



Since 1993

**THE San Diego School of Creative and Performing Arts**

**2425 Dusk Drive, San Diego, CA 92139**

**BYLAWS**

Bylaws for the regulation, except as otherwise provided by statute or its Articles of Incorporation (“Articles”), of

**FRIENDS OF THE SCHOOL OF CREATIVE AND PERFORMING ARTS (FOSCPA)**

(a California Nonprofit Corporation)

**ARTICLE I**

**OFFICES**

A. PRINCIPAL OFFICE. The principal office for the transaction of the business of the Corporation is located in San Diego County, California.

B. CHANGE OF ADDRESS. The county of the Corporation’s principal office can be changed only by amendment of these Bylaws and not otherwise. The Board of Directors may, however, change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed an amendment of the Bylaws:

2425 Dusk Drive, San Diego, CA 92139      Dated: \_\_\_\_\_

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

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

## **ARTICLE II**

### **PURPOSES**

The Primary objectives and purpose of this Corporation shall be to raise funds for, and to support and promote the educational and arts programs at, the San Diego School of the Creative and Performing Arts (hereinafter SDSCPA).

## **ARTICLE III**

### **MEMBERSHIP**

A. MEMBERS. Members shall consist of those persons who are parents or guardians of SDSCPA students in the current fiscal year. Except as expressly provided in or authorized by the Articles of Incorporation or Bylaws of this Corporation, all members shall have the same rights.

B. GENERAL MEETINGS. The Members shall meet biannually, on a date to be set by the Board of Directors, for the purpose of transacting business, distributing the annual report at the Fall General Meeting and for the purpose of electing directors at the Spring General Meeting. The Fall General Meeting shall be held no later than one hundred and twenty (120) days after the close of the fiscal year, June 30. The Spring General Meeting shall be held no later than April 30. Other regular meetings may be held as deemed appropriate by the Board of Directors. Business shall be conducted by such rules as may be established by the Board of Directors. A procedure for balloting by mail may be established by the Board of Directors, and any action which could be taken at a regular or special meeting of the members may be submitted to the Corporation via written ballot, via email or in person without a meeting.

## **ARTICLE IV**

### **BOARD OF DIRECTORS**

A. **NUMBER OF BOARD MEMBERS.** The Corporation shall have from nine (9) to twenty five (25) directors and collectively they shall be known as the Board. In addition, the Board may appoint Honorary Members to serve at the discretion of the Board of Directors, but who do not have voting rights. (See Section D below).

B. **POWERS OF THE BOARD.** Subject to law and these Bylaws, the business and affairs of the Corporation shall be controlled by the Board. Without limiting the foregoing, the Board shall have the following powers:

1. To select and remove all other officers, agents, and employees of the Corporation, prescribe such powers and duties for them, consistent with law, with the Articles of Incorporation, and the Bylaws, and require from them faithful service;
2. To conduct, manage, and control the affairs and business of the corporation, and to make such rules and regulations, consistent with law, with the Articles of Incorporation, and the Bylaws, as they may deem best;
3. To change the principal office for the transaction of the business of the Corporation from one location to another within the City and County of San Diego; to fix and locate from time to time one or more subsidiary offices of the Corporation within the City of San Diego; to designate any place within the City of San Diego for the holding of any Directors' or members' meetings; and to adopt, make and use a corporate seal and to alter the form thereof from time to time as in their judgment they may deem best, provided such seal shall at all times comply with the provisions of law;
4. To borrow money and incur indebtedness for the purposes of the Corporation and to cause to be executed and delivered, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor; and,
5. To select Honorary Members of the Board, who, at the Board's request, shall perform functions useful to the Board, but who will not have the right to vote at the meetings of the Board.

C. **ELECTION AND TERM OF OFFICE.** Members of the Board shall be elected or appointed for terms of two years; and no member of the Board shall serve more than six years unless specifically approved by vote of the Board. Terms of the

Board shall begin June 1 following election at the Spring General Meeting. Terms of the Board shall end at the June organization meeting in the year of expiration or resignation. At least 50 percent of the Board shall be parents or guardians of a child currently enrolled at SDSCPA at the time of their election. Other members of the Board may be chosen from the community at large and former students of SDSCPA. In no event shall any member of the faculty, staff or administration be eligible to serve on the Board during the term of their employment. However, the Board may appoint as an honorary board member, a member of the SDSCPA school administration staff. The Board shall be elected by the members at the Spring General Meeting.

