

**BYLAWS**  
of  
SAN LUIS OBISPO RAILROAD MUSEUM

Adopted July 12, 2016  
and with the following amendments:

<u>Date</u>	<u>Section</u>	<u>Subject</u>
August 10, 2021	Part 14.7 added	Board approval required for certain expenditures

ARTICLE I. CORPORATION

1. CORPORATE PURPOSE

- 1.1 General Nonprofit Purpose. This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. This Corporation is organized under the Nonprofit Public Benefit Corporation Law of California.
- 1.2 Specific Purposes. The specific objectives and purposes of this organization shall be as stated in the Mission Statement as adopted from time to time.

2. LEGAL AUTHORITY

- 2.1 Legal Purposes. The purposes of the Corporation are exclusively charitable, educational, or scientific within the meaning of Section 501(c)(3) of the United States Internal Revenue Code. The Corporation shall have the powers to do all things necessary or convenient to carry out its purposes, as set forth in the Articles of Incorporation and these Bylaws.
- 2.2 Governing Instruments. The Corporation shall be governed by its Articles of Incorporation and its Bylaws. If there is any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control.
- 2.3 Limitations on Activities. No activities of the Corporation shall consist of participating in, or intervening in, any political campaign on behalf of or in opposition to any candidate for public office. The Corporation shall not operate a social club or carry on business with the general public in a manner similar to an organization operated for profit. The Corporation shall not carry on any activity not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986.
- 2.4 Nondiscrimination Policy. The Corporation will not practice or permit any unlawful discrimination on the basis of sex, age, race, color, national origin, religion, physical handicap or disability, or any other basis prohibited by law.

### 3. OFFICE

- 3.1 Principal Office. The office of the Corporation shall be within the County of San Luis Obispo, as specifically determined by the Board of Directors.

## ARTICLE II. BOARD OF DIRECTORS

### 4. DIRECTORS

- 4.1 Management by Directors. The affairs and property of the Corporation shall be managed by its Board of Directors. The Board may periodically designate one Director to serve as the Chair of the Board.
- 4.2. Number and Tenure.
- 4.2.1 The Board of Directors shall have at least five and not more than 21 Directors. The Board may determine the full number of Directors from time to time.
- 4.2.2 No increase or decrease in the number of Directors shall shorten or lengthen the term of any serving Director.
- 4.2.3 Each Director serving when these Bylaws were adopted may remain for the duration of that Director's term which was established under the previous Bylaws.
- 4.2.4 Subject to Part 4.2.3, the maximum continuous service of a Director shall be five years. At the conclusion of a Director's maximum service, that person may be considered for re-election to the Board as a newly elected Director after a recess from the Board of at least one year.
- 4.2.5 At the conclusion of a Director's term, that person shall be evaluated as any other nominee and, subject to Part 4.2.4, the Board may re-elect the Director for an additional two-year term, a one year term, a shorter term (as when to fill an unexpired position), or not at all.
- 4.2.6 By adjusting the terms of Directors being re-elected, the Board shall stagger the terms of service so that during each year the terms of approximately one third of all Directors shall expire.
- 4.2.7 A newly elected Director who has not served before shall serve an initial one-year term. After the initial term, the Board may re-elect the Director for up to two additional two year terms, or for shorter terms, or not at all.
- 4.3 Election. Each new member of the Board of Directors must be approved by a majority vote of the then-serving Directors present and voting, at a regular meeting of the Board at which at least a quorum of the Board of Directors is present.

4.4 Compensation. Directors shall not receive any compensation for their services as a Director. Directors may be reimbursed for their reasonable expenses. A Director may provide other services to the Corporation for pay, if the services are not related to his or her position as a Director and the services are approved in advance by the Board.

4.5 Duties, Obligations, and Requirements.

4.5.1 Each member of the Board of Directors shall annually receive and sign a Board Member Contract, subject to approval by the Board, including provisions common to all Directors as well as any provisions negotiated specifically for the individual member with regard to financial support or other matters not in conflict with State law, the Articles of Incorporation, or these Bylaws.

4.5.2 No two or more people who are spouses, domestic partners, parent and child, grandparent and grandchild, or siblings may serve on the Board of Directors at the same time.

