

**AMENDED AND RESTATED BYLAWS**  
**OF**  
**CALIFORNIA SCHOOL HEALTH CENTERS ASSOCIATION,**  
a California Nonprofit Public Benefit Corporation

**ARTICLE I**

**OFFICES**

Section 1.1 Principal Office. This corporation's principal office shall be fixed and located at 660 13th Street, Suite 202 in the City of Oakland, State of California. The board of directors of this corporation (the "Board") may change the location of the principal office. Any such change of location shall be noted by the Secretary/Vice-Chairperson on these Bylaws opposite this Section or recorded in an amendment to this Section.

Section 1.2 Other Offices. The Board may establish branch or subordinate offices any place or places where this corporation is qualified to conduct its activities.

**ARTICLE II**

**PURPOSES**

Section 2.1 Purposes. The purposes of this corporation are charitable and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 and Section 23701d of the California Revenue and Taxation Code. In the context of these general purposes, the corporation shall encourage and support the establishment of comprehensive school health centers and services through education, technical assistance programs, advocacy, and cooperation with and assistance to local, state, and federal agencies. The mission of the corporation is to promote the health and academic success of children and youth by increasing access to the high quality health care and support services provided by school health centers. More specifically, the corporation's primary purposes are:

(a) To educate the public, policymakers, community organizations, health plans and other organizations about the role and function of school health centers and services;

(b) To advocate for comprehensive medical, mental health, health education, dental, and life skills training services for youth and their families at school sites;

(c) To advocate for the development of sustainable funding for school health centers and services;

(d) To assist school-based and school-linked health care programs to provide quality care, develop sustainable funding mechanisms, expand services, and develop efficient operations.

To facilitate the accomplishment of these purposes, this corporation may engage in, sponsor (or co-sponsor) or otherwise be associated with the creation, development, administration, and funding in support, of various tools for school health centers (including those in the areas of advocacy, administration, clinical and program), publications (printed and online), presentations, conferences, training sessions, grant proposals, databases, lobbying activities (subject to limitations imposed by applicable laws), and fundraising programs and events.

### **ARTICLE III**

#### **MEMBERSHIP**

Section 3.1 No Voting Members. This corporation shall have no “members” within the meaning of Section 5056 of the California Nonprofit Corporation Law. Any action for which there is no specific provision in the California Nonprofit Public Benefit Corporation Law applicable to a corporation which has no members and which would otherwise require approval by a majority of all members or approval by the members shall require only approval of the Board. All rights that would otherwise vest in the members shall vest in the directors.

Section 3.2 Nonvoting “Members”. The Board may, in its discretion, admit individuals to one or more classes of nonvoting members and refer to such individuals as “members” even though they are not members within the meaning of Section 5056 of the California Nonprofit Corporation Law. Such class or classes of nonvoting members shall have such rights and obligations as the Board finds appropriate.

## ARTICLE IV

### DIRECTORS

Section 4.1 Powers of Directors. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation (the “Articles”) and these Bylaws, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the activities of this corporation to any person or persons, management company, or committees however composed, provided that the activities and affairs of this corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. Without prejudice to such general powers, but subject to the same limitations, the Board shall have power to do the following:

(a) Select and remove all officers, agents and employees of this corporation; prescribe powers and duties for them as may not be inconsistent with law, the Articles or these Bylaws; fix their compensation; and require from them security for faithful service.

(b) Conduct, manage and control the affairs and activities of this corporation and make such rules and regulations for these purposes, not inconsistent with law, the Articles or these Bylaws, as the Board deems appropriate.

(c) Borrow money and incur indebtedness on this corporation’s behalf, and cause to be executed and delivered for this corporation’s purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities.

(d) Adopt and use a corporate seal, and alter the form of such seal from time to time as the Board deems appropriate.

Section 4.2 Number of Directors. The authorized number of directors shall consist of at least seven but no more than seventeen directors, until changed by amendment to these Bylaws. The exact number of authorized directors shall be fixed, within those limits, by a resolution adopted by the Board.

