

**BY-LAWS  
OF THE  
CALIFORNIA MARITIME ACADEMY FOUNDATION, INC.**

Adopted by unanimous Board decision on December 13, 2001

ARTICLE I

NAME, CSU AUXILIARY STATUS, AND PRINCIPAL OFFICE

The name of this corporation is the California Maritime Academy Foundation, Inc. The Foundation is an auxiliary organization of the California State University, subject to the provisions of Chapter 7, Part 55, Division 8, Title 3 (Sections 89900 et seq.) of the California Education Code and Subchapter 6, Article 1, Part V (hereinafter referred to as Education Code) (Sections 425400 et seq.) of Title 5 of the California Code of Regulations (hereinafter referred to as Title 5).

The Foundation is on the list of officially recognized auxiliary organizations in good standing maintained by the Chancellor pursuant to section 42406, infra. It operates in accordance with policies, rules and regulations of the CSU Board of Trustees and thereby maintains its special relationship with The California State University (hereinafter known as CSU), as an officially recognized auxiliary organization allowed to use the name of The California Maritime Academy in its title. As an auxiliary organization, it conforms to campus policy with respect to all of its activities and functions. To assure such conformance the President of The California Maritime Academy serves as President of the California Maritime Academy Foundation (hereinafter called the Foundation).

The Foundation is incorporated under the Nonprofit Public Benefit Corporation Law of the State of California as a perpetual corporation at the City of Vallejo, County of Solano, State of California.

ARTICLE II

PURPOSES

Section 1. As an official auxiliary organization of the CSU, the Foundation may perform any of the functions specified in Section 42500 of Article 2, Title 5, California Code of Regulations. The functions below have been identified as the principal functions of the Foundation and are authorized under a written agreement executed with the Chancellor (as required by Section 42501 of Article 2, Title 5, California Code of Regulations.)

To provide assistance to the California Maritime Academy in furtherance of its mission via

- a. Fundraising
- b. Donor Cultivation and Recognition
- c. Receipt and Stewardship of Gifts, Bequests, Devises, Endowments, Trusts and Similar Funds
- d. Fund and Endowment Management, and
- e. Other Activities in Support of the Mission of the Academy.
- f. Grant Management

Section 2. Prohibition Against Private Inurement and Conflict of Interest. No part of the net income of the Foundation shall inure to the benefit of any private individual or member of the Board of Directors. Prohibition against conflict of interest includes but is not limited to financial conflicts of interest and personal pecuniary gains in transactions with members of the Board. [Education Code Section 89906-09.]

Section 3. Prohibition against Political Advocacy. The Foundation shall not engage, nor shall any of its funds, property, or income be used to carry out lobbying activities or otherwise attempt to influence legislation except as permitted by and in accordance with IRS 501 (h) or other relevant laws or regulations, including, without limitation, the applicable policies, rules and regulations of the Board of Trustees of The California State University.

### ARTICLE III

#### SEAL

The corporate seal shall be circular in form and shall have inscribed thereon the name California Maritime Academy Foundation, the year of its organization (1972), and the words A Campus of The California State University. This seal shall remain in the custody of the Secretary of the Foundation at the principal office and shall be affixed, as required, to official documents of the Foundation.

### ARTICLE IV

#### MEMBERS

Section 1. No Regular Members. In accordance with Section 5310 of the California Nonprofit Public Benefit Corporation Law, the corporation shall have no members within the meaning of Section 5056 of that law. All actions which would otherwise require approval by a majority of

all members or approval by members shall require only approval of the Board of Directors. All rights which would otherwise vest in members shall vest in the Directors.

Section 2. Persons Associated With the Corporation. By resolution, the Board of Directors may create any advisory boards, councils, honorary memberships or other bodies, as it deems appropriate. The Board of Directors may also, by resolution, confer upon any such class or classes of such persons some or all of the rights of a member under the California Nonprofit Public Benefit Corporation Law other than the right to vote:

- (a) for the election of a Director or Directors or an officer or officers; or
- (b) on a disposition of all or substantially all of the assets of the corporation;  
or
- (c) on a merger; or
- (d) on a dissolution; or
- (e) on changes to the corporation's Articles of Incorporation or By-Laws.

All such voting rights being vested exclusively in the Board of Directors.

## ARTICLE V

### BOARD OF DIRECTORS

Section 1. The size and composition of the Foundation Board of Directors shall meet the statutory requirements of auxiliary boards [Title 5, Section 42602 (a), (b), (c), and Education Code Section 89903.] The Foundation Board of Directors shall have not fewer than eleven and not more than thirty members

Section 2. Ex-Officio Members and Appointments by the President. The President, Vice President of Business Affairs, and Vice President of Academic Affairs shall each serve on the board in an ex-officio capacity (with vote). One member of the Board of Directors shall be from the faculty and shall be selected by the President of the Academy. One member of the Board of Directors shall be from the students of the Academy and shall be selected by the President of the Academy. One member of the Board of Directors shall be from non-campus personnel and shall be selected by the President of the Academy.