4.5.3 Each Director shall ensure that the Secretary has a current postal mailing address and at least one telephone number at which the Director can be reached within a reasonable time for Corporation business.

4.5.4 Annually, each Director shall read and sign a copy of the Corporation's Conflict of Interest Policy.

5. MEETINGS OF BOARD OF DIRECTORS

5.1 Regular Meetings of Directors. The Board of Directors shall regularly meet once every calendar quarter at a specified time and place. The Board shall set the time and place for regular meetings, and give each Director notice of the time and place that regular meetings shall be held in the future. If the Board changes the time and place of regular meetings, the Secretary shall give notice of the change to each Director.

5.2 Special Meetings of Directors. Special Board meetings may be called by the Chair of the Board, the President of the Corporation, the Secretary, or any two Directors. Only those matters for which the special meeting was called may be acted on, unless all Directors are present at the meeting and agree to take action on other matters.

5.3 Manner of Giving Notice of Special Meetings. The Secretary shall give notice to each Director of the time, general purpose, and place of each special Board meeting. After giving notice of a special meeting, the Secretary shall prepare a Certificate Of Service to be added to the meeting minutes, showing the date, time, and manner of giving the notice, the content and purpose of the notice, and to whom the notice was given. Notice shall be given:

5.3.1 By personal delivery of written notice to the Director's address on the records of the Corporation, given directly to the Director or to an adult person who would reasonably be expected to give the notice promptly to the Director; or

5.3.2 By first-class mail, postage paid to the Director's address as shown on the records of the Corporation; or

5.3.3 By telephone to the Director's phone number on the records of the Corporation, given directly to the Director or to an adult person who would reasonably be expected to give the notice promptly to the Director.

5.4 Time For Giving Notice of Special Meetings. Notices sent by first class mail shall be deposited into a United States mail box at least four days before the time set for the meeting. Notices given by personal delivery or telephone shall be delivered or telephoned at least 48 hours before the time set for the meeting.

5.5 Waiver of Notice of Special Meetings. A Director may waive notice of a particular meeting by giving a written waiver in advance to the Chair of the meeting, the President of the Corporation, or the Secretary. A Director may also waive notice of a particular meeting by attending the meeting. All waivers shall be made a part of the minutes of the meeting.

5.6 Quorum. A majority of the total number of seated Directors shall constitute a quorum for the transaction of business at any meeting of the Board. If less than a quorum is present at a meeting, the Directors present may:

5.6.1 Adjourn the meeting without setting another meeting; or

5.6.2 Adjourn after only discussing Corporation matters without taking Board actions; or

5.6.3 A majority of the Directors present may adjourn the meeting to another time and place, for which a new notice shall be given as set forth above.

5.7 Meeting by Conference Telephone. California law allows Directors to participate in a Board meeting by means of conference telephone or similar communications equipment provided all persons participating in the meeting can hear each other. Such participation shall constitute presence in person at the meeting. A Director who wishes to participate in a Board meeting by conference call shall make arrangements to do so with the Secretary before the meeting. The Secretary shall record in the minutes of the meeting the name of each Director who appears by conference call.

## 6. VOTING AND ACTIONS BY THE BOARD OF DIRECTORS

6.1 Manner of Taking Action. The Board of Directors manages the Corporation by approving resolutions brought before it by its members, and by the officers of the Corporation, and from other sources. Resolutions are approved upon the vote of a majority of the Directors present at a meeting at which a quorum is present, unless approval by a greater number is required by law or by these Bylaws.

6.2 Minutes of Meetings. The Secretary or other clerk of a meeting shall keep detailed minutes of the date and time and place of the meeting, the agenda of the meeting, the

persons present at the meeting, discussions about Board issues, all resolutions presented at the meeting and the action taken on each resolution, and the time of adjournment of the meeting. The minutes will be signed by the person taking them, and they will be filed with the records of the Corporation.

- 6.3 Action by Unanimous Board without a Meeting. Any action which could be taken at a meeting of the Board may be taken without a meeting if each Director signs a written consent setting forth his/her approval of the action. The written consents, and the Secretary's record of the action taken, shall be inserted in the minute book as if they were the minutes of a Board meeting.