Section 4.3 Qualification of Directors. Directors shall meet the following qualifications:

(a) A director shall not be an employee of the corporation.

(b) A director shall not have a brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law (each, a “Close Relative”) employed in any capacity by the corporation other than as an independent contractor or for a specialized function, provided that such employment shall be allowable only if the Executive Director determines such employment is necessary and in the best interests of the corporation, and subject to Section 4.5 of these Bylaws and the corporation’s Conflict of Interest Policy.

(c) A director shall participate in appropriate training and educational programs necessary to properly fulfill the director’s duties.

(d) A director shall, within 30 days of election, acknowledge the director’s acceptance of such position either in writing or by attendance at a meeting of the Board.

Section 4.4 Selection. Directors shall be elected at a semi-annual meeting of the Board. Prior to any election, the existence of Board vacancies shall be publicized in the school health community as directed by the Board with the objective that the Board composition is broadly representative of the community and public serviced by the corporation.

Section 4.5 Term Of Office. Each director shall serve for a term of two years and until a successor director has been elected and qualified. Directors shall be divided in 2 groups for purposes of staggering the directors’ terms: group 1 shall be elected at every annual meeting of the board held on an odd numbered year , and group 2 shall be elected at every annual meeting of the board held on an even numbered year . No director may serve more than three consecutive terms. After two years, a former director may be eligible for election to the Board.

Section 4.6 Restriction on Interested Directors. Not more than 49% of the persons serving on the Board at any one time may be “interested persons.” An interested person is (a) any person being compensated by this corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor or otherwise, excluding any reasonable compensation paid to a director as director; and (b) any Close Relative of any such person. Any violation of the provisions of this paragraph shall not, however, affect the validity or enforceability of any transaction entered into by this corporation.

Section 4.7 Vacancies.

(a) A vacancy or vacancies in the Board shall be deemed to exist in case of (i) the death, resignation or removal of any director; (ii) the declaration by resolution of the Board of a vacancy in the office of a director

who has been declared of unsound mind by a final order of court, or been convicted of a felony, or been found by a final order or judgment of any court to have breached any duty arising under Chapter 2, Article 3 of the California Nonprofit Public Benefit Corporation Law; or (iii) the increase of the authorized number of directors.

(b) Except as provided herein, any director may resign by giving written notice to the Chairperson or the Secretary/Vice-Chairperson. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If the resignation is effective at a later time, the Board may elect a successor before such time, to take office as of the date when the resignation becomes effective. Except on notice to the California Attorney General, no director may resign if the corporation would be left without a duly elected director or directors.

(c) Any director may be removed, with or without cause, by the vote of two-thirds of the directors then in office at a special meeting called for that purpose, provided that notice of that meeting and of the removal questions are given as provided in Section 5.4, or at a regular meeting. Any vacancy caused by the removal of a director shall be filled as provided in Section 4.5(d). Any director who does not attend three successive board meetings will automatically be removed from the Board without board resolution unless (i) the director requests a leave of absence for a limited period of time, and the leave is approved by the directors at a regular or special meeting (if such leave is granted, the number of directors will be reduced by one in determining whether a quorum is or is not present); (ii) the director suffers from an illness or disability that prevents him or her from attending meetings and the Board by resolution waives the automatic removal procedure of this subsection. The Board by resolution of the majority of directors must agree before a director who has missed three meetings may be reinstated.

(d) Vacancies in the Board may be filled by a majority of the remaining directors, although less than a quorum, or by a sole remaining director. Each director so selected shall hold office until the expiration of the term of the replaced director and until a successor has been selected and qualified.

(e) No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of the director's term of office.

## ARTICLE V

### MEETINGS OF THE BOARD

Section 5.1 Place Of Meeting. Meetings of the Board shall be held at any place within or outside the State of California that has been designated from time to time by the Board. In the absence of such designation, regular meetings shall be held at the principal office of this corporation.

