

BYLAWS
OF THE
SAN FRANCISCO STATE UNIVERSITY FOUNDATION
(Amended and Restated on June 16, 2016)

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BYLAWS
OF THE
SAN FRANCISCO STATE UNIVERSITY FOUNDATION

ARTICLE I: NAME AND OFFICES

Section 1. *Name*

The name of the Corporation is the SAN FRANCISCO STATE UNIVERSITY FOUNDATION (the “SF State Foundation” or “Foundation”).

Section 2. *Principal Office*

The principal office for the transaction of business of the Foundation is in the City and County of San Francisco, State of California. The Board of Directors may change the location of the principal office. Any such change of location shall be noted by the secretary on these bylaws opposite this section or, alternatively, this section may be amended to state the new location.

Section 3. *Other Offices*

The Foundation may also have offices at such other place or places as the Board of Directors may from time to time designate or as the business of the Foundation may require.

Section 4. *Corporate Seal*

The corporate seal of the Foundation shall consist of a circle having at its circumference the words: The San Francisco State University Foundation and inside the circle the following words and figures: Incorporated California September 5, 2007. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or otherwise reproduced.

ARTICLE II: PURPOSES, POWERS AND LIMITATIONS

Section 1. *General Purposes*

The Foundation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for charitable purposes within the meaning of section 501(c)(3) of the U.S. Internal Revenue Code of 1986, as amended. All references herein to “Foundation” are to the San Francisco State University Foundation.

Section 2. *Specific Purposes*

The Foundation is formed for the following specific purposes:

- (a) To develop and increase the facilities of San Francisco State University for broader educational opportunities and service to students, alumni and the citizens of the State of California by encouraging gifts to San Francisco State University of money, property, works of art, historical papers and documents, museum specimens of educational, artistic or historical value and any other assets of value of any description;
- (b) To provide funding for scientific, economic, and other types of research at San Francisco State University;
- (c) To provide funding for the establishment of scholarships and other student assistance programs to San Francisco State University, and other programs essential to the academic mission of San Francisco State University from sources other than those from which the State of California ordinarily makes appropriations to San Francisco State University; and
- (d) To provide advisory counsel and assistance to the President of San Francisco State University (the "University President").

Section 3. *Powers*

The Corporation shall have such powers as are now or may hereafter be granted by the laws governing auxiliary organizations of the California State University and by the Nonprofit Corporation Law of the State of California, except as limited by the provisions of its Articles of Incorporation or these bylaws. Without limiting the generality of the foregoing, the Board of Directors shall have the following powers, namely:

- (a) To appoint and remove officers, agents, employees, and members of special committees; to fix the duties and compensation of the persons so appointed; and to require such security for the faithful performance of their duties as may be deemed advisable;
- (b) To oversee the business of the Foundation in accordance with, and to make such rules and regulations for the Foundation as are not inconsistent with, its Articles of Incorporation, these bylaws, and the laws of the State of California including, specifically, the Corporation Code, and the Education Code, and the Code of Regulations, Title 5;
- (c) To incur such indebtedness as may be deemed by it necessary for the conduct of the business of the Foundation; and
- (d) To oversee all officers, agents, and employees of the Foundation, and to see that their respective duties are properly performed and duly compensated.

ARTICLE III: MEMBERSHIP

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 action 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.

ARTICLE IV: BOARD OF DIRECTORS

Section 1. *Number and Composition*

(A) *Voting Membership* - The management of the affairs, property, and business of the Foundation shall be vested in a Board of Directors (hereinafter, "the Board") consisting of at least twelve (12) but no more than sixty (60) directors unless changed by amendment to these bylaws. Directors other than those appointed by the University President shall be nominated by the Committee on Directors and presented to the Board for its approval. Faculty, administration and staff, and student representatives on the Board shall be appointed to the Board directly by the University President. The Board shall consist of individuals holding the following titles either permanently or provisionally:

(1) Ex-officio:

- the University President or his/her designee;
- the Vice President for University Advancement;
- the Provost and Vice President for Academic Affairs;
- the Chief Financial Officer and Vice President for Administration and Finance

(2) Other directors including the following:

- At least five (5) directors who are graduates of the University;
- In accord with California Code of Regulations, Title 5, at least one individual from each of the following categories:
 - faculty
 - administration and staff
 - students
 - community members

(B) *Ad Hoc Committee Members* - Emeritus members of the Board of Directors, and others with expertise of use to the Board, may be invited to serve as ad hoc members of the Board committees subject to the approval of the Executive Committee and notice to the full Board. Such ad hoc committee members shall serve without voting powers, and may serve unlimited one-year terms of office.