## 7. VACANCIES ON BOARD OF DIRECTORS

- 7.1 Events Causing Vacancy. A vacancy on the Board of Directors shall occur when any of the following occurs:
- 7.1.1 The death, resignation, forfeiture, or removal of any Director;
  - 7.1.2 A declaration by a court that a Director has been declared of unsound mind or substantially incapable of handling his/her own affairs and the affairs of others, or convicted of a felony, or has been found by final order or judgment of any court to have breached a duty under the California Nonprofit Corporation Law; or
  - 7.1.3 The number of authorized Directors is increased by Board action.
- 7.2 Resignation. A Director may resign at any time, either effective immediately or at a later time, by delivering written notice to the President or the Secretary, or to the office of the Corporation. The last Director may not resign if the Corporation would then be left without a duly elected Director in charge of its affairs, unless notice is first given to the California State Attorney General.
- 7.3 Removal. A Director may be removed from office upon two-thirds vote of the other Directors at a duly held meeting of the Board at which a quorum is present, or by unanimous action of the other Director, if the Board finds that removal of the Director will be in the best interests of the Corporation. Such removal shall be subject to any contract rights that the person may hold. The Secretary shall record in the minutes of the meeting the findings of the Board, the names of Directors present, and the numerical vote for removal, in addition to the minutes of any other business conducted at the meeting.
- 7.4 Notice to Director of Pending Removal. The Secretary shall send to each Director, including the Director facing removal, a specific written notice of the proposed removal at least ten days before the meeting to vote on the removal. The Director facing removal shall have a reasonable opportunity to speak at the meeting before the vote is taken.
- 7.5 Suspension. The Board of Directors may suspend without notice the authority of a Director until a vote for removal can be held, if they find that such temporary suspension will be in the best interests of the Corporation. A suspended Director may not attend Board or committee meetings or vote on Board actions.

## 7.6 Forfeiture.

7.6.1 A Director shall forfeit without notice his/her seat on the Board, if the Board determines that the Director has (1) failed to fulfill any of his/her duties and obligations to the Corporation as set forth in the Corporation's General Board Job Description, or (2) has been absent from two or more consecutive regular Board meetings in one year without Board approval.

7.6.2 Upon a forfeiture, the Secretary shall notify the Director in writing that his/her seat has been declared vacant, and the Board of Directors may immediately proceed to fill the vacancy.

7.6.3 A Director who forfeits his/her seat is not entitled to attend or vote at meetings, and is not entitled to appeal.

7.7 Removal of Director as Officer. If a resigned, forfeited, or removed Director is also an Officer of the Corporation, he/she shall automatically be removed from that office.

7.8 Election to Fill Vacancies. If a Board vacancy occurs, a majority of the remaining Directors may elect a new Director at either the next regular Board meeting or at a special Board meeting, even if less than a quorum of Directors is present. The incoming Director shall serve for the unexpired term of the vacant seat if he/she has previously been a Director of the Corporation, or for a one-year term if he/she is a new Director.

7.9 Nominations. A nominating committee shall be responsible for nominating persons to fill Board and Officer vacancies. Nominations shall be sent in writing to members of the Board at least two weeks before the meeting at which the election will be held. For good cause, the Board can shorten or dispense with the notice requirement in appropriate situations.

## ARTICLE III. COMMITTEES

### 8. BOARD COMMITTEES

8.1 Standing Committees. The Board may appoint standing committees as it deems appropriate and necessary. Standing committees usually will be permanent, but always subject to being changed or dissolved by the Board. The Board will establish the function, management, authority and powers, and other characteristics, of each standing committee. Examples of standing committees are Investment, Fund-raising, Membership, etc.

8.2 Authority. A "Board committee" is any committee that is given authority equal to that of the Board, whether for all purposes or for limited purposes. A Board committee shall consist of only Directors. Each standing committee shall be a Board committee as so defined. As the Board deems necessary and appropriate at any time, it may create and abolish Board committees, change the members of Board committees, and change the authority given to a Board committee.