Section 5.2 Semi-Annual Meetings. The Board shall hold semi-annual meetings for the purpose of organization, selection of directors (when required by these Bylaws) and officers and the transaction of other business. Annual meetings of the Board shall be held without call or notice on the third Monday in March and the third Monday in September; provided, however, that the Board may by resolution fix another date or time for the annual meeting.

Section 5.3 Regular Meetings. Regular meetings of the Board may be held without call or notice on such dates and at such times as may be fixed from time to time by the Board.

Section 5.4 Special Meetings.

(a) Special meetings of the Board for any purpose or purposes may be called at any time by the Chairperson, the Secretary/Vice-Chairperson, or any two directors.

(b) Notice of the time and place of special meetings shall be given to each director by (i) personal delivery of written notice; (ii) first-class mail, postage prepaid; (iii) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, either directly to the director or to a person at the director's office who would reasonably be expected to communicate that notice promptly to the director; (iv) facsimile; (v) electronic mail; or (vi) other electronic means. Any such notice shall be addressed or delivered to each director at such director's address as it is shown upon the records of this corporation or as may have been given to this corporation by the director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the directors are regularly held.

(c) Notice of a special meeting sent by first-class mail shall be deposited in the United States mails at least seven days before the time set for the meeting. Notice of a special meeting given personally or by telephone, facsimile, electronic mail or other similar means of communication, shall be

delivered, telephoned, or otherwise sent, as appropriate, at least 48 hours before the time set for the meeting.

(d) Notice of a special meeting shall state the time of the meeting and the place, if the place is other than the corporation's principal office. The notice need not specify the purpose of the meeting.

Section 5.5 Quorum. A majority of the authorized number of directors constitutes a quorum of the Board for the transaction of business, except to adjourn as provided in Section 5.10 of these Bylaws. Notwithstanding any provision of these Bylaws to the contrary, a quorum shall not be less than the greater of (a) one-fifth the number of authorized directors, or (b) two. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directorships, (c) creation of and appointments to committees of the board, and (d) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 5.6 Voting. Each director present shall be entitled to one vote on each matter placed before a meeting. At an annual meeting, the directors whose terms are expiring may be reelected, and, until the election of their successors, shall be entitled to vote upon all matters, including the election of their successors.

Section 5.7 Participation In Meetings By Conference Telephone. Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another.

Section 5.8 Waiver Of Notice. Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes of the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

Section 5.9 Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board shall consent in writing to such action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board and shall be filed with the

minutes of the proceedings of the Board. For purposes of this Section 5.9 only, "all members of the Board" shall not include any "interested director" as defined in Section 5233 of the California Nonprofit Public Benefit Corporation Law.

Section 5.10 Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting of the board to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than 24 hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

Section 5.11 Rights Of Inspection. Each director of this corporation shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of this corporation. The inspection may be made in person or by the director's agent or attorney.

Section 5.12 Fees and Compensation. Directors may receive such compensation, if any, for their services as directors or officers or members of Board committees, and such reimbursement of expenses, as the Board may establish by resolution to be just and reasonable as to the corporation at the time that the resolution is adopted.

## **ARTICLE VI**

### **COMMITTEES**

Section 6.1 Board Committees. The Board, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of two or more directors and no one who is not a director, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the directors then in office. The Board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the Board, to the extent provided in the Board resolution, except with respect to:

- (a) The approval of any action for which the California Nonprofit Public Benefit Corporation Law also requires approval of the members or approval of a majority of all members;



(b) The filling of vacancies on the Board or on any committee of the Board;

(c) The fixing of compensation of the directors for serving on the Board or any committee;

(d) The amendment or repeal of bylaws or the adoption of new bylaws;

(e) The amendment or repeal of any resolution of the Board that, by its express terms, is not so amendable or repealable;

(f) The creation of other committees of the Board or appointment of members to any committee of the Board;

(g) The expenditure of corporate funds to support a nominee for director after there are more people nominated for director than can be elected;  
or

(h) The approval of any self-dealing transaction, as such transactions are defined in Section 5233(a) of the California Nonprofit Public Benefit Corporation Law.