(C) *Approval by University President* - Notwithstanding anything to the contrary

contained in these bylaws, all candidates to be nominated as elected directors on the board shall be approved by the University President. Similarly, all actions to remove any director shall be approved by the University President.

- (D) *Service of the University President on the Board* - If the University President chooses not to serve as a director, he or she shall have the right to name a designee to serve in his or her role as director, and such designee shall have regular and continuing access to the University President and shall keep the Board fully apprised of all relevant policies, decisions, and deliberations of the University administration.

Section 2. *Term of Office*

- (A) The term for the Board of Directors, except for ex-officio directors and the director who is a member of the student body, shall be three (3) years, and a director shall serve no more than two consecutive terms absent a majority vote of the directors to extend a director's term for exemplary service to the Foundation.
- (B) The term for ex-officio directors shall extend through their term in office at the University.
- (C) The term for the director who is a member of the student body shall be for one year.
- (D) The terms of directors shall run from July 1 of the year of appointment and end on June 30 of the following third year. The director who is a member of the student body shall be elected each year to serve from July 1 through June 30 of the following year.
- (E) At the first appointment of directors, or in the first appointment of any directors added as a result of an amendment to these bylaws, or by increase by the Board in the number of directors, the Board shall attempt to establish terms of office such that the membership of the Board shall be divided into approximately equally sized classes of one-, two-, and three-year terms, in order that subsequent periods shall select approximately one-third of the Board membership.
- (F) In the event of any increase or decrease in the authorized number of directors, each director then serving as such shall nevertheless continue as a director of the class of which he/she is a member until the expiration of his/her current term, or his/her prior death, retirement, resignation or removal. The newly created or eliminated directorships resulting from such increase or decrease shall be apportioned by the Board of Directors among the three classes of directors so that the classes remain as nearly equal in size as possible.

Section 3. *Resignation or Removal*

Any member of the Board of Directors may resign at any time by giving written notice to the Chair of the Board and, unless otherwise specified therein, the acceptance of such notice shall not be necessary to make it effective. The resignation shall be effective when

notice is given unless the notice specifies a later time for the resignation to become effective.

Subject to approval by the University President pursuant to Section 1(C) of this Article, the Board of Directors may without cause, by vote of a majority of the directors then in office, remove from office any member of the Board except the University President, or the University President's designee, the Vice President for University Advancement, the Provost and Vice President for Academic Affairs, and the Chief Financial Officer and Vice President for Administration and Finance of the University.

Any director who misses three (3) consecutive board of director's meetings is subject to dismissal from the Board.

Section 4. *Vacancies*

- (A) A vacancy or vacancies in the Board of Directors shall be deemed to exist on the occurrence of any of the following: (i) the death, resignation, or removal of any director; (ii) the declaration by resolution of the Board of Directors of a vacancy in the office of a director who has been declared of unsound mind by an order of court or convicted of a felony, or has been found by final order or judgment of any court to have breached any duty under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law; (iii) the vote of a majority of all the directors to remove a director; (iv) the increase in the authorized number of directors; or (v) the failure of the directors, at any meeting of the Board of Directors at which any director or directors are to be elected, to elect the number of directors to be elected at such meeting.
- (B) A vacancy in the position of elected director may be filled by a majority of the remaining directors, though less than a quorum, or by a sole remaining director, except that a vacancy created by the removal of a director by the vote or written consent of the directors of the Foundation or by court order may be filled only by the vote of a majority of the directors entitled to vote represented at a duly held meeting at which a quorum is present, or by the written consent of a majority of the required quorum of directors. Each director so elected shall hold office until the next annual meeting of the Board of Directors and until a successor has been elected and qualified.
- (C) If the University President declines to serve on the Board of Directors, or fails to indicate that he/she will serve, or otherwise fails to appoint a designee, said position shall remain vacant until the University President serves or designates someone to serve.
- (D) No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

Section 5. *Inspection by Directors*

Each director shall have the right at any reasonable time to inspect all books, records, and

documents of every kind and the physical properties of the Foundation for a purpose reasonably stated and related to such person's interest as a director, provided that a director shall not have the right to inspect those books, records or documents made privileged or confidential by law. This inspection must be made by the director in person, provided that the director may be accompanied by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents, subject to payment of a reasonable charge. The use by a director of any information, not a matter of public record, received by such director by reason of being a director, for personal pecuniary gain, shall be unlawful as stated in section 89909 of the California Education Code.