- 8.3 Sub-committees. A Board committee, or the Board, may create a sub-committee of a Board committee. A sub-committee may have non-Director members, but the sub-committee will then not have any Board rights or authority.
- 8.4 Executive Committee. The Board may create an Executive Committee as a standing Board committee, if the Corporation is a size where it is necessary to have this additional layer of management. The Board will establish the function, management, authority and powers, and other characteristics under which the Executive Committee will operate.
- 8.5. Management Of Board (Standing) Committees.
- 8.5.1 All Board committees and sub-committees are subject to the supervision and control of the Board. The Board of Directors may, at any time, revoke or modify any or all of the authority delegated to a Board committee, increase or decrease (but not below two) the number of its members, and fill committee vacancies from the members of the Board.
- 8.5.2 If a Board committee will be authorized to exercise the authority of the Board in the management of the Corporation, it shall consist of at least two Directors, and all its members must be Directors. Even though such a committee may be able to exercise the authority of the whole Board, it will still be subject to the supervision and control of the whole Board.
- 8.5.3 The Board may establish standards for a Board committee's rules of meetings, procedure, voting, and management structure. If the Board does not establish standards sufficient for the committee's needs, the committee may determine their own structure and procedures, subject to Board approval.
- 8.5.4 No committee, regardless of Board resolution, may do any of the following:
- (1) Fill vacancies on the Board of Directors or in any committee which has the authority of the Board;
  - (2) Fix compensation of Directors for serving on the Board or a committee;
  - (3) Amend or repeal Bylaws or adopt new Bylaws;
  - (4) Amend or repeal any resolution of the Board of Directors;
  - (5) Appoint any other Board committee of the Board of Directors;
  - (6) Approve any transaction between the Corporation and a Director, or between the Corporation and any entity in which a Director has a material financial interest; or
  - (7) Support a nominee for Director if more than one person has been nominated for the position.

8.5.5 Board Committees will operate in a manner similar to the Board regarding vacancies, notice of meetings, quorum requirements for voting, etc.

## 9. NON-BOARD OPERATING COMMITTEES

9.1 Operating Committees. The Corporation may also have operating committees, which are not Board committees. These generally assist the officers in the day-to-day operation of the Corporation. They are subject to the supervision and control of the Board, but they do not necessarily need to include Directors. Examples of operating committees are Donor Recognition, Exhibits, Scholarships, Curation and Archives, and Events.

9.2 Advisory Committees. The Board may occasionally create and appoint specialized advisory committees, task forces, work groups, etc. to assist the Board. These specialized groups shall be headed by a Director. They should contain outside persons with the necessary background and expertise to provide detailed and meaningful advice to the Board.

## ARTICLE IV. OFFICERS

### 10. OFFICERS

10.1 Positions. The officers of the Corporation shall be a President, a Secretary, and a Treasurer. Assistant and additional officers may be elected or appointed by the Board if deemed necessary, having such authority and performing such duties as may be directed by the Board.

10.2 Executive Director. The Board of Directors may find, after considering the characteristics and needs of the Corporation, that the Corporation needs a paid part-time or full-time Executive Director to perform many of the duties of President. In that case, the President of the Corporation will continue to have management of the staff (excluding the Executive Director) and other officers, and the Executive Director shall be delegated the administrative control of the affairs of the Corporation. The Board shall more specifically determine the duties, time commitment, and compensation of the Executive Director upon his/her appointment. The Executive Director may be removed from office by the Board of Directors as provided below for officers, subject to any contract rights that he/she may have.

10.3 Staff. The Board of Directors may authorize staff positions, either paid or unpaid, as the Board believes necessary. Staff members will be neither Directors nor officers. Staff members will serve for such periods as the Board deems appropriate, and will have such duties and requirements as the Board shall set. Each member of the staff shall receive and sign a copy of the Corporation's Conflict of Interest Policy in effect at the time the person begins in his/her position.

10.4 Election and Term of Office. The officers of the Corporation shall be elected annually by the Board. Unless an officer dies, resigns, or is removed, he/she shall hold office until his/her successor is elected.