The Board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of Article V of these Bylaws applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee. Notwithstanding anything herein to the contrary, any director of this corporation may attend any committee meeting, subject to the corporation's Conflict of Interest Policy, but shall not be entitled to a vote.

Section 6.2 Advisory Committees. The Board may from time to time appoint advisory committees as deemed appropriate, consisting of directors or persons who are not directors, but such advisory committees shall not be deemed committees of the Board and shall not exercise any powers of the Board. Notice of, and procedures for, meetings of advisory committees shall be as prescribed by the chairperson of each such advisory committee, and meetings of any advisory committee may be called by the Board, the Chairperson or the chairperson of the advisory committee.

## ARTICLE VII

### OFFICERS

Section 7.1 Officers. The officers of this corporation shall be an Executive Director, a Chairman (also referred to as Chairperson), a Secretary/Vice Chairperson and a Chief Financial Officer (also referred to as Treasurer). This corporation may also have, at the discretion of the Board, one or more Assistant Secretaries, one or more Assistant Financial Officers, and such other officers as may be elected or appointed in accordance with the provisions of Section 7.3 of these Bylaws. Any number of offices may be held by the same person except that neither the Secretary nor the Chief Financial Officer may serve concurrently as either Chairperson.

Section 7.2 Election. The officers of this corporation, except such officers as may be elected or appointed in accordance with the provisions of Section 7.3 or Section 7.5 of these Bylaws, shall be chosen every two years by, and shall serve at the pleasure of the Board, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected.

Section 7.3 Subordinate Officers. The Board may elect, and may empower the Chairperson to appoint, such other officers as the business of this corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as provided in these Bylaws or as the Board may from time to time determine.

#### Section 7.4 Removal And Resignation.

(a) Any officer may be removed, either with or without cause, by the Board at any time or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

(b) Any officer may resign at any time by giving written notice to this corporation, but without prejudice to the rights, if any, of this corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein. Unless specified otherwise in the notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled as it occurs in the manner prescribed in these Bylaws for election or appointment to such office;

provided, however, that such selection may be made immediately and need not be made on an annual basis.

Section 7.6 Executive Director. The Executive Director is the general manager and chief executive officer of this corporation and has, subject to the control of the Board, general supervision, direction and control of the business and officers of this corporation. The Executive Director has the general powers and duties of management usually vested in the office of general manager of a corporation and such other powers and duties as may be prescribed from time to time by the Board. The Executive Director shall not be a director but shall attend all meetings of the Board unless otherwise excused by the Chairperson or the Board. If the Chairperson and Secretary/Vice-Chairperson are not present, and the Executive Director has not otherwise been excused, the Executive Director shall preside at all meetings of the Board. The Executive Director shall answer only to the Board or an authorized committee of the Board. No Board Member, in his or her individual capacity, shall dictate to the Executive Director or otherwise unduly influence the Executive Director in the exercise of the Executive Director's duties and responsibilities, which shall include the following:

(a) Manage the day-to-day operations of this corporation personally and through the administrative unit heads, including the authority to employ, evaluate and discharge, within the limits of applicable law, staff members;

(b) Be responsible for the legal use and financial accountability of all funds, including the authority to make expenditures and sign checks within budget guidelines approved by the Board;

(c) Manage contracts and grants to their satisfactory completion, including the authority to sign contracts within limits established by the Board;

(d) Be responsible for the development and implementation of the annual budget, which shall require the Board's approval;

(e) Implement policies of this corporation, as developed by the Board;

(f) Be responsible for maintaining and supporting a full staff, including administrative unit heads and all of the employee standards, procedures and benefits necessary; and

(g) Be responsible for the maintenance of corporate files, databases and archival materials.

Section 7.7 Chairperson of the Board. The Chairperson of the Board shall, if present, preside at all meetings of the Board and exercise and perform such other powers and duties as may be from time to time assigned by the Board. In the absence of the Executive Director, the Chairperson shall also be the general manager and chief executive officer of this corporation and has, subject to the control of the Board, general supervision, direction and control of the business and officers of this corporation.