Section 6. *Standard of Conduct*

- (A) A director shall perform his/her duties as director, including duties as a member of any committee of the Board of Directors, in good faith, in a manner such director believes to be in the best interests of the Foundation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.
- (B) No member of the Board of Directors shall be financially interested in any contract or other transaction entered into by the Board of Directors that is not in accordance with the conflict of interest provisions set forth in Education Code Sections 89906-89909.
- (C) A director shall abstain from voting in any matter in which the director has a personal or financial interest as provided herein or in the California Education Code and shall excuse himself/herself from board discussions involving such matters.

Section 7. *Compensation of Directors*

No director shall receive any salary or other similar compensation for any services as a director; however, the Board of Directors may authorize the reimbursement of actual and necessary expenses incurred by individual directors performing duties as directors.

Section 8. *Persons Associated with the Foundation*

By resolution, the Board of Directors may create advisory boards, councils, honorary memberships or other entities 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 for the election of a director or directors or an officer or officers; on a disposition all or substantially all of the assets of the Foundation; on a merger; on a dissolution; on changes to the Foundation's Articles of Incorporation or bylaws. All of the enumerated voting rights are vested exclusively in the Board of Directors.

ARTICLE V: EMERITI BOARD OF DIRECTORS

Section 1. *Directors Emeriti*

Director Emeritus is an honorary status conferred on a board member in recognition of his or her outstanding service to the Foundation and the University. The designation as Director Emeritus is made through the Executive Committee with the review and approval of the full Board.

Director Emeriti are those directors who are no longer able to serve or whose terms have expired, but whose contributions, over time, have been profound in terms of service, philanthropy, and dedication to SF State's mission.

The term of office for a Director Emeritus shall be for life. Director Emeriti shall receive notification of all general meetings and events, but not Executive Committee meetings. They shall not have the right to vote, to be counted towards a quorum, or to hold elective office on the Board.

Director Emeriti may serve on general committees of the board, as requested by the Chair, with approval by the Executive Committee. This includes, but not limited to committees focused on development, finance or directors.

ARTICLE VI: MEETINGS

Section 1. *Annual Meeting*

An annual meeting of the Board of Directors shall be held in June of each year prior to the regular meeting of the Board of Directors. Such meeting shall be for the purpose of the election or reelection of directors whose terms of office have expired, electing or reelecting officers of the corporation and for the transaction of such other business as may come before the meeting. All such directors and officers shall assume their offices at the beginning of the next fiscal year.

Section 2. *Regular Meetings*

- (A) All meetings of the Board of Directors shall be held at the principal office of the corporation or at such other place as may be designated by the Board. Regular meetings shall be held at least three times a year upon notice in accordance with Section 5 of this Article VI.
- (B) An agenda listing the matters to be considered at each meeting shall be included in the notice for the meeting.
- (C) The Board or committee shall not take action at any regular meeting on any issue until that issue has been posted publicly on a bulletin board in the Foundation's business offices or other appropriate location at least one week prior to the action, as required by California Education Code Section 89924.

Section 3. *Special Meetings*

A special meeting may be called at any time by the Chair of the Board of Directors, the President, or by a majority of the voting directors then in office, to be held at such date, time and place as shall be designated in the notice of meeting. The call and notice of a special meeting shall be delivered at least 24 hours prior to any meeting and shall specify the date, time and place of the special meeting and the business to be transacted. No other business may be considered at a special meeting.

Section 4. *Open Meetings*

All meetings of the Board shall be open and public, and all persons shall be permitted to attend any meeting of the Board, provided, however, that the Board may hold closed sessions during any meeting to consider those matters that may lawfully be considered in such session under Section 89923 of the California Education Code.