- 10.5 Multiple Offices. Any two or more offices may be held by the same person, except that one person may not occupy the offices of President and Secretary.
- 10.6 Compensation. The Executive Director may be a paid position under the control of the Board of Directors. Otherwise, officers shall not receive any compensation for their services. All officers may be reimbursed for their expenses. An officer may provide paid services to the Corporation, not related to his/her position as an officer, if approved in advance by the Board.
- 10.7 Conflict of Interest Policy. Each officer shall receive and sign a copy of the Corporation's Conflict of Interest Policy in effect at the time the officer takes office.

## 11. VACANCIES

- 11.1 Vacancies. A vacancy in an office may occur because of death, resignation, removal, or disqualification of an officer.
- 11.2 Resignation. An officer may resign at any time by delivering written notice to the President, the Secretary, or the Board.
- 11.3 Removal. An officer elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the Corporation would be served thereby. Such removal shall be subject to any contract rights that the person may hold.
- 11.4 Prerequisite to Removal. No officer shall be removed without an opportunity to be heard. Notice of such motion of expulsion shall be given to the person in writing twenty days before the meeting at which the removal motion shall be presented. The notice shall state the reasons of the Board for the removal. The Board may dispense with notice requirements if it recognizes good cause that immediate removal would be in the best interests of the Corporation. The Secretary shall file minutes of a meeting at which the Board votes for removal of an officer, or unanimous consents to the action without a meeting, in the permanent records of the Corporation.
- 11.5 Filling Vacancies. A vacancy in an office may be filled by the Board for the unexpired portion of the term of the office, or for such time as the Board deems appropriate. If necessary, a vacancy in an officer position other than the President shall be filled temporarily by appointment by the President, subject to approval of the Board, and the temporary Officer shall remain in office until appointment of a permanent officer at a regular or special meeting of the Board of Directors.

## 12. SPECIFIC DUTIES OF OFFICERS

- 12.1 President. The President shall be chief executive officer of the Corporation, subject to the Board's oversight. In the absence of the President, a Vice President or temporary Vice President shall perform his/her duties. The President shall have the following duties:
- 12.1.1 Supervise and control all of the assets, business, and affairs of the Corporation.

- 12.1.2 Preside over Board meetings unless a Chair of the Board has been appointed.
  - 12.1.3 Sign deeds, mortgages, bonds, contracts (together with the Secretary under certain circumstances), and other instruments, except when required otherwise by the Board or by law.
  - 12.1.4 Approve expenditures up to a limit set by the Board, and submit greater expenditures to the Board for approval.
  - 12.1.5 Sign checks prepared by the Treasurer, in excess of the spending authority of the Treasurer but within the President's authority set by the Board.
  - 12.1.6 Appoint or remove any staff or consultants for the Corporation and establish the rate of compensation for any such staff person or consultant.
  - 12.1.7 Manage and direct all other officers of this corporation and see that their duties are properly performed.
  - 12.1.8 Prepare and submit to the Board such periodic reports as the Board requests.
  - 12.1.9 Prepare and submit to the Board a proposed budget for each year.
  - 12.1.10 In general, perform all other duties usually performed by the office of President and duties prescribed by the Board from time to time.
  - 12.1.11 The President shall not serve as the chair of any committee other than the executive committee, if one is established.
- 12.2 Secretary. The Secretary shall be the clerk of the Corporation, subject to the Board's oversight. If the Board needs to meet in closed session, it may exclude the Secretary and appoint a temporary clerk of the meeting from among the Directors present. In the absence of the Secretary, an Assistant Secretary may perform his/her duties. The Secretary shall have the following duties:
- 12.2.1 Attend all meetings of the Board unless excused by the Board, and act as the clerk of each meeting.
  - 12.2.2 Keep the minutes of meetings and records of all resolutions and votes of the Board, and administrative documents of meetings such as waivers and consents;
  - 12.2.3 Work with the President to make all arrangements and give all notices of meetings in accordance with the provisions of these Bylaws or as required by law;
  - 12.2.4 Be the Corporation's custodian of its permanent corporate records;
  - 12.2.5 Receive, prepare, and send all official correspondence to and from the Board as may be directed by the Board or the President;