Section 3. Members of the Board of Directors (with the exception of ex-officio members and the three members selected by the President of The California Maritime Academy) shall be elected for equally staggered terms by a majority vote of Directors present at an annual meeting. Each member shall be elected for a term of three years and no member shall be elected to serve more than two consecutive (three-year) terms. A member of the Board of Directors may resign at any time by giving written notice to the Chair.

Section 4. Vacancies on the Board which exist or occur after the election of Directors as provided for above, may be filled by a vote of a majority of the Board of Directors at any duly constituted regular or special meeting. The term of the Director so elected shall be for the unexpired term. Three unexcused absences in a row from Board meetings shall constitute grounds for removal from the Board. Members of the Board of Directors may also be removed from the Board of Directors by the vote of a majority of the members of the Board of Directors, excluding the member to be removed.

Section 5. Individual Board Member Duties – The following are the duties of individual Board members, to

- a. participate effectively in Board and committee meetings,
- b. take an active role in the philanthropic activities of the Board,
- c. be knowledgeable about the Academy and its mission, and
- d. serve as an ambassador for The California Maritime Academy.

Section 6. Duties of the Board – The following are the duties of the Board of Directors, to

- a. determine the policies and procedures and to carry on and administer all the business and affairs of the Foundation.
- b. receive, hold, invest, allocate and distribute all money or revenue from assets of the Foundation.
- c. submit an annual report covering activities and expenditures to the President of The California Maritime Academy.
- d. elect the Foundation officers and to determine their duties.
- e. amend the Articles of Incorporation and the By-laws of the Foundation.
- f. The Board of Directors shall have power and authority to do any other lawful act which may be necessary or convenient and incidental to the carrying out of the purposes for which this Foundation was formed.
- g. Select an Executive Director if an employee of the Board.

Section 7. Duties of the Staff. The Board may delegate the authority to supervise the day-to-day affairs of the Foundation to the Executive Director. The Executive Director and all other employees of the Foundation shall report to the President of the California Maritime Academy.

Section 8. Committees –The Board of Directors may appoint committees to assist in the work of the Foundation and may delegate authority to those committees to carry out their assigned responsibilities. Members of committees may be recruited from outside the ranks of the Board.

There shall be five standing committees – Executive, Nominating, Finance, Development, and Marine Development. Committees shall meet frequently enough to conduct business in a timely and effective manner. Committee members shall be given notice in writing of committee meetings at least seven days prior to the date of the committee meeting. Minutes of committee meetings will be prepared by a person designated by the committee chair, and shall be submitted to the Foundation board at its next regular meeting for Board review and approval. Upon approval, such minutes shall be conveyed to the Secretary and become part of the official archive of the Foundation.

- a. An Executive Committee will be responsible for conducting routine business of the Foundation that cannot be conducted in a timely manner at the next regular meeting of the Board. The Chair of the Board of Directors shall serve as the Chair of the Executive Committee. The Chair, Vice-Chair, Secretary, Treasurer, Vice President of Academic Affairs, Vice President of Business Affairs, and President of the Academy shall serve as members of the Executive Committee. The Vice President of University Advancement shall attend and staff the Executive Committee. The Chair shall call regular meetings of the Executive Committee; special meetings may be called by the Chair or the President of the Academy.
- b. A minimum of a three person Nominating Committee will be appointed to present candidates for election to office and membership on the Board of Directors prior to the annual meeting. The President of The California Maritime Academy or the President's representative will be a member of the Nominating Committee.
- c. A minimum of a five-person Finance committee will be appointed to provide oversight to the financial matters of the Foundation. It shall maintain a financial policy and develop an investment strategy. The Foundation Treasurer shall chair the committee. The campus Vice President of Business Affairs shall serve on the Finance Committee. The committee will provide recommendations to the full board on the financial matters and investment of Foundation funds.
- d. A minimum of a five person Development Committee shall be appointed to lead the Board in the identification and cultivation of prospective donors and solicit and secure major gifts on behalf of appeals and campaigns identified by the President of the Academy. The campus Vice President of University Advancement shall serve on the Development Committee.
- e. A minimum of a three person Marine Development Committee shall be appointed to provide functional oversight to the Marine Development Program. The Marine Development Committee shall be responsible for all operations of and shall assume all administrative responsibilities for the Marine Development Program. The committee shall supervise the activities of the Director of Marine Development. The Vice President of Business Affairs shall serve on the Marine Development Committee.