Section 5. *Notice*

- (A) Notice of the date, time and place of any meeting of the Board of Directors other than special meetings shall be given at least seven (7) days previous thereto delivered personally or sent by mail or facsimile or electronically to each director at his or her address, facsimile number, or email address as shown in the records of the corporation. If mailed, such notice shall be deemed to be delivered the next day during which regular mail deliveries are made after the day such notice is deposited in the United States Postal Service in a sealed envelope so addressed, with postage thereon prepaid. If notice were given by facsimile or email, such notice shall be deemed delivered when the facsimile or email is transmitted.
- (B) The business to be transacted at any regular meeting of the Board shall be specified in the notice of such meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Each member of the Board of Directors shall, in writing, file with the Secretary of the Foundation an address to which all notices shall be directed, and the same shall be valid for all notices required by these bylaws until such time as said member shall, in writing, give notice of a new address which shall then become the address to which all notices shall be directed.
- (C) Notice of a meeting of the Board also shall be given to any persons entitled thereto pursuant to Section 89921 of the California Education Code.
- (D) Whenever any notice is required to be given, a waiver in writing signed by the persons entitled to such notice, whether dated before or after the time stated herein, to the extent permitted by law, shall be deemed equivalent to the giving of such notice.

Section 6. *Quorum*

A simple majority of the number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 7 of this Article VI. Every act or decision made by a vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of a director or directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Each member of the Board of Directors shall have one vote except as specified in these bylaws. There shall be no proxy voting permitted for the transaction of any of the business of the Foundation.

Section 7. *Adjourned Meetings*

A quorum of directors or, in the absence of a quorum, a majority of the directors present at any Board of Directors' meeting may adjourn the meeting to meet again at a stated date, time and place. Notice of the date, time, place and business to be transacted at such meeting shall be given to any directors who were not present at the time of adjournment.

Section 8. *Meetings by Electronic Transmission or Electronic Video Screen Communication*

Any meeting may be held, in whole or in part, by electronic transmission by and to the Board of Directors or by electronic video screen communication (e.g., web camera or video phone) as long as all directors have an opportunity to participate in the meeting and to vote on matters submitted, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with those proceedings. All such directors shall be deemed to be present in person at such a meeting. If any director votes or takes other action at the meeting by means of electronic transmission or electronic video screen communication, then a record of that vote or action shall be maintained.

Section 9. *Minutes of Meetings*

Written minutes of all meetings of the Board of Directors and its committees shall be kept. The Board of Directors may adopt its own rules of procedure insofar as such rules are not inconsistent with, or in conflict with, these bylaws, the Articles of Incorporation, or law.

ARTICLE VII: OFFICERS

Section 1. *Officers*

The officers of the Foundation shall be a Chair, Immediate Past Chair, Vice Chair, President, Secretary and Treasurer and such other officers as the Board shall time to time deem necessary to elect. All other officers are elected by the Board of Directors from its membership. No officer may serve as a member of the Audit Committee.

The officers who are members of the Board:

- (a) shall be elected at the annual meeting of the Board of Directors;
- (b) shall assume the duties of their respective offices on the first day of the fiscal year following their election, or on such other date thereafter as may be designated by resolution of the Board of Directors adopted at the time of the election; and
- (c) shall hold office for a term of one (1) year or until their respective successors are elected and qualified.

During the term of their employment by the University or Foundation, the officers who are not members of the Board shall attend all Board of Directors meetings in a non-voting capacity, except that they shall be excused from any meeting considering issues in which such officers have a personal interest.

Section 2. *Chair*

The Chair of the Board shall preside at all meetings of the Board, and shall call and preside at Executive Committee meetings. The Chair shall be an ex-officio member of all standing committees except the Audit Committee, shall have the general powers and duties usually vested in the Chair of the Board of a nonprofit public benefit corporation and shall have such other powers and duties as may be prescribed by the Board or any amendment of these bylaws. In such case of a vacancy in the office of Chair, the Vice Chair shall succeed to such office for the unexpired term.

Section 3. *Immediate Past Chair*

In order to assist with the transition of the Chair-Elect, the position of Immediate Past Chair shall serve in an advisory role to the Chair-Elect and assist in his/her orientation. The term of the Immediate Past Chair shall be for one (1) year.