Section 7.8 Secretary/Vice-Chairperson. In the absence or disability of the Chairperson, and subject to any limitations imposed by the Board, the Secretary/Vice-Chairperson shall perform all the duties of the Chairperson. When so acting, the Secretary/Vice-Chairperson shall have all the powers of, and be subject to all the restrictions upon, the Chairperson. The Secretary/Vice-Chairperson shall have such other powers and perform such other duties as from time to time may be prescribed by the Board. The Secretary/Vice-Chairperson shall attend all meetings of the Board and shall keep or cause to be kept, at the principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings and actions of the Board and its committees. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was regular or special, and if special, how it was authorized; the notice given; the names of the persons present at Board and committee meetings, and the proceedings thereof. The Secretary/Vice-Chairperson shall keep, or cause to be kept, at the principal office in the State of California the original or a copy of this corporation's Articles and Bylaws, as amended to date. The Secretary/Vice-Chairperson shall give, or cause to be given, notice of all meetings of the Board and any committees thereof required by these Bylaws or by law to be given. The Secretary/Vice-Chairperson shall keep the seal of this corporation, if any, in safe custody and shall also have such other powers and duties as may from time to time be assigned to him or her by the Board or the Chairperson.

Section 7.9 Assistant Secretaries. The Board may appoint one or more Assistant Secretaries. Subject to any limitations imposed by the Board, each Assistant Secretary shall have all the powers and duties of the Secretary/Vice-Chairperson in the event of the Secretary/Vice-Chairperson's absence or disability, and each shall also have such other powers and duties as may from time to time be assigned to him by the Board, the Chairperson or the Secretary/Vice-Chairperson.

Section 7.10 Chief Financial Officer. The Chief Financial Officer of this corporation shall keep and maintain, or cause to be kept and maintained, full and accurate accounts of the corporation's properties and transactions. The Chief Financial Officer shall send, or cause to be sent, to the directors such financial statements and reports as are required to be sent by law, by these Bylaws, or by the Board. The Chief Financial Officer (a) shall deposit, or cause to be deposited, this corporation's funds and other valuables in the name and to the credit of this

corporation with such depositaries as may be designated by the Board; (b) shall disburse the funds of this corporation as may be ordered by the Board, taking proper vouchers for such disbursements; (c) shall render to the Chairperson and the Board, whenever requested, an account of all transactions as Chief Financial Officer and of the financial condition of this corporation; and (d) shall have such other powers and perform such other duties as may be prescribed by the Board.

Section 7.11 Assistant Financial Officer. The Board may appoint one or more Assistant Financial Officers. Subject to any limitations imposed by the Board, each Assistant Financial Officer shall have all the powers and duties of the Chief Financial Officer in the event of the Chief Financial Officer's absence or disability, and shall also have such other powers and duties as may from time to time be assigned to him by the Board, the Chairperson, or the Chief Financial Officer.

Section 7.12 Duties May Be Delegated. In case of the absence of any officer of this corporation, or for any other reason that the Board may deem sufficient, the Board may delegate, for the time being, all or part of the powers or duties of such officer to any other officer or to any director.

## ARTICLE VIII

### INDEMNIFICATION

Section 8.1 Definitions. For the purposes of this Article VIII, "agent" means any person who is or was a director, officer, employee, or other agent of this corporation, or is or was serving at the request of this corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of this corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes, without limitation, attorneys' fees and any expenses of establishing a right to indemnification under Sections 8.4 or 8.5(b) of these Bylaws.

Section 8.2 Indemnification in Actions by Third Parties. This corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of this corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust), by reason of the fact that such person is or was an agent of this corporation, against expenses,

judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of this corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of this corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 8.3 Indemnification in Actions by or in the Right of this Corporation. This corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of this corporation, or brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of this corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of this corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 8.3:

(a) In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to this corporation in the performance of such person's duty to this corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(c) Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

Section 8.4 Indemnification Against Expenses. To the extent that an agent of this corporation has been successful on the merits in defense of any proceeding referred to in Section 8.2 or 8.3 of these Bylaws or in defense of any claim,

issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 8.5 Required Determination. Except as provided in Section 8.4 of these Bylaws, any indemnification under this Article VIII shall be made by this corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 8.2 or 8.3 of these Bylaws by:

(a) A majority vote of a quorum consisting of directors who are not parties to such proceeding; or

(b) The court in which such proceeding is or was pending upon application made by this corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by this corporation.