- 12.2.6 Keep registers of the current telephone numbers and post office address of each Director and officer;
  - 12.2.7 Sign deeds, mortgages, bonds, contracts, or other instruments with the President or other officer authorized by the President or the Board, where a second signature is required by the Board, by the other party to the instrument, or by law, except when required otherwise by the Board or by law;
  - 12.2.8 Prepare and submit annual reports and filings as required by law, and
  - 12.2.9 In general, perform all other duties usually performed by the office of Secretary and duties prescribed by the President or by the Board from time to time.
- 12.3 Treasurer. The Treasurer shall be the financial administrator of the Corporation, subject to the Board's oversight. In the absence of the Treasurer, an Assistant Treasurer may perform his/her duties. The Treasurer shall have the following duties:
- 12.3.1 Have charge and custody of and be responsible for all funds and accounts of the Corporation;
  - 12.3.2 Receive and give receipts for money due and payable to the Corporation from all sources, and deposit all money received in the name of the Corporation into banks, trust companies or other depositories selected by the Board;
  - 12.3.3 Prepare and sign checks up to a limit set by the Board, and submit to the President all checks above that authority.
  - 12.3.4 Present a complete and accurate report of the finances of the Corporation at each meeting of the Board, or at any other time upon request by the Board or officers;
  - 12.3.5 Assist in direct audits of the funds of the Corporation according to funding source guidelines and generally accepted accounting principles;
  - 12.3.6 In general, perform all other duties usually performed by the office of Treasurer and duties prescribed by the President or by the Board from time to time.
  - 12.3.7 If required by the Board, the Treasurer shall give bond for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Board shall determine.
- 12.4 Executive Director. The Executive Director shall assume some or most of the administrative duties of the President, as more specifically determined by the Board at the time that the Board decides to hire an Executive Director.

## ARTICLE V. MEMBERS

### 13. CORPORATE CONTROL NOT INVESTED IN MEMBERS

- 13.1 Voting Members. This Corporation shall have no voting members, as that term is used in the California Nonprofit Corporation Law to describe persons having control of the Corporation. Control of this Corporation will be vested in the Board of Directors.
- 13.2 Public Non-Voting Members. The Museum may have “members.” Persons and entities may be called “members” when they join to support the Museum and its work by a donation, pledge, or estate gift. A “membership” will be issued to such persons, but those members shall not have any voting power in the Corporation. The Board may determine different classes of public memberships (individual, family, etc.) for convenience and marketing purposes. Life memberships issued before the adoption of this version of the Bylaws shall be honored.

## ARTICLE VI. ADMINISTRATION

### 14. CONTRACTS, LOANS, CHECKS AND DEPOSITS

- 14.1 Contracts. The President may enter into any contract or execute and deliver any instrument in the name of, and on behalf of, the Corporation to the extent authorized by the Board of Directors. When required by law, by the Board, or by another party to a contract, the Secretary shall join in signing the contract or instrument. Without the authorization of the Board of Directors, no officer, staff, or other agent of the Corporation may enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation.
- 14.2 Loans. The Corporation may not borrow funds, or enter into any contract of indebtedness, unless specifically authorized by a vote of at least two-thirds of the entire sitting Board. The Corporation shall not loan funds unless specifically authorized by majority vote of the Board, and only for adequate security acceptable to the Board. The Corporation shall not make a loan to an officer or Director. The Corporation shall not guarantee a debt of an officer or Director.
- 14.3 Bank Accounts. The Board shall select the banks or depositories to hold funds of the Corporation.
- 14.4 Checks. The President or Treasurer, and others if determined by the Board, shall be authorized to sign the Corporation’s checks and other orders for payments of money. The Board may impose limits on the amounts of checks signed by designated officers, and may require two signatures on checks above a specified amount.
- 14.5 Investments. The funds of the Corporation may be held in cash and investments in real and personal property, stocks, bonds, or other securities as the Board deems appropriate. All funds received as endowments shall be managed and invested

according to the Uniform Prudent Management Of Institutional Funds Act (UPMIFA) as adopted in California. All other funds shall be managed and invested according to the Uniform Prudent Investor Act (UPIA) as adopted in California.