Section 4. *Vice Chair*

The Vice Chair of the Board shall, in the absence or disability of the Chair, perform all the duties of the Chair and when so acting, shall have all of the powers and be subject to all the restrictions upon the Chair. The Vice Chair shall be an ex-officio member of all standing committees, excluding the Audit Committee, and have such other powers and perform such other duties as may be assigned by the Board or be prescribed in the bylaws.

Section 5. *President*

The President shall be the Vice President for University Advancement at San Francisco State University. The President shall be the Chief Operating and Administrative Officer. The President shall be responsible for the fundraising activities of the Foundation and shall exercise such other administrative duties as shall be necessary or appropriate. The

President may delegate his or her duties, but shall be responsible for overall supervision of any such delegation. The President shall also serve as an ex-officio member of all standing committees, including the Executive Committee, but excluding the Audit Committee.

Section 6. *Secretary*

The Secretary of the Board shall record, or cause to be recorded, all votes and the minutes of all proceedings of the Board of Directors and Executive Committee. The Secretary shall certify such minutes or Board actions as true copies when required. The Secretary shall assure that all books, papers, documents, and records of the Foundation are housed permanently at the principal office of the Foundation. The Secretary shall keep in safe custody the seal of the Foundation and affix the same to any instrument requiring it and, when so affixed, it shall be attested either by the signature of the Secretary or by the signature of one of the other officers of the Foundation. The Secretary shall give, or cause to be given, notice of all meetings of the Board and shall perform such other duties as may be prescribed by the Chair, the Vice Chair, the Board of Directors, or the President.

Section 7. *Treasurer*

The Treasurer of the Board shall be the Chief of Operations for University Advancement at San Francisco State University. The Treasurer shall be the Chief Financial Officer for the Foundation. The Chief Financial Officer may delegate his or her duties, subject to approval of the Chair, Vice Chair, or President, but shall be responsible for overall supervision of any such delegation. The Treasurer shall administer and report the financial activities of the Foundation in accordance with prudent business practices and generally accepted accounting principles. The Treasurer shall be precluded, at all times, from serving on the Audit Committee.

The Treasurer shall:

- (a) Supervise the daily accounting and related operations of the Foundation;
- (b) Ensure that State General Funds shall not be transferred to the Foundation;
- (c) Keep and maintain, or cause to be kept and maintained, adequate and correct accounts of properties and business transactions of the Foundation, including account of its assets, liabilities, receipts, disbursements, gains, and losses;
- (d) Ensure proper investment of the Foundation's assets in accordance with policies established by the Finance and Investment Committee;
- (e) Ensure proper collection, acceptance, and receipting of all contributions to the Foundation;
- (f) Ensure proper preparation of regular financial statements for approval by the Finance and Investment Committee and reviewed by the Board of Directors;

- (g) Ensure proper preparation and submission of such reports and accounts as may be required by the University President or the California State University Chancellor's Office;
- (h) Maintain the books of account and have them available for inspection by any Director at all reasonable times;
- (i) Deposit monies and other valuables in the name, and to the credit, of the Foundation with such depositories as may be designated by the Board;
- (j) Ensure that restricted funds received or unrestricted funds allocated (including investment income) for support of San Francisco State University departments and programs shall be transferred to San Francisco State University, administered in accordance with policies of The Chancellor's Office and San Francisco State University, and expended from San Francisco State University department or program accounts;
- (k) Ensure financial commitments and expenditures by the Foundation are in accordance with pertinent San Francisco State University policies and guidelines or explicit, written Foundation policies, and with detailed budgets approved by the Board. The methodology for allocation of costs to the Foundation or San Francisco State University and among budget categories shall be approved by the Board;
- (l) Ensure that the Foundation include in its literature information regarding charges against restricted gifts or income therefrom made for costs of administering the Foundation and that such charges are approved by the University President, and the nature of such charges is disclosed in the Foundation's audited financial statements;
- (m) Disburse the funds of the Foundation as may be ordered by the Board, and render to the President and directors, whenever they request it, an account of all transactions by the Chief Financial Officer and of the financial condition of the Foundation;
- (n) Have such other powers and perform such other duties as may be prescribed by the Board or these bylaws; and
- (o) Provide copies of the Foundation's report to the State Registry of Charitable Trusts, tax returns, and a current list of officers, directors, and legal counsel promptly each year to the Foundation and the University President.

Section 8. *Other Officers*

Any other Officer, other than the Chair, Vice Chair, President, Secretary, and Treasurer, shall have such duties as established by the Board.

Section 9. *Vacancies*

If the office becomes vacant for any reason, the Board of Directors shall fill such vacancy by majority vote, subject to the approval of the University President.

Section 10. *Resignation or Removal*

Any officer elected or appointed by the Board of Directors may resign at any time upon written notice to the Board of Directors without prejudice to other rights, if any, of the officer under any contract with the Foundation to which the officer is a party. Subject to the approval of the University President, any officer elected or appointed by the Board of Directors may, by vote of the majority, be removed by the Board whenever in its judgment the interest of the Foundation would be thereby best served. Any such removal shall be without prejudice to any other rights, which said officer might have.

ARTICLE VIII: COMMITTEES

Section 1. *Authority*

In consultation with the University President, the Board Chair with the approval of the Board of Directors, shall appoint the chairs and members of the committees and subcommittees specified in Sections 3, 4, 5, 6, 7 and 8 of this Article VIII and may appoint the chairs and members of one or more additional committees, each consisting of three (3) or more voting directors, and delegate to such committees any of the authority of the Board except as follows: filling vacancies in the Board of Directors; fixing compensation of any director for serving as an officer or on any committee, or otherwise providing services to the Foundation; amendment or repeal of any bylaw or the adoption of any new bylaw; amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable; or approval of a potential conflict-of-interest transaction, such as described under Article IV, Section 6(B) of these bylaws.

Section 2. *Executive Committee*

- (A) The Executive Committee shall have the authority to act in all matters in which the full Board has authority to act, except as provided in Section 1 of this Article VIII.
- (B) The Executive Committee shall be composed of the Chair, the Vice Chair, and the President; the Chair of the Committee on Directors; the Chair of the Finance and Investment Committee; the Chair of the Development Committee; the Chair of the Audit Committee; the Chair of the Advocacy Committee; and the Chair of the Committee on Athletics. The University President, or the University President's designee, shall be an ex-officio, voting meeting member of the Executive Committee.
- (C) The officers who are not members of the board of directors shall attend all Executive Committee meetings in a non-voting capacity.

- (D) Any action taken by the Executive Committee, in order to be valid, shall be taken at a meeting duly called pursuant to Article VI hereof.
- (E) The Executive Committee shall review all proposed budgets, and any proposed revisions thereto, prepared by the staff of the Foundation, and shall recommend adoption thereof by the Board of the Foundation, subject to such revisions, if any, the committee may recommend.
- (F) The Executive Committee shall review the Foundation's monthly financial statements to ensure that the Foundation is operating in accordance with the budget adopted by the Board of the Foundation, shall provide financial oversight of the staff of the Foundation, and shall respond to requests for financial guidance from the staff of the Foundation.
- (G) At least annually, the Executive Committee shall review and approve the Foundation's liability insurance coverage and the insurance coverage on all Foundation assets, the adequacy of coverage, and the quality of the insurance carriers providing coverage.

Section 3. *Committee on Directors*

- (A) The Committee on Directors shall develop a plan of board composition relevant to the strategic direction of the Foundation.
- (B) It shall recruit and recommend candidates to the Executive Committee for election by the full board at least thirty (30) days prior to the date of any election of directors.
- (C) All candidates to be nominated for election shall be approved by the University President. Similarly, all actions to remove a director from the board shall be approved by the University President.
- (D) In the case of a vacancy on the Board of Directors, the committee shall present its recommendation to the board for their approval contingent on the University President's approval.
- (E) The committee shall develop and recommend strategies, policies, and practices that orient, educate, organize, motivate and assess the performance of directors.

Section 4. *Investment Committee*

- (A) The Investment Committee regularly shall monitor the performance of the investments of the Foundation; periodically consult with the Foundation's investment advisors; recommend which firms to engage as the Foundation's investment advisors; periodically review the Foundation's investment policies and recommend changes to the policies as necessary and appropriate.

- (B) Subcommittee on Socially Responsible Investing (SRI): This is a subcommittee of the Finance and Investment Committee and will consist of at least three (3) members of the Finance and Investment Committee. The purpose of the SRI subcommittee is to:
- a. To review and collaborate with investment managers and divestment peers to identify best practices that balance the foundation goals of sustainable and socially responsible investing and build the foundation's endowment through prudent investment and management of its corpus.
 - b. To continue to develop specific mechanisms to implement sustainable and socially responsible investing strategies.
 - c. To share best practices and experience with colleagues across the California State University and other university-affiliated foundations.

Section 5. *Development Committee*

The Development Committee shall provide the leadership for the development and fundraising activities of the University's development program, including overseeing fundraising priorities and feasibility studies, campaign planning, and identification, cultivation, and solicitation of prospective campaign leaders and donors.

Section 6. *Audit Committee*

- (A) The Audit Committee shall consist of a minimum of three (3) directors, all of whom must have a substantial understanding of financial reporting and internal control principles. The Audit Committee may include one member who is also a member of the Finance and Investment Committee; however, the Chair of the Audit Committee may not also be a member of the Finance and Investment Committee. The Audit Committee may not include any employee or officer of the Foundation or San Francisco State University or any person who has a material financial interest in any entity doing business with the Foundation.
- (B) The Audit Committee shall recommend to the Board the retention and termination of the Foundation's independent auditor; negotiate the independent auditor's compensation and the proposed terms of its engagement; serve as a channel of communication between the independent auditor and the Board; review and determine whether to accept the audit; receive and review the independent auditor's annual management letter; confer with the independent auditor to satisfy the committee members that the financial affairs of the Foundation are in order; approve in writing performance of any non-audit services to be provided by the auditing firm; review the Foundation's annual financial statements; consider, in consultation with the independent auditor and the internal auditor, the adequacy of the Foundation's internal financial controls; consider major changes regarding the appropriate auditing and accounting principles and practices to be followed when preparing the Foundation's financial statements; review the procedures employed by the Foundation in preparing published financial statements and related management summaries; report at least annually to the Executive Committee and/or the Board of Directors regarding the Foundation's major financial risk exposures.

- (C) The Audit Committee shall meet at least twice annually, and the Chair of the Audit Committee shall report to the Board on the completion of the audit of the Foundation.

Section 7. *Advocacy Committee*

- (A) The Advocacy Committee shall provide counsel and advice to the Foundation directors, the leadership and officers of SF State regarding local, state and federal initiatives impacting the University.
- (B) The committee will work toward fostering greater interaction between the University and elected officials at the local, state and federal levels.
- (C) The committee will also provide advice on community relations and building support for the University among community, business and civic leaders.

Section 8. *Committee on Athletics*

- (A) The Committee on Athletics shall provide support for the development and fundraising activities of the University's Athletics program. The SF State Gators is affiliated with NCAA II Conferences: California Athletic Association (CCAA) and Rocky Mountain Conference (RMAC). In association with the University's Athletic Director, the committee will oversee fundraising priorities including increasing support for athletic scholarships. The committee will assist in the identification, cultivation and solicitation of major donors.
- (B) The committee shall have a minimum of four (4) directors.
- (C) The Committee on Athletics will meet four (4) times a year.

Section 9. *Meetings and Actions of Committee*

Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of Article V of these bylaws concerning meeting of Directors, with such changes in context of those bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. All actions taken by a committee shall be presented to the Board of Directors at the next meeting of the Board of Directors.

ARTICLE IX: GENERAL PROVISIONS

Section 1. *Fiscal Management*

The Foundation shall adhere to those financial standards and practices that will assure its fiscal viability. The Board of Directors shall provide for professional management of the

Foundation and shall set aside out of funds of the Foundation such sums as the Board of Directors deem proper as adequate reserves for (a) working capital, (b) current operations, (c) contingencies, (d) new business requirements, and (e) such other purposes as the Board shall deem conducive to the best interests of the Foundation; and the Board of Directors may modify or abolish any such reserves.

Not less than seven (7) days prior to the annual meeting of the Foundation the Chief Financial Officer shall prepare and distribute to all directors a proposed budget for the Foundation for the coming fiscal year. The Board of Directors shall adopt the budget, with such revisions as the directors determine to be necessary, prior to the commencement of the next fiscal year.

Section 2. *Annual Statement*

The President shall present annually to the Board of Directors a full and clear statement of the business and condition of the Foundation, prepared in accordance with generally accepted principles of accounting and certified by independent public accountants reporting to the Board of Directors of the Foundation.

Section 3. *Contract Instruments*

All contracts and similar instruments entered into by the Foundation, or with respect to any proposals therefore, shall be signed in the name of the Foundation, and may be signed by any officers, or such officers as the Board of Directors or the President may designate in writing.

Section 4. *Checks and Obligations*

All checks or demands for money or notes or other instruments evidencing indebtedness or obligations of the Foundation shall be signed by such officer or officers or such other person or persons as the Board of Directors may designate.

Section 5. *Fidelity Bonds*

The Board of Directors may, by resolution, require any and all of the officers to give bonds to the Foundation, with sufficient surety or sureties, conditioned for the faithful performance of the duties of their respective offices, and to comply with such other conditions as may be required by the Board of Directors.

Section 6. *Loans*

The Board of Directors shall not make any loan of money or property to or guarantee the obligation of any director or officer, unless approved by the Attorney General of the State of California. This provision does not apply to a loan of money to or for the benefit of an officer in circumstances where the loan is necessary, in the judgment of the Board of Directors, to provide financing for the purchase of the principal residence of the officer in order to secure the services or continued services of the officer and the loan is secured by the real property purchased with the loan. Any such loan shall be approved pursuant to

the then-current requirements of the California Corporations Code for transactions with interested persons and shall be reported annually pursuant to California and federal law.

Section 7. *Investments*

The Board of Directors shall not make any investments with any director or officer during his/her years of service and within five (5) years from the time his/her service ends.

Section 8. *Borrowing*

No loan shall be contracted on behalf of the Foundation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors and in accordance with the policy of the Board of Trustees of the California State University.

Section 9. *Fiscal Year*

The fiscal year of the Foundation shall begin on the first day of July of each year and shall end on the last day of June of the next succeeding year.

Section 10. *Gifts*

The Board of Directors may, at its discretion, accept on behalf of the Foundation any contribution, gift, bequest, or devise for the general purposes or for any specific purpose of the Foundation. Acceptance authority may be delegated in writing to designated officers.

Section 11. *Indemnification of Directors, Officers, Employees and Other Agents*

- (A) *Right of Indemnity* To the fullest extent permitted by law, the Foundation 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 Foundation, by reason of the fact that the person is or was a person described in that section. Expenses, as used in this bylaw, shall have the same meaning as in Section 5238(a) of the California Corporations Code.
- (B) *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 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 Section 5238(c) has been met and, if so, the directors shall authorize indemnification.
- (C) *Advancement of Expenses* To the fullest extent permitted by law and except as otherwise determined by the Board of Directors in a specific instance, expenses incurred by a person seeking indemnification under these bylaws in defending any proceeding covered by those sections shall be advanced by the 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.

- (D) *Insurance* The Foundation 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 employee's or agent's status as such.

ARTICLE X: AUXILIARY ORGANIZATION

This Corporation is an auxiliary organization in support of San Francisco State University, as defined in Section 89901(d) of the California Education Code. In addition to the restrictions in the Articles of Incorporation of this Corporation, it shall not engage in any activity except those activities permitted by the Operating Agreement between this Corporation and the Trustees of the California State University.

ARTICLE XI: AMENDMENTS

These bylaws may be amended at any regular or special meeting of the Board of Directors by a majority vote of the Board of Directors, subject to the approval of the University President. The Board shall, directly or by Committee, regularly review these bylaws for currency and effectiveness.

SECRETARY'S CERTIFICATE

This is to certify that the foregoing amended bylaws of the San Francisco State University Foundation were duly approved by the Board of Directors on June 16, 2016.

In witness whereof, the undersigned duly elected Secretary of said corporation, Venesia M. Thompson-Ramsay, has signed this Certificate this 16th day of June 2016.

Venesia M. Thompson-Ramsay, Secretary
San Francisco State University Foundation