## ARTICLE VI

### OFFICERS

Section 1. The officers of the Foundation shall be a Chair, Vice Chair, President, Secretary, Treasurer, and such other officers as may be determined by the Board of Directors. The President of The California Maritime Academy shall serve as President of the California Maritime Academy Foundation. All other officers shall be elected at a duly constituted meeting by a majority vote of members of the Board of Directors present, and shall serve for a one-year term or until the next annual meeting, unless their term of office is terminated sooner by the Board of Directors. Elected officers may serve no more than two consecutive one-year terms.

Section 2. Any officer, except the Ex-Officio officers, may be removed from office at a duly constituted meeting by a majority vote of the Board of Directors. An officer of the Foundation may resign at any time by giving written notice to the Chair. The Chair may so resign by giving written notice to the President.

Section 3. If a vacancy occurs in any office for any reason, the Board of Directors may at a duly constituted meeting elect a successor who shall hold office for the unexpired term.

Section 4. The officers shall perform such duties as may be assigned to them from time to time by the Board of Directors in addition to those duties set forth in these By Laws.

Section 5. The Chair, Vice Chair, Secretary, and Treasurer of the Board of Directors shall be elected from among the members of the Board of Directors

Section 6. Duties:

- a. Chair– The Chair shall preside at meetings of the Board of Directors. In the absence of the Chair, the Vice Chair shall preside, and in the absence of both the Chair and the Vice Chair, the Board may elect a temporary Chair.
- b. Vice Chair – During the absence or disability of the Chair, the Vice Chair shall have all the powers and functions of the Chair and shall perform such other duties, as the Board shall prescribe.
- c. The President shall preside at the Annual Meeting at which the chair and other officers are elected, and may preside at other meetings should the President so choose. The President will review auxiliary programs and budget, and require discontinuance of activities not in conformity with policies of the CSU Board of Trustees and the campus. As required by the Chancellor, the CSU, and/or CSU Board of Trustees, the President may designate the Vice President of Business Affairs to be responsible for fiduciary matters.

- d. Secretary – The Secretary shall attend all meetings of the Board of Directors and keep and maintain a full record of its proceedings. In the absence of the Secretary, the Chair shall appoint an Acting Secretary. The Secretary shall be responsible for the safekeeping of all records belonging to the Foundation and shall have custody of the corporate seal.

Each calendar year, the Secretary shall make an inquiry to the office of the Secretary of State of the State of California to determine if requirements have changed pertaining to filing of fees and reports. If such fees and reports are required, the Secretary shall expeditiously comply with California State statutes and the directive of the Secretary of State of the State of California.

The Secretary signs such instruments as require the signature of the Secretary and, in general, performs all the duties incident to the office of Secretary and such other duties as may from time to time be assigned by the Board of Directors.

- e. Treasurer – The Treasurer, subject to the direction of the President, shall have charge and custody or be responsible for all funds and securities of the corporation; receive and give receipt for moneys due and payable to the corporation from any source whatsoever; deposit all such moneys in the name of the corporation in such banks, trust companies, or other depositories as the Board of Directors shall select, and in general perform all the duties incident to the office of Treasurer.

In practice, all these responsibilities shall be delegated the Controller of the Foundation, for whom insurance shall be underwritten in an amount of coverage to be determined by the Board.

The accounts of the Foundation shall be audited at such times and in such manner as specified in Article IX, Section 2. The funds of the Foundation shall be deposited in such bank or trust companies as the Board of Directors shall designate and shall be drawn out only by check signed by persons designated by the Board of Directors. The Treasurer shall have such further powers and duties, as the Board of Directors shall from time to time prescribe.

## ARTICLE VII

### INDEMNIFICATION

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

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

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

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

Section 5. Personnel. The Foundation provides part- and full-time employee wages, salaries, working conditions, and benefits comparable to those provided by The California State University. [Education Code Section 89900, Title 5, Section 42405.]

The Foundation has adopted a non-discrimination and affirmative action in employment policy approved by the Chancellor or Chancellor's designee. [Education Code Section 89900, Title 5, Section 42405.]

## ARTICLE VIII

### MEETINGS OF THE BOARD

Section 1. Annual Meeting of the Board of Directors – An annual Meeting of the Board of Directors of the Foundation shall be held during the month of June on the campus of The California Maritime Academy at Vallejo, California, unless one month prior to that date the Secretary, by written notice to all members, has set another date, time and place. The President of the Foundation will preside at the annual meeting at which the Chair and other officers are elected, and may preside at other meetings should the President so choose.

Section 2. Quarterly Meetings of the Board of Directors

- a. The regular meetings of the Board of Directors shall be held at such time and place as shall be fixed by the Chair, but no less often than quarterly [Education Code Section 89903.] Each member of the Board of Directors shall be notified in writing at least seven days prior to the date of such meeting [Education Code Section 89920 and Section 89928.]