- 14.6 Gifts and Contributions. The Treasurer may accept on behalf of the Corporation any contribution, pledge, gift, bequest, or devise which is consistent with the mission of the Corporation and permitted by law. However, the Corporation will not accept real property or other assets that may cause the Corporation to incur liability because of its ownership of the assets, until the Board has fully investigated the assets and determined them to be appropriate for the Corporation to accept.
- 14.7 Authorizations For Expenditures. Each project or action using funds from the Corporation's general fund or unallocated reserve must have an Authorization for Expenditure approved by the Board, setting the amount, general time period, and the project or action for which the funds are allocated. Such approval shall be a listed agenda item, and may be done in the Corporation's annual budget or as a separate action.

## 15. RECORDS OF THE CORPORATION

- 15.1 General. The Corporation shall keep correct and complete books and records of accounts, minutes of the proceedings of its Board, and such other records as may be necessary or advisable or required by law, at the principal office of the Corporation.
- 15.2 Articles of Incorporation and Bylaws. The Corporation shall keep at its principal office, the original or copies of its Articles of Incorporation and Bylaws as amended to date.
- 15.3 Minute Book. The Corporation shall keep a minute book in written form at its principal office which shall contain a record of all actions by the Board or any committee including the time, date and place of each meeting; whether a meeting is regular or special and, if special, how called; the manner of giving notice of each meeting and a copy thereof; the names of those present at each meeting of the Board or the executive committee thereof; the minutes of all meetings; any written waivers of notice, consents to the holding of a meeting, or approvals of the minutes thereof; all written consents for action without a meeting; all protests concerning lack of notice; and formal dissents from Board actions.
- 15.4 Books and Records of Account. The Corporation shall keep adequate and correct books and records of account to be kept at its principal office. "Correct books and records" includes, but is not necessarily limited to: accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains, and losses.
- 15.5 Inspection. Every Director shall have the absolute right at any reasonable time and upon reasonable notice to inspect all of the Corporation's books, records, minutes, 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.

- 15.6 Annual Report; Statement of Certain Transactions. The Board shall send an annual report to each Director within four months after the close of the Corporation's fiscal year, which report shall contain the following information. The Corporation may prepare a less formal annual report summary for distribution to interested parties summarizing this information and reporting on activities and accomplishments during the year.
- 15.6.1 The assets and liabilities of the Corporation as of the end of the fiscal year;
- 15.6.2 The principal changes in assets and liabilities, including trust funds and endowments, during the fiscal year;
- 15.6.3 The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, during the fiscal year;
- 15.6.4 The expenses or disbursements of the Corporation for both general and restricted purposes during the fiscal year;
- 15.6.5 A statement of any transaction or set of related transactions to which the Corporation was a party, which involved more than \$50,000, and in which a Director or an officer of the Corporation had a direct or indirect material financial interest. The statement shall include: (i) a brief description of the transaction; (ii) the names of interested persons involved; (iii) their relationship to the Corporation; (iv) the nature of their interest in the transaction, and; (v) when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

## 16. MISCELLANEOUS GENERAL PROVISIONS

- 16.1 Corporate Seal. The Board of Directors may adopt and use a corporate seal. The seal shall be kept at the principal office of the Corporation. Failure to affix the seal to corporate instruments shall not affect the validity of any such instrument.
- 16.2 Fiscal Year. The fiscal year of the Corporation shall be the calendar year. The Board of Directors may select and change to a different fiscal year at any time for any reason.
- 16.3 Construction and Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the interpretation of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person unless the context clearly indicates that a natural person is intended.
- 16.4 Amendments. These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by the Board by a two-thirds vote of the Directors. The Secretary shall send a copy of the proposed revisions or proposed new Bylaws to each Director at least 10 days before the hearing at which the vote is to be taken.

- 16.5 Operational Policies. The Board may adopt policies and approve standard forms concerning the museum's board members' conduct, investments, artifact and document collections, public hours and events, safety and emergency plans, and use of museum property and premises including for the placement of items that are not museum property.
- 16.6 Review of Bylaws and Policies. The Board shall establish a procedure by which these Bylaws and all Board policies are reviewed annually.

The foregoing Bylaws were adopted by majority vote of the Directors of this Corporation, at a meeting duly held with a quorum being present, on the 12th day of July 2016.

  
Secretary