Section 8.6 Advance of Expenses. Expenses incurred by a person seeking indemnification under this Article VIII in defending any proceeding covered by Article VIII may be advanced by this corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article VIII.

Section 8.7 Other Indemnification. No provision made by this corporation to indemnify its or its subsidiary's directors or officers for the defense of any proceeding, whether contained in the Articles, these Bylaws, a resolution of members or directors, an agreement, or otherwise, shall be valid unless consistent with this Article VIII. Nothing contained in this Article VIII shall affect any right to indemnification to which persons other than such directors and officers may be entitled by contract or otherwise.

Section 8.8 Forms of Indemnification Not Permitted. No indemnification or advance shall be made under this Article VIII, except as provided in Section 8.4 or 8.5(b) of these Bylaws, in any circumstances where it appears:

(a) That it would be inconsistent with a provision of the Articles, these Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 8.9 Insurance. This corporation shall have the power to purchase and maintain insurance on behalf of any agent of this corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not this corporation would have the power to indemnify the agent against such liability under the provisions of this Article VIII, provided, however, that this corporation shall have no power to purchase and maintain such insurance to indemnify any agent of this corporation for a violation of Section 5233 of the California Nonprofit Public Benefit Corporation Law.

Section 8.10 Nonapplicability to Fiduciaries of Employee Benefit Plans. This Article VIII does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of this corporation as defined in Section 8.1 of these Bylaws. This corporation shall have power to indemnify such trustee, investment manager or other fiduciary to the extent permitted by subdivision (f) of Section 207 of the California General Corporation Law.

## **ARTICLE IX**

### **OTHER PROVISIONS**

Section 9.1 Amendments. These Bylaws may be amended or repealed by the approval of the Board; provided, however, that a written general description of the proposed amendment is either (a) mailed to each director and deposited in the United States mails, or (b) delivered personally or by telephone (including a voice messaging system), facsimile, electronic mail or other similar means of communication, at least 30 days before the time set for the meeting.

Section 9.2 Endorsement Of Documents; Contracts. Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance or other instrument in writing and any assignment or endorsement thereof executed or entered into between this corporation and any other person, when signed by (a) the Chairperson; or (b) the Secretary/Vice-Chairperson and any Assistant Secretary, the Chief Financial Officer or any Assistant Financial Officer of this corporation shall be valid and binding on this corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board, and, unless so authorized by the Board, no officer, agent or employee shall have any power or



authority to bind this corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

Section 9.3 Representation Of Shares Of Other Corporations. The Chairperson or any other officer or officers authorized by the Board or the Chairperson are each authorized to vote, represent and exercise on behalf of this corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this corporation. The authority herein granted may be exercised either by any such officer in person or by any other person authorized so to do by proxy or power of attorney duly executed by said officer.

Section 9.4 Contracts with Directors. No director of this corporation nor any other corporation, firm, association or other entity in which one or more of this corporation's directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this corporation, unless (a) the material facts regarding that director's financial interest in such contract or transaction or regarding such common directorship, officership or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the Board prior to the Board's consideration of such contract or transaction; (b) such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the votes of the interested directors; (c) before authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (d) the corporation for its own benefit enters into the transaction, which is fair and reasonable to the corporation at the time the transaction is entered into. This Section 9.4 does not apply to a transaction that is part of an educational or charitable program of this corporation if it (a) is approved or authorized by the corporation in good faith and without unjustified favoritism and (b) results in a benefit to one or more directors of their families because they are in the class of persons intended to be benefited by the educational or charitable program of this corporation.