- b. Special meetings of the Board of Directors may be called at any time by the Chair of the Board, or by a majority of the members of the Board, by delivering personally or by mail written notice to each member of the Board.
- c. The call and notice of any special meeting shall be delivered at least 24 hours prior to any meeting and shall specify the time and place of the special meeting and the business to be transacted. Unless otherwise specified in these By-Laws, an affirmative vote of the majority of the Directors present and voting at any duly constituted meeting of the Board of Directors shall be necessary to approve any matter before the Board for decision.
- d. All meetings of the Board shall be open and public, and all persons shall be permitted to attend any meeting of the Board, provided, however, that the Board may hold closed sessions during any meeting to consider those matters that may lawfully be considered in such sessions under Article 2 (commencing with Section 89920) of Chapter 7 of Part 55 of the Education Code.
- e. A quorum shall be seven members of the Board.
- f. Parliamentary Authority – Except where these By-Laws provide a different procedural rule, all meetings of the Board of Directors shall be governed by the latest edition of Sturgis Standard Code of Parliamentary Procedure.
- g. Conduct of Meetings
  - (1) Presiding – The Chair of the Board shall preside at meetings of the Board, except at the Annual Meeting as described above. In the absence of the Chair, the Vice Chair shall preside. In the absence of the Chair and the Vice Chair, a Chair shall be elected by the Directors present.

## ARTICLE IX

### ADMINISTRATION OF FUNDS, ASSETS AND PROPERTY

Section 1. General – The Foundation as an auxiliary of The California State University shall accept grants, contracts, bequests, trusts, and gifts only for purposes consistent with the policies of the CSU Trustees. All funds, assets and property of the Foundation shall be administered by the Board of Directors for the benefit of The California Maritime Academy. The funds, assets and property shall be administered in two categories, namely restricted and unrestricted. Gifts and contributions accepted for specific purposes (restricted) shall be administered for those purposes and no others. Gifts and contributions which are not designated for restricted purposes (i.e., unrestricted contributions) shall be administered at the discretion of the President of the Academy.

Section 2. Audit and Publication of Financial Statements – At the end of each fiscal year, the Treasurer (via the Controller) shall select a certified public accountant to perform a fiscal audit. When completed, the audit shall be furnished to the Chancellor or designee on the date or dates designated by the Chancellor or designee. The annual fiscal audit shall be performed in accordance with standard system-wide procedures prescribed by the Chancellor. The Foundation shall publish the audited financial statements in a campus newspaper, or publish a notice in a campus newspaper indicating the on-campus location where copies of the audited financial statements may be obtained or reviewed, or publish or notice the audited statements in accordance with subdivision (1) or (2) in a campus bulletin or other appropriate medium if a campus newspaper is unavailable. (California Education Code Section 89900 and Title 5, Subchapter 6, Auxiliary Organizations, Article 1, Section 42408.)

Section 3. Fiscal Year –The fiscal year shall be one calendar year beginning July 1 and ending on June 30.

Section 4. Budget – The Board of Directors shall consider and approve a budget for the next fiscal year by the 30<sup>th</sup> of June each year.

Section 5. Title 5, Section 42402 establishes the authority of the President of the Academy to require the Foundation to operate in conformity with policy of the CSU Board of Trustees and the campus.

## ARTICLE X

### CONTRACTS, LOANS, BORROWING, CHECKS AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any officer or agent of the corporation, in addition to the Officers so authorized by these By-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances.

Section 2. Loans. Financing transactions of the Foundation shall conform with CSU Executive Order #703 dated April 8, 1999 and titled AUXILIARY ORGANIZATION FINANCING TRANSACTIONS.

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

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

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

## ARTICLE XI

### AMENDMENT OF BY-LAWS ARTICLES OF INCORPORATION AND ARCHIVAL RESPONSIBILITIES

Section 1. The By-Laws and the Articles of Incorporation of the California Maritime Academy Foundation may be amended by the Board of Directors at any duly-constituted meeting called for that purpose by an affirmative vote of a majority of the Board of Directors. Said written approvals will be recorded in the minutes of the Board of Directors.

Section 2. The Chair of the Board (or Chair's designee) shall be responsible for archiving the Foundation's By-Laws, Articles of Incorporation, and all official statements of policy or procedure promulgated by the board or administrative personnel in the exercise of duties.

## ARTICLE XII

### DISSOLUTION

Section 1. Dissolution of the California Maritime Academy Foundation may be approved by majority vote of the members of the Board of Directors at the annual Meeting or any special meeting called for that purpose.

Section 2. If at any time the California Maritime Academy Foundation shall be removed from the good standing list of the CSU in accordance with Title 5, section 42406 and Executive Order 698, the corporation shall be dissolved without further vote by the Board of Directors.

Section 3. Upon dissolution of the Foundation, net assets, other than trust funds, will be distributed to a successor approved by the President of The California Maritime Academy (or designee) and the CSU Trustees.