1. The Nominating Committee shall nominate a candidate for each seat on the Board to be filled at the election during the Spring General Meeting. Notice of the date and time of the Spring General Meeting shall be sent to all members 45 days prior to the meeting and shall include the names of all nominated candidates so members may make recommendations of additional nominees to the committee for its consideration. Final ballots will be delivered to members ten (10) days prior to the Spring General Meeting.
2. Final ballots comprise a slate of persons nominated for a seat on the Board. Each member of the Corporation shall cast one vote per slate, with voting being in person or by absentee. To be counted, all ballots must be presented in person at the Spring General Meeting or received, by close of business, on the day of the Spring General Meeting. Results of the election shall be published to the new board members and FOSCPA members no later than ten (10) days after the Spring General Meeting.

D. HONORARY BOARD MEMBERS. Honorary board members are non-voting members of the Board of Directors who have not been elected by the members. Neither Honorary Members nor Members-at-large have Board voting power.

The Board may appoint honorary members to consult, advise and attend Board meetings. These members include, but are not limited to, the current SDSCPA principal. Honorary members are to not exceed a total of five.

E. VACANCIES. Any vacancy or vacancies on the Board resulting from death, incapacity, resignation, removal, or otherwise, shall be filled for the remainder of the term left vacant by the remaining members of the Board or members of the Board then in office even though less than a quorum.

F. PLACE OF MEETING. Meetings of the Board shall be held at any place within the County of San Diego which has been designated in the Notice of Meeting.

G. ORGANIZATION MEETING. No later than June 30, the Board shall hold a meeting for the purpose of organization, election of officers and the transaction of other business.

H. OTHER MEETINGS. Meetings of the Board for any purpose or purposes may be called at any time by the President or by three members of the Board. Written notice of the time and place of such meetings shall be delivered personally to each member of the Board or sent to each member of the Board by mail, email, or by other form of written communication, charges prepaid, addressed to the members of the Board at his or her address as it is shown upon the records of the Corporation. Such notice shall be delivered at least forty-eight (48) hours prior to the time of the holding of the meeting. A quorum shall consist of a majority of the Board. Meetings will be governed by Robert's Rules of Order.

I. PARTICIPATION BY TELEPHONE. Members of the Board may participate in a meeting through use of conference telephone or similar communication equipment, so long as all members participating in such meeting can hear one another. Participation in a meeting pursuant to this Section constitutes presence in person at such a meeting.

J. ADJOURNMENT. In the absence of a quorum at any meeting of the Board, the majority of the members of the Board present may adjourn the meeting. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the next meeting to the Directors who were not present at the time of the adjournment.

K. BUSINESS CONDUCTED OUTSIDE OF MEETINGS. The Board may conduct business by written consent of all of the Board in lieu of a meeting including written consent via email. Any action taken outside of a meeting of the Board must be approved by majority vote of a quorum of the Board. However, any member may move to table the business until a meeting.

L. REMOVAL. A member of the Board may be removed from office by a majority vote of the Board for failure to attend three meetings in a year, or may be removed for cause by vote of a majority of the full Board.

M. COMPENSATION. The Board shall receive no compensation for their services as members of the Board.

## **ARTICLE V**

### **OFFICERS**

A. ELECTIONS AND APPOINTMENT. The officers of this corporation shall be a President, one or more Vice-President(s), Secretary and Treasurer, and any other such officers as the Board of Directors may appoint, known as the Executive Committee. The officers shall be elected from the active membership of the Board of Directors at the end-of-school organizational meeting (Article IV Section G) and shall take office immediately following such meeting. Officers shall hold office until the conclusion of the succeeding organizational meeting or until their successors are elected and qualify.

B. REMOVAL AND RESIGNATION. Any officer may be removed, either with or without cause, as requested by any Board member and voted on by the Board at any time. The removal shall take effect at the date that the removed officer is in receipt of notice of such action, or at any later time specified therein, and the acceptance of the removal action by the officer is not necessary to make it effective.

Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the Corporation. Any such resignation shall take effect on the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

C. VACANCIES. Any vacancies that exist in these offices between the end-of-school year organizational meetings may be filled by the Board of Directors. Nominations to fill vacancies shall be made by the Nominating Committee. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the Board shall determine.

D. PRESIDENT. Subject to the control of the Board of Directors, the President shall oversee the business and affairs of the Corporation. The President shall serve as

chair of meetings of the Corporation, the Board of Directors, and the Executive Committee and shall be a member ex officio of all committees of the Board of Directors. The President shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this Corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors.

E. VICE PRESIDENTS. In the absence or disability of the President, the Vice-President shall perform all the duties of the President, and in so acting, shall have all the powers of the President. In the case of more than one Vice President and the President's inability or failure to make such designation, the Board of Directors or Executive Committee may designate one of the Vice-Presidents to serve during the President's absence or inability to serve. The Vice-President(s) shall have such other powers and duties as may be prescribed from time to time by the Board of Directors.

F. TREASURER. The Treasurer, as Chief Financial Officer, shall have charge and custody of, and be responsible for, all funds and securities of the Corporation, and deposit all such funds in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors. The Treasurer shall disburse funds only as prescribed by the Board of Directors. Such funds shall be paid out only on the check of the Corporation signed by any two of the President, Secretary, or Treasurer or by such officers as may be designated by the Board of Directors as authorized to sign the same.

The Treasurer shall review established methods of internal control, and monitor the recording and deposit of all receipts of the Corporation, for the proper disbursement of its cash, and accounting for all property of the Corporation, whether real or personal, tangible or intangible, however acquired.

The Board may appoint an Auditor and Audit Committee to present annually to the Board of Directors a statement of all income and expenses during the prior year, together with a statement of all assets, liabilities, and net assets of the Corporation as of the end of that year, these statements first having been duly audited and certified in accordance with generally accepted auditing standards by certified public accountants or other recognized independent public accountants approved by the Board of Directors or Executive Committee. The Board of Directors shall vote as to whether to accept the audit. A copy of such audited

annual statements shall be kept available at the office of the Corporation (or at the SDSCPA campus) for inspection by members of the Corporation.

The Treasurer shall present interim period financial reports as required by the Executive Board. The books of account shall, at all times, be open to inspection by any Director.

The Treasurer shall serve as Chair of the Finance Committee.

The Treasurer shall have other such powers and perform such duties as may be prescribed by the Board of Directors.

G. SECRETARY. The Secretary shall keep a full and complete record of the proceedings of the Board of Directors and a copy shall be kept at the office of the Corporation (or on the SDSCPA campus); shall be custodian of the Corporation's records; shall make service of such notices as may be required by law or these Bylaws; and shall discharge such other duties as may be required by law, by these Bylaws or which may be assigned to the Secretary from time to time by the Board of Directors.

## **ARTICLE VI**

### **COMMITTEES**

A. NATURE OF COMMITTEES. The work of the Board of Directors and Executive Committee of the Corporation shall be accomplished not only through the efforts of the Board of Directors and Executive Committee, but also through the work of committees. Committees shall be constituted, charged, and governed by the Board. Committee chairs shall be named by the President of the Corporation. The committee may be either a standing committee, appointed for a definite time, as a session or a term of years; or a special [or select] committee, appointed for a special purpose.

The Corporation shall have standing and select committees as deemed necessary by the Board. Although the Board may designate such committees to gather information and transact business on behalf of the Board, the Board retains full authority over all business of the Corporation and such committees shall not have the authority over the Board except as specifically authorized by the Board.



The chairs of the standing committees must be Board members. There is no limit to the number of successive terms that a person, otherwise qualified, may serve on a committee, with the exception of the Finance committee, which is limited to five consecutive years.

One or more committees whose function, composition, and method of creation are specified by these Bylaws, and hence cannot be changed without amendment to these Bylaws, are designated as standing committees. These include, but are not limited to, the Finance, Governance and Nominations standing committees. In the event that the Board determines that the management of the Corporation would benefit by the establishment of additional committees, they may from time to time establish one or more such committees.

B. LIMITATIONS OF COMMITTEES. Any committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

1. Fill vacancies on the Board or on any committee which has the authority of the Board;
2. Assign or fix compensation of Directors for serving on the Board or any committee;
3. Amend or repeal Bylaws or adopt new Bylaws;
4. Amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;
5. Appoint any other committees of the Board or members of these committees;
6. Spend Corporation funds to support a nominee or applicant for Director after there are more people nominated for Director than can be elected; and,
7. Approve any self-dealing transaction with respect to any Corporate assets.

C. MEETINGS, MEMBERSHIP AND ACTION OF BOARD COMMITTEES. Meetings, membership and actions of Board of Director committees shall be governed by, and held and taken in accordance with, the provisions of Article IV of these Bylaws, concerning meetings of the Board, with such changes in context of those provisions as are necessary to substitute the committee and its members for the Board and its members, except that the time of regular meetings of committees may be determined by either resolution of the Board or resolution of the

committee. Special meetings of committees may also be called by resolution of the Board. Appointments and terms of service on committees shall be consistent with the requirements established in these Bylaws. The Board may adopt rules for governing of any Board committee not inconsistent with the provisions of these Bylaws.

D. SELECT COMMITTEES. With board approval, the President, or the Board itself, may create select committees, to serve the Board that do not have the powers of the Board. The President shall appoint chairpersons of such committees. Each member of such select committees shall continue as such until the next annual election of officers and until her/his successor is appointed, unless the member shall sooner resign or be removed from the committee.

Meetings of a select committee may be called by the President, the chair of the committee, or a majority of the committee's voting members. Each committee shall meet as often as is necessary to perform its duties. Notice of a meeting of a select committee may be given at any time and in any manner reasonably designed to inform the committee members of the time and place of the meeting. Each committee may keep minutes of its proceedings and shall report periodically to the Board.

Any member of a select committee may resign at any time by giving notice to the chair of the committee or to the President. Such resignation, which may or may not be made contingent upon formal acceptance, shall take effect upon the date of receipt or at any later time specified in the notice. The President may, with prior approval of the Board, remove any appointed member of a committee.

A vacancy in any committee or any increase in the membership thereof shall be filled for the unexpired portion of the term by the committee chair, with approval of the President.

## **ARTICLE VII**

### **EXPENDITURES AND GRANTS**

Consistent with the purposes of the corporation as specified in Article II, the Board of Directors shall determine the manner in which FOSCPA funds shall be solicited and expended. FOSCPA grants shall be awarded only by the Board of Directors.

## **ARTICLE VIII**

### **REPORTING**

A. FISCAL YEAR. The fiscal year of the corporation shall begin on July 1 and run through June 30 of the following year.

B. ANNUAL REPORT. An annual report shall be made available, not later than one hundred and twenty (120) days after the close of the corporation's fiscal year, to all members of the Corporation and furnished to all Directors. The report shall be distributed at the Fall General Meeting. A copy of the report shall be available for inspection at the office of the Corporation (or on the SDSCPA campus) 30 days prior to the meeting. A copy of the report shall be provided to any member who requests it in writing and a copy shall be kept by the Secretary. The Annual Report shall contain the following information in appropriate detail:

1. The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;
2. The principal changes in assets and liabilities, including trust funds, during the fiscal year;
3. The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year; and,
4. The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year.

The annual report shall be accompanied by any report of independent accountants, or, if there is no such report, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation.

## **ARTICLE IX**

### **INDEMNIFICATION**

A. INDEMNIFICATION. Subject to the limitations of section 5238 of the California Nonprofit Public Benefit Corporation Law, the Board shall have the authority to indemnify its Officers, Directors and agents against any liability asserted against or incurred by them by reason of their activities on behalf of the Corporation.

1. To the extent that a person who is, or was, a director, officer, employee, or other agent of this Corporation has been successful on the merits in defense of any civil, criminal, administrative, or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the Corporation, or has been successful in defense of any claim, issue, or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding. If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements, and other amounts reasonably incurred in connection with such proceedings shall be provided by this Corporation but only to the extent allowed by, and in accordance with, the requirements of Section 5238 of the California Nonprofit Public Benefit Corporation Law and with approval of the Board.
2. Any right to indemnification under this provision shall be a contract right and shall include the right to be paid by the Corporation expenses incurred in defending such proceeding in advance of its final disposition to the maximum extent permitted under applicable law. However, any right to indemnification from the Corporation under this provision shall not extend to any matter as to which such person shall have engaged in wanton or willful misconduct in the performance or neglect of a duty owed to the Corporation. This provision shall not be deemed to limit any power or exclude any right of the Corporation to provide any additional or other indemnity or right or to maintain insurance or a similar arrangement for or on behalf of any person, so long as such action is approved by the Board,

does not violate other provisions of the Bylaws and is in accordance with all Federal, State and local laws.

B. INSURANCE. The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Corporation (including a director, officer, employee, or other agent of the Corporation) against any liability other than for violating provisions of law relating to self-dealing (Section 5233 of the California Nonprofit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Corporation would have the power to indemnify the agent against such liability under the provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

## **ARTICLE X**

### **COMPENSATION AND PROHIBITION AGAINST SHARING PROFITS**

A. PROHIBITION AGAINST SHARING PROFITS. No director, officer, member, employee, or other person acting in connection with this Corporation or any other private individual shall receive at any time any of the net earnings or pecuniary profits from the operation of the Corporation, except as provided in section B below. No such persons shall be entitled to share in the distribution of, and shall not receive any of the Corporation's assets, upon dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary.

B. REASONABLE COMPENSATION. Notwithstanding section A, the Board may authorize payment to any director, officer, member employee, agent or other person associated with this Corporation for reasonable compensation for services to or for the Corporation. A voting member of the Board who receives compensation, directly or indirectly from the Corporation, is precluded from voting on matters pertaining to that member's compensation. Likewise, a voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

C. REPORTING. Within one hundred and twenty (120) days after the close of the fiscal year, the Board shall mail or deliver to all Directors and members a statement describing the amount and circumstances of any indemnification and any transaction of the Corporation in which a director, officer, parent or subsidiary of the Corporation, or agent thereof had a direct or indirect material financial interest. The statement need only be provided for transactions or indemnifications (including advances) totaling more than ten thousand dollars paid during the previous fiscal year. The statement shall briefly describe the names of the interested persons involved in such transaction, stating each person's relationship to the Corporation, the nature of such person's interest in the transaction, and, where practical, the amount of such interest, provided that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated. This statement shall be included in the Annual Report, Article VIII, Section B.

## **ARTICLE XI**

### **CONFLICT OF INTEREST POLICIES**

A. PURPOSE OF CONFLICT OF INTEREST POLICY. The purpose of this conflict of interest policy is to protect this Corporation when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. 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.

#### **B. DEFINITIONS.**

1. Interested Person. Any director, principal officer, member of a committee with governing board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations,

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 Corporation has a transaction or arrangement,
  - b. A compensation arrangement with the Corporation or with any entity or individual with which the Corporation 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 corporation 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 Section C, paragraph 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists, in accordance with Federal, State and local laws.

#### C. CONFLICT OF INTEREST AVOIDANCE 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 with Board delegated powers 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 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. An interested person may make a presentation at the 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. The chairperson of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the Board or committee shall determine whether the Corporation 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. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy. If the 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. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the 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.

D. RECORDS OF PROCEEDINGS REGARDING CONFLICTS. The minutes of meetings of the Board and all committees with Board delegated powers shall contain:

1. 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 Board's or committee's decision as to whether a conflict of interest in fact existed.
2. 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.



E. ANNUAL ACKNOWLEDGMENT OF CONFLICT POLICY. Each Director, Officer, and member of a committee with Board delegated powers shall annually sign a statement which affirms such person:

1. has received a copy of the conflicts of interest policy;
2. has read and understands the policy;
3. has agreed to comply with the policy; and,
4. understands the Corporation 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.

F. PERIODIC REVIEWS. To ensure the Corporation operates in a manner consistent with its 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:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining; and,
2. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

**ARTICLE XII**  
**AMENDMENTS**

These Bylaws will be reviewed not less than once every year and documented as to date of review. New Bylaws may be adopted or these Bylaws may be amended or repealed by vote of a majority of the Board of Directors then in office, provided notice of such proposed amendment has been given to the Board at least seventy-two (72) hours in advance of the vote.

**CERTIFICATE**

This is to certify that the foregoing is true and correct copy of the Bylaws of the Friends of SCPA and that such Bylaws, consisting of 18 pages, were duly adopted by the Board of Directors of said corporation.

In witness whereof, I have executed this Certificate.

\_\_\_\_\_

Lorayne Sandino

President, Friends of SCPA

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