Section 9.5 Loans to Directors and Officers. This corporation shall not lend any money or property to or guarantee the obligation of any director or officer without the approval of the California Attorney General; provided, however, that the corporation may advance money to a director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that director or officer would be entitled to reimbursement for such expenses by the corporation.

Section 9.6 Annual Report. The Board shall cause an annual report to be sent to the directors within 120 days after the end of this corporation's fiscal year. The annual report shall be accompanied by any report on it of independent accountants or, if there is no such report, by the certificate of an authorized officer of this

corporation that the financial statements included in the annual report were prepared without audit from this corporation's books and records. This requirement of an annual report shall not apply if this corporation receives less than \$25,000 in gross receipts during the fiscal year; provided, however, that the information specified herein for inclusion in an annual report must be furnished annually to all directors who request it in writing. That report shall contain the following information, in appropriate detail, for the fiscal year:

(a) The assets and liabilities, including the trust funds, of this corporation as of the end of the fiscal year.

(b) The principal changes in assets and liabilities, including the trust funds, of this corporation.

(c) The revenue or receipts of this corporation, both unrestricted and restricted to particular purposes.

(d) The expenses or disbursements of this corporation for both general and restricted purposes.

(e) Any information required by Section 9.7 of these Bylaws.

Section 9.7 Annual Statement of Certain Transactions and Indemnifications. As part of the annual report to all directors, or as a separate document if no annual report is issued, this corporation shall annually prepare and mail or furnish to each director a statement of any transaction or indemnification of the following kind within 120 days after the end of this corporation's fiscal year:

(a) Any transaction (i) in which this corporation, its parent, or its subsidiary was a party, (ii) in which an "interested person" had a direct or indirect material financial interest and (iii) which involved more than \$50,000, or was one of several transactions with the same interested person involving, in the aggregate, more than \$50,000. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to this corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

For purpose of this Section 9.7(a), an "interested person" is either of the following: (i) any director or officer of this corporation, its parent, or its subsidiary (but mere common directorship shall not be considered such an interest); or (ii) any holder of more than 10 percent of the voting power of this corporation, its parent, or its subsidiary.

(b) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of this corporation under Article VIII of these Bylaws.

Section 9.8 Fiscal Year. The corporation shall observe a fiscal year ending on June 30.

Section 9.9 Budget. The Board shall adopt, in advance of each fiscal year, an annual operating budget covering all activities of the corporation.

Section 9.10 Audit. The corporate accounts shall be audited not less than annually by a Certified Public Accountant who shall be appointed by the Board or an Audit Committee and who shall provide a report to the Board. For purposes of this Section 9.8, the Board may approve a C.P.A. review in lieu of an audit, subject to applicable laws.

Section 9.11 Construction And Definitions. Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

CERTIFICATE OF SECRETARY

The undersigned hereby certifies that:

1. I am the duly elected and acting Secretary/Vice-Chairperson of California School Health Centers Association, a California nonprofit public benefit corporation; and

2. The foregoing Bylaws consisting of 19 pages constitute the Bylaws of such corporation as duly adopted by the Board of Directors on \_\_\_\_\_, 2007, and have not been amended or modified since such date.

IN WITNESS WHEREOF, I have executed this Certificate as of this \_\_\_\_\_, 2007.

\_\_\_\_\_  
<NAME>, Secretary/Vice-Chairperson

## **CONFLICT OF INTEREST POLICY**

### **OF**

## **CALIFORNIA SCHOOL HEALTH CENTERS ASSOCIATION,**

a California Nonprofit Public Benefit Corporation

### **Article I** **Purpose**

The purpose of the conflict of interest policy is to protect the interest of California School Health Centers Association (“Organization”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

### **Article II** **Definitions**

#### **1. Interested Person**

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

#### **2. Financial Interest**

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee with board delegated powers (“Committee”) decides that a conflict of interest exists.

**Article III**  
**Procedures**

**1. Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of Committees considering the proposed transaction or arrangement.

**2. Determining Whether a Conflict of Interest Exists**

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or Committee members shall decide if a conflict of interest exists.

**3. Procedures for Addressing the Conflict of Interest**

- a. An interested person may make a presentation at the governing board or Committee meeting, but after the presentation; he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or Committee shall, if appropriate, appoint a disinterested person or Committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising reasonable due diligence, the governing board shall consider and in good faith determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board shall determine by a vote of a majority of the directors then in office without counting the vote of the interested director or directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it will be fair and reasonable as to the Organization at the time the Organization is to enter into the transaction or arrangement. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
- e. If it is not reasonably practicable to obtain approval of the governing board consistent with the standards set forth in subsections c and d (the "Standards") prior to entering into the transaction or arrangement, a Committee shall make the determination of whether to enter into such transaction or arrangement in a manner consistent with the Standards; and the governing board, shall consider in good faith whether (i) it was not reasonably practicable to obtain approval of the governing board prior to entering into the transaction or arrangement, and (ii) the Committee approved the transaction or

arrangement in a manner consistent with the Standards. If the governing board determines that the conditions of (i) and (ii) were met, it may by a vote of the majority of the directors then in office without counting the vote of the interested director or directors ratify the transaction or arrangement.

#### **4. Violations of the Conflicts of Interest Policy**

- a. If the governing board or Committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action, which may include, but is not limited to, removal from the governing board and any Committee.

#### **Article IV** **Records of Proceedings**

The minutes of the governing board and all Committees shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or Committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

#### **Article V** **Compensation**

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly,

from the Organization, either individually or collectively, is prohibited from providing information to any Committee regarding compensation.

**Article VI**  
**Annual Statements**

Each director, principal officer and member of a Committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

**Article VII**  
**Periodic Reviews**

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations (i) conform to the Organization's written policies, (ii) are properly recorded, (iii) reflect reasonable investment or payments for goods and services, (iv) further charitable purposes, and (v) do not result in inurement, impermissible private benefit or in an excess benefit transaction.

**Article VIII**  
**Use of Outside Experts**

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.



CERTIFICATE OF SECRETARY

The undersigned hereby certifies that:

1. I am the duly elected and acting Secretary of California School Health Centers Association, a California nonprofit public benefit corporation; and

2. The foregoing Conflict of Interest Policy consisting of 4 pages constitute the Conflict of Interest Policy of such corporation as duly adopted by the Board of Directors on \_\_\_\_\_, 2007, and have not been amended or modified since such date.

IN WITNESS WHEREOF, I have executed this Certificate as of this \_\_\_\_\_, 2007.

\_\_\_\_\_  
\_\_\_\_\_, Secretary

**ANNUAL STATEMENT OF AFFIRMATION  
OF CONFLICT OF INTEREST POLICY**

As a director of California School Health Centers Association, a California nonprofit public benefit corporation (the "Organization"), I hereby affirm that I:

- a. Have received a copy of the Conflict of Interest Policy (the "Policy"),
- b. Have read and understand the Policy,
- c. Have agreed to comply with the Policy, and
- d. Understand that the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

\_\_\_\_\_  
\_\_\_\_\_, Director

Dated: \_\_\_\_\_

## CALIFORNIA SCHOOL HEALTH CENTERS ASSOCIATION

### Board Giving Policy

Approved March 2, 2009

To demonstrate our commitment to our mission and to the fundraising goals of the organization, the Board of Directors of the California School Health Centers Association (CSHC) is expected to make a significant contribution to CSHC's operating fund each year, with a goal of reaching 100 percent board member participation annually.

It is expected that each director will pay membership dues\* or secure organizational membership dues\* from his or her employer during CSHC's annual membership drive. In addition, each board member is encouraged to make an additional donation to the best of his or her means, at a level he or she would consider personally significant (the timing of this annual gift is at the director's discretion).

Board giving is distinct and in addition to attending special events, buying tickets or otherwise participating in our organization's activities.

This policy will be given to all prospective board members, will be included in CSHC's Board of Directors Manual, and will be reviewed by the board on an annual basis.

*\* As of January 2009, individual memberships are priced at \$100 and organizational memberships are priced at \$200; these memberships are solicited each September.*