board of Directors), subject to the District policies and procedures for employees
- c) All financial transactions
- d) The execution of documents, contracts, and other instruments, on behalf of the Foundation, that:

- 1) Arise in the ordinary course of business
- 2) Are budgeted
- 3) Do not require the Foundation to pay more than \$25,000 over the life of the agreement, contract, or instrument or as authorized by the Board of Directors but do not include any agreement, contract, or instrument that involves the purchase, sale, lease or encumbrance of any real property; places any lien, pledge, security interest, option, claim or other encumbrance (“liens”) on the assets of the Foundation outside the ordinary course of business (other than liens by lessors of leased equipment to the Foundation or other immaterial liens.)

SECTION 5:3. EVALUATION. The annual evaluation of the Chief Executive Officer shall be done by the Chancellor, with the input of, and in consultation with the Board of Directors, and in accordance with procedures established for other District executive employees.

SECTION 5:4: SUSPENSION OR REMOVAL. The CEO may be suspended or removed from office by the District Chancellor, in accordance with applicable District policies and procedures, and in with the input of, and in consultation with, the Chair of the Foundation Board, when it is determined to be in the best interests of the Foundation and/or the District.

ARTICLE VI. COMMITTEES OF THE BOARD

SECTION 6:1. The Chairs of all standing, special, or ad hoc committees shall be members of the Board of Directors and shall be appointed by the Board of Directors. The size of each committee shall be as determined by the Chairperson with the consent of the Board of Directors. Members of all committees shall serve one year and may be reappointed without limitation on the number of terms they may serve. Members of standing committees, except the Executive Committee, may include individuals who are not members of the Board of Directors, although the majority of committee members must be members of the Board. Neither the Board of Directors nor the Executive Committee shall act first on matters properly within the responsibilities of standing, special or ad hoc committees for their recommendations, except in emergencies.

SECTION 6:2. EXECUTIVE COMMITTEE. The Executive Committee shall be comprised of the Chair of the Board, Vice Chair, Secretary, Treasurer, Immediate Past Chair, all Committee Chairs, District Chancellor, and the Presidents of Grossmont and Cuyamaca Colleges. The Chief Executive Officer shall serve as a non-voting, ex-officio member of the Executive Committee. This Committee may recommend action to be taken by the Board of Directors and shall have such other duties as are prescribed from time to time by the Board of Directors. The Executive Committee shall exercise its powers consistent with law, other Bylaws, and with resolutions and policy set by the Board of Directors. The Executive Committee shall have all powers of the Board of Directors between meetings of the Board except the right to encumber property, to reverse previous Board actions, to fiscally obligate the Foundation in any way not in the approved operating budget, or to employ or remove the CEO. All proceedings of the Executive Committee shall be reported to the Board of Directors at its next succeeding meeting. The Executive Committee shall meet upon the call of the Chair of the Board or the Chief Executive Officer, or written request of any two (2) of the members of the Committee presented to the Chair of the Board.

During the first year of operation of the Foundation, the Executive Committee may assume the responsibilities of the Governance Committee and Budget/Finance/Audit Committee, as outlined in Sections 6.3 and 6.4 below, or as directed by the Board of Directors.

SECTION 6:3. GOVERNANCE COMMITTEE. The Governance Committee will regularly review the needs of the Foundation with regard to matters of corporate governance, Board membership, and qualifications of directors, committee members, committee chairs, and officers of the Foundation. They shall propose, for election by the Board of Directors, a slate of qualified nominees for Director, officers of the Foundation, committee chairs and committee members, except where provided otherwise by these Bylaws, at each annual meeting or at any other meeting of the Board at which Directors, officers or committee members will be elected to fill vacancies.

The Governance Committee will review, as needed, the Articles of Incorporation, Bylaws of the Foundation, and Policies and Procedures, and propose modifications to the Board as appropriate. The committee shall perform other such duties that are within the scope of the foregoing and as reasonably requested by the Board or Executive Committee.

The District Chancellor shall be a member of the Governance Committee.

SECTION 6:4. BUDGET, FINANCE AND AUDIT COMMITTEE. The Budget, Finance and Audit Committee shall meet quarterly and as needed, to give consideration to the finances of the Foundation. The Committee shall create and present to the Board of Directors, at its Annual Meeting, an annual budget for the Foundation, research and make recommendations to the Board for potential income-generating opportunities, and recommend investment policies for Foundation funds. The Committee shall also recommend Board action on grant requests. The Treasurer of the Board shall be Chair of the Budget, Finance and Audit Committee.

The Committee shall also oversee the preparation of the annual audit and IRS 990 of the Foundation and shall consult with the independent auditors periodically, out of the presence of management, with regard to the adequacy of internal controls and make recommendations, where appropriate, to the Board and/or Executive Committee, concerning oversight of all assets.

SECTION 6:6. INVESTMENT COMMITTEE. The Investment Committee shall meet quarterly and as needed, to monitor the Foundation's investments, including real estate, and shall recommend and take appropriate action on the investment of corporate assets to enhance the charitable and educational purposes of the Foundation. Recommendations of the Investment Committee to purchase or sell real property or otherwise incur indebtedness shall be submitted to the full Board of Directors prior to commitment. The Investment Committee shall consult from time to time with others as may be appropriate, to provide a prudent approach to the investment of endowment and non-endowment funds.

SECTION 6:7. SPECIAL AND AD HOC COMMITTEES. The Chair of the Board, with the approval of the Board of Directors, may establish such other special and ad hoc committees as may be determined necessary from time to time to promote the purposes of the Foundation. The term of such committees shall not exceed one year. The Chair of such committees shall always be a voting member of the Board of Directors. The number of non-board members on any such committees may exceed the number of board members.

SECTION 6.8. ADVISORY COMMITTEE. The Chair of the Board, with the approval of the Board of Directors, may establish an Advisory Committee comprised of previous members of the Board of Directors who wish to continue their service. The members of such committee shall not have voting privileges.

SECTION 6:9. REPORTING. All Committee proceedings shall be reported to the Board of Directors at its next succeeding meeting. The Board of Directors shall act upon any Committee recommendations at that time.

**ARTICLE VII.
CONTRACTS, INCOME AND DISBURSEMENTS**

SECTION 7:1. CONTRACTS. The Board may authorize any Officer or agent of the Foundation, in addition to the Officers so authorized by these Bylaws, to enter into any contract or service agreement or to execute and deliver any instrument in the name of and on behalf of the Foundation.

SECTION 7:2. CHECKS. All checks, drafts or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Foundation for an amount greater than Ten Thousand Dollars (\$10,000) shall be signed by the Chair or Treasurer, and the Chief Executive Officer (or at his/her designation, the Chief Financial Officer of the District) of the Foundation and in such manner as shall from time to time be determined by resolution of the Board. All instruments for an amount of Ten Thousand Dollars (\$10,000) or less shall be signed by CEO and Chief Financial Officer of the GCCCD, or in their absence, the Chair, Treasurer or an additional District staff member as authorized by the CEO from time-to-time.

SECTION 7:3. SERVICE FEES. The Board of Directors may establish, charge and collect fees and charges to be paid by corporations, agencies, partnerships, joint ventures, or other organizations or individuals for services performed or to be performed by the Foundation in accordance with these Bylaws. Such fees and charges may vary in amount based upon the type and quantity of services and the type and size of the organization receiving said services. The fair market value of in-kind services provided by such organizations may be counted against the total amount of fees charged or owed.

SECTION 7:4. GIFTS. The Board of Directors may accept on behalf of the Foundation any contributions, gifts, bequests or devises for the general purpose or for any special purpose of the Foundation, in accordance with the Foundation's Policies and Procedures.

**ARTICLE VIII.
INDEMNIFICATION AND REIMBURSEMENT
OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS**

SECTION 8:1. RIGHT OF INDEMNITY. To the fullest extent permitted by law, this Foundation shall indemnify its Directors, Officers, employees, agents 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 Section 5238(a) of the California Corporations Code and including an action by or in the right of the incorporation, by reason of the fact that the person is or was a person described in Section 5238 (a) of the California Corporations Code. "Expenses" as used in these Bylaws shall have the same meaning as set forth in Section 5238(a) of the California Corporations Code.

SECTION 8:2. APPROVAL OF INDEMNITY. On written request to the Board of Directors by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board of Directors 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 5238(c) has been met and, if so, the Board shall authorize indemnification. If the Board of Directors cannot authorize indemnification because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of the full Board of Directors who are not parties to that

proceeding, the Board shall apply to the Court in which such proceeding is or was pending in accordance with Section 5238(e).

SECTION 8:3. ADVANCEMENT OF EXPENSES. To the fullest extent permitted by law and except as otherwise determined by the Board in this specific instance, expenses incurred by a person seeking indemnification under Article VIII, Sections 8.1 and 8.2 of these Bylaws and defending any proceeding covered by those sections of these Bylaws shall be advanced by the Foundation before final disposition of the proceeding, on receipt by the Foundation 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 Foundation for those expenses.

SECTION 8:4. REIMBURSEMENT OF EXPENSES. The Officers of this Foundation, with the exception of the CEO, and such other Directors as receive prior approval from the Board of Directors shall be entitled to reimbursement for reasonable expenses expended on behalf of the Foundation, in accordance with the Foundation's applicable policies and procedures. The CEO shall be reimbursed for expenses in accordance with the established Policies and Procedures of the Foundation.

ARTICLE IX. CORPORATE RECORDS AND REPORTS: INSPECTION RIGHTS

SECTION 9:1. RECORDS. The Foundation shall keep adequate and correct books and records of account and shall keep minutes of the proceedings of the Board of Directors and Committees of the Board of Directors. Such minutes shall be kept in written form. Such other books and records shall be kept either in written form or in any other form capable of being converted into written form.

SECTION 9:2. DIRECTORS' INSPECTION RIGHTS. Every Director shall have the absolute right at any reasonable time to inspect the Foundation's books, records, documents of every kind, and physical properties. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents. The Foundation may charge fair market reimbursement fees for the copies and extracts so made.

ARTICLE X. ANNUAL REPORTS AND STATEMENTS

SECTION 10:1. ANNUAL REPORT. An annual report shall be prepared and sent to each Director not later than one hundred twenty (120) days after the end of the Foundation's fiscal year. Following approval by the Board of Directors, the annual report shall become a public document, which summarizes the programs and projects undertaken by the Foundation. That report shall contain the following information in appropriate detail:

- a) The assets and liabilities, including trust funds, of the Foundation 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 Foundation, both unrestricted and restricted to particular purposes, for the fiscal year.
- d) The expenses of disbursements of the Foundation, for both general and restricted purposes, during the fiscal year.
- e) Any report thereon of independent accountants or, if there is no such report, the certificate of an authorized officer of the Foundation that such statements were prepared without audit from the books and records of the Foundation.

- f) Any information that is required by Article X, Section 10:2 of these Bylaws. This Section shall not apply if the Foundation receives less than \$25,000 in gross revenues or receipts during the fiscal year.

SECTION 10:2. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS. The Foundation shall annually prepare and mail or deliver to each Director a statement of any transaction or indemnification of the following kind within 120 days after the end of the Foundation's fiscal year:

- a) Any transaction (1) to which the Foundation, its parent or its subsidiary was a party, (2) which involved more than \$25,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$25,000, and (3) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a material financial interest): (i) any Director or Officer of the Foundation, its parent or subsidiary (but mere common directorships shall not be considered such an interest) or (ii) any holder of more than 10% of the voting power of the Foundation, its parent or subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Foundation, the nature of their interest in the transaction and, if practicable, the amount of that interest; provided that, if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.
- b) A brief description of the amounts and circumstances of any loans, guarantees, indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Director of the Foundation under Article VIII of these Bylaws unless the loan, guaranty, indemnification or advance is not subject to the provisions of the California Corporations Code.

ARTICLE XI
RELATIONSHIP TO GROSSMONT-CUYAMACA COMMUNITY COLLEGE DISTRICT,
GROSSMONT COLLEGE AND CUYAMACA COLLEGE

SECTION 11:1. GENERAL. The Foundation operates as a Direct Support Organization for Grossmont-Cuyamaca Community College District. The Foundation adheres to and will follow the policies and procedures established by the District in its Memorandum of Understanding with the Foundation.

SECTION 11:2. DISTRICT RESOURCES AND NAMES AND MARKS. The District Governing Board shall retain the sole authority to monitor and control the use of District resources as well as the use of the District names and marks.

SECTION 11:3. OPERATING BUDGETS. Operating budgets of the Foundation for Grossmont and Cuyamaca College, Inc., shall be prepared annually and submitted for approval by the Board of Directors, and ratification by the Grossmont-Cuyamaca Community College District Governing Board. After ratification, the Board of Directors shall review the approved budget on a quarterly basis.

SECTION 11:4. ROLE OF DISTRICT. The conditions of employment for all positions (including, but not limited to, the Chief Executive Officer), and the Foundation's use, operation and/or disposal of District or College property, or any other District or College support provided to the Foundation, must comply with all applicable requirements of Statutes, California Law, College Policies and Procedures, and Operating Conditions now or hereafter established for the Foundation by the District Governing Board. All personnel assigned to the Foundation shall report through the Chief Executive Officer or his/her

designee. The District shall be responsible for organizing and directing fundraising and alumni relations activities in partnership with the Board of Directors, and shall deposit all charitable gifts, bequests and other vehicles with the Foundation and in accordance with Foundation Policies and Procedures.

**ARTICLE XII
AMENDMENTS TO BYLAWS**


SECTION 12:1. These Bylaws may be amended from time to time by the Board of Directors at any regular meeting of the Board provided that such proposed changes be sent to voting members of the Board at least thirty (30) days prior thereto. A super-majority (two thirds) of the voting members of the Board shall be required for the adoption of changes.

**ARTICLE XIII.
CONSTRUCTION AND DEFINITIONS**


SECTION 13:1. Unless the context otherwise requires, the general provisions, rules and definitions in the California Corporations Code shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural and the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

CERTIFICATE

The undersigned hereby certifies that he or she is the duly elected and acting Secretary of the FOUNDATION FOR GROSSMONT AND CUYAMACA COLLEGES, and that the foregoing is a true copy of the Bylaws of said Foundation, duly adopted by action of the Directors dated this 6th day of February 2013.



Yehudi Gaffen, Secretary



Date