

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

Approved by the Board of Directors, April 20, 2018

Amended by the Board of Directors, December 11, 2020 and December 09, 2022

ARTICLE I. NAME, CSU AUXILIARY STATUS, AND PRINCIPAL OFFICE

The name of this corporation is the California Maritime Academy Foundation, Inc. (hereinafter known as “Foundation”). The Foundation is an auxiliary organization of the California State University, subject to the provisions of [Chapter 7, Part 55, Division 8, Title 3 \(Sections 89900 et seq.\) of the California Education Code](#) (hereinafter known as “Education Code”) and [Subchapter 6, Chapter 1, Division 5, Title 5 \(Sections 42400 et seq.\) of the California Code of Regulations](#) (hereinafter known as Title 5).

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

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

The California State University Maritime Academy Alumni Association (hereinafter known as “Alumni Association”) is the official organization of the Cal Maritime’s alumni and is a program of the Foundation. The Foundation and the Alumni Association are united in the common purpose of supporting the mission of the Cal Maritime.

ARTICLE II. PURPOSES, CONFLICT OF INTEREST AND POLITICAL ADVOCACY

Section 1. Purpose

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

Section 2. Prohibition against Private Inurement and Conflict of Interest:

No part of the net income of the Foundation shall inure to the benefit of any private individual or member of the Board of Directors. Prohibition against conflict of interest includes but is not limited to financial conflicts of interest and personal pecuniary gains in transactions with members of the Board. Each member of the board will be required to fill out a conflict of interest form at the beginning of each fiscal year. [\[Education Code Section 89906-09.\]](#)

Section 3. Prohibition against Political Advocacy:

The Foundation shall not engage, nor shall any of its funds, property, or income be used to carry out lobbying activities or otherwise attempt to influence legislation except as permitted by and in accordance

with [IRS 501 \(h\)](#) or other relevant laws or regulations, including, without limitation, the applicable policies, rules and regulations of the Board of Trustees of the California State University.

ARTICLE III. SEAL

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

ARTICLE IV. BOARD OF DIRECTORS

Section 1. No Regular Directors:

In accordance with [Section 5310 of the California Nonprofit Public Benefit Corporation Law](#), the corporation shall have no directors within the meaning of Section 5056 of that law. All actions which would otherwise require approval by a majority of all directors or approval by directors shall require approval of the Board of Directors (hereinafter known as “Board”). All rights which would otherwise vest in members shall vest in the Board.

Section 2. Composition:

The size and composition of the Board shall meet the statutory requirements of auxiliary boards [[Title 5, Section 42602 \(a\), \(b\), \(c\), and Education Code Section 89903](#)]. The Board shall have not fewer than eleven and not more than thirty-six directors. The President of Cal Maritime and the Senior Director of Foundation Operations of the Foundation shall serve as regular directors. All directors of the Board may vote on Board actions.

Section 3. Ex-Officio Directors:

Ex-Officio Directors include the President of the Alumni Association, the Foundation Controller, the Captain of the T.S.G.B., one faculty member, the Corps Commander, and the President of Associated Students California Maritime Academy. All other ex-officio directors will be appointed by the President of Cal Maritime in consultation with the Board Chair.

Section 4. Elections:

Directors shall be elected by a majority vote of directors present. The terms of the directors shall be three (3) years. Directors, except ex-officio directors, may not serve for more than three (3) consecutive terms. Directors may reapply for membership after a one-year break in service from the Foundation Board.

Section 5. Duties and Responsibilities:

The Board shall advance the goals and objectives of Cal Maritime through communication, external outreach, the identification and cultivation of prospective donors, potential Board members, stewardship, and the solicitation and acquisition of major gifts on behalf of Cal Maritime.

A. Attendance/Removal

Three unexcused absences in a row from Board meetings shall constitute grounds for removal from the Board. Directors of the Board may also be removed from the Board by majority vote of directors present, excluding the director to be removed. Directors may resign at any time by giving written notice to the Executive Director or designee who will inform the Foundation Chair.

B. Persons Associated with the Corporation

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

- i. For the election of a director or directors or an officer or officers;

- ii. On a disposition of all or substantially all of the assets of the corporation;
- iii. On a merger;
- iv. On a dissolution;
- v. On changes to the corporation's Articles of Incorporation or By-Laws.

All such voting rights are vested exclusively in the Board.

Section 6. Director Emeritus:

The Board of Directors, from time to time, upon nomination by the Governance Committee and a majority vote of directors present, may elect as Director Emeritus one or more former directors who have provided distinctive and meritorious service to the Foundation. A Director Emeritus shall be entitled to receive all written notices and information that are provided to the Board of Directors, to attend all Board meetings, to participate in meetings of the committees in which they serve and encouraged to attend all other events conducted by the CMA Foundation. Director Emeriti shall not be counted in determining quorum. Neither shall they be entitled to vote, hold office, nor held to comply with any Board attendance policy.

ARTICLE V. OFFICERS

Section 1. Officers:

The officers of the Foundation shall be the Chair, Vice Chair, Secretary, Treasurer and Senior Director of Foundation Operations.

Section 2. Officer Duties:

The Officers of the Foundation shall have the following duties and responsibilities.

A. Executive Director or Designee:

The Executive Director will manage the day-to-day operations of the Foundation including planned fundraising, the Foundation budget, and the managing and processing of gifts and donations. The Executive Director shall report to the President of Cal Maritime and shall act as the primary liaison to the board chair on behalf of Cal Maritime. The Executive Director may appoint a designee to support the role and duties of the Executive Director.

B. Board Chair

The Chair shall preside at meetings of the Board and may be an ex-officio member of any Board committees except the Governance and Audit committees where the Chair is not to be a member. The Chair shall have such other duties as may be prescribed from time to time by the Board.

C. Vice Chair

In the absence of the Chair, the Vice Chair shall preside over the Board.

D. Secretary

The Secretary shall attend all meetings of the Board and will ensure the management and maintenance of all Board's proceedings. In the absence of the Secretary, the Chair shall appoint an Acting Secretary. The Secretary shall be responsible for the safekeeping of all records belonging to the Foundation and shall maintain custody of the corporate seal. The Secretary shall ensure that the Board complies with California State statutes and the directives of the Secretary of State, of the State of California. Record retention will be in compliance with the CSU Auxiliary Record Retention Policy. The Secretary shall sign any instruments that require the signature of the Secretary.

E. Foundation Treasurer

The Foundation Treasurer shall be a member of the Board, shall chair the Finance Committee, and serve as the chief financial officer of the Foundation. The Foundation Treasurer, subject to the direction of the board, shall have charge and custody or responsibility for all funds and securities of the corporation; receive and give receipt for the moneys due and payable to the corporation from any source whatsoever, with the exception of donor gifts and pledges; deposit all such moneys in the name of the corporation in such banks, trust companies, or other depositories as the Board shall select, and in general

perform all the duties incident to the office of Treasurer. The Treasurer shall perform his/her functions by designating the day-to-day responsibilities to the Controller of the Foundation. The funds of the Foundation shall be deposited in such bank or trust companies as the Board shall designate and shall be drawn out only by check signed by persons designated by the Board. The Treasurer shall have such further powers and duties, as the Board shall, from time to time, prescribe.

F. University President

The President will review auxiliary programs and budgets and require discontinuance of activities not in conformity with policies of the CSU Board of Trustees and the campus. As required by the Chancellor, the CSU, and/or CSU Board of Trustees, the President may designate the Vice President for Administration and Finance to be responsible for overall CMAF fiduciary matters.

Section 3. Terms of Office

All officers, with the exception of the Executive Director or designee, shall be elected at the Annual Meeting by a majority vote of directors present, and shall serve a three (3) year term, unless their term of office is terminated sooner by the Board.

Section 4. Terminations Removal and Resignation

Any officer, except the ex-officio officers, may be removed from office at a duly constituted meeting by a majority vote of directors present. An officer of the Foundation may resign at any time by giving written notice to the Executive Director or designee.

Section 5. Officer Vacancies

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

ARTICLE VI. MEETINGS OF THE BOARD AND COMMITTEES

Section 1. Annual Meeting of the Board of Directors

The Annual Meeting of the Board shall be held during the month of June at Cal Maritime, unless, one month prior to that date the Executive Director, by written notice to all Board members, has set another date, time and place. When a change of Chair is to occur at the Annual Meeting, the outgoing Chair will begin the meeting and pass the position to the incoming Chair who will preside over the meeting following the election of officers.

Section 2. Meetings of the Board

- A. The regular meetings of the Board shall be held at such time and place as shall be fixed by the Chair, but no less often than quarterly [Education Code Section 89903]. Each director of the Board shall be notified in writing, at least seven days prior to the date of such meeting [Education Code Section 89920 and Section 89928].
- B. Special meetings of the Board may be called at any time by the Chair, or by a quorum of the directors, by delivering notice personally or in writing (written notification for meetings shall be defined as either hard-copy mail, electronic mail or any other method mutually agreed upon by the Board) to each director.
- C. The call and notice of any special meeting shall be delivered at least 24 hours prior to any meeting and shall specify the time and place of the special meeting and the business to be transacted.
- D. All meetings of the Board shall be open and public, and all persons shall be permitted to attend any meeting of the Board, provided, however, that the Board may hold closed sessions during any meeting to consider those matters that may lawfully be considered in such sessions under Article 2 (commencing with Section 89920) of Chapter 7 of Part 55 of the Education Code.

- E. A quorum shall be a simple majority of the voting directors of the Board. Unless otherwise specified in these By-Laws, all items requiring a vote by directors of the Board shall be by majority vote of directors present.

All meetings will be conducted in accordance with Roberts Rules of Order unless otherwise agreed to by the Board.

Section 3. Committees

There shall be six standing committees: Executive, Governance, Finance, External Relations, Audit, and Marine Development. The Board shall appoint the members of such committees, who need not be Directors, including their chair. Committees shall meet as needed to conduct business in a timely and effective manner. Committee directors shall be given notice in writing of committee meetings at least seven days prior to the date of the committee meeting. Minutes of each meeting shall be submitted and reported to the Board at its next regular meeting for Board review and approval. The Executive Director or designee sits on all standing committees as a voting director.

A. Executive Committee

The Executive Committee shall be responsible for conducting routine business of the Foundation between regular meetings of the Board. The Chair of the Board shall serve as the Chair of the Executive Committee. The Chair, Vice Chair, Secretary, Treasurer, Senior Director of Foundation Operations, and the University President shall serve as members of the Executive Committee as well as other Directors who may be elected to the committee. Special meetings may be called by the Chair as needed.

B. Governance Committee

The Governance Committee shall be appointed to track the terms of service of the Directors, evaluate the performance of Directors and present candidates for election as officers and directors on the Board at the Annual Meeting of the Board.

C. Finance Committee

The Finance Committee is responsible for the oversight of the endowment, in addition to, recommending financial policies, and budgets that support the mission, values, and strategic goals of the organization. The committee also reviews and evaluates the organization's financial performance and proposes necessary strategies to assist in achieving the overall goals and objectives of the organization. The Foundation Treasurer shall chair the committee. The Cal Maritime Vice President for Administration and Finance shall serve on the Finance Committee. The committee will provide quarterly reporting to the full Board, to include investment portfolio performance, recommendations on the investment of Foundation funds and other financial matters.

D. External Relations Committee

The External Relations Committee shall be appointed to lead the Board in advancing the Foundation's mission through communication, external outreach, the identification and cultivation of prospective donors, stewardship, and the solicitation and securing major gifts on behalf of approved Cal Maritime fundraising initiatives. The Vice President for Advancement shall serve on the External Relations Committee.

E. Audit Committee

The Audit Committee will assist the Foundation in overseeing financial reporting and controls, as well as identification and management of risk. Directors of the committee shall be independent directors. The committee will report to the Board annually after the close of the fiscal year end at the next regularly scheduled Board meeting.

F. Marine Development Committee

The Marine Development Committee shall be appointed to manage the boat donation program, including having the responsibility for the solicitation, procurement, operations, and administration of the program. The Treasurer shall serve on the Marine Development Committee. The Committee shall report the status of the program to the Board at each of its regular meetings.

G. Other Committees

The Board, by resolution, may designate and approve one or more special, ad hoc, or short-term committees, which shall be vested with such powers, duties, and limitations as the Board confers and assigns. The Board shall appoint the members of such committees, who need not be Directors, including their chair.

ARTICLE VII. INDEMNIFICATION

Section 1. Right of Indemnity

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

Section 2. Approval of Indemnity

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

Section 3. Advancement of Expenses

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

Section 4. Insurance

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

Section 5. Personnel

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

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

ARTICLE VIII. ADMINISTRATION OF FUNDS, ASSETS AND PROPERTY

Section 1. General

The Foundation as an auxiliary of the CSU shall accept grants, contracts, bequests, trusts, and gifts only for purposes consistent with the policies of the CSU Trustees. All funds, assets and property of the Foundation shall be administered by the Board for the benefit of Cal Maritime. The funds, assets and

property shall be administered in two categories, namely restricted and unrestricted. Gifts and contributions accepted for specific purposes (restricted) shall be administered for those purposes and no others. Gifts and contributions which are not designated for restricted purposes (i.e., unrestricted contributions) shall be administered at the discretion of the President of Cal Maritime, in consultation with the Chair of the California Maritime Academy Foundation, and in accordance with the Foundation Capital Approval Policy.

Section 2. Audit and Publication of Financial Statements

At the end of each fiscal year, the Audit Committee shall select a certified public accountant to perform a fiscal audit and present the name(s) to the Finance Committee for their approval. When completed, the financials will be reviewed and approved by the Audit Committee, the Finance Committee and recommended for approval to the Board. After approval by the Board, the audit shall be submitted by the Executive Director of Foundation or designee to the CSU Chancellors Office on the date or dates designated by the Chancellors Office. The annual fiscal audit shall be performed in accordance with standard system-wide procedures prescribed by the Chancellor. The annual audited financial statements will be made available to the Attorney General and members of the public for public inspection no later than nine months following the close of the fiscal year. The Foundations Financial Statements will also be posted on the Foundation Transparency web page (California Education Code Section 89900 and Title 5, Subchapter 6, Auxiliary Organizations, Article 1, Section 42408.)

Section 3. Fiscal Year

The fiscal year shall be one calendar year beginning July 1 and ending on June 30.

Section 4. Annual Budget

The Board shall consider and approve an Annual Budget for the next fiscal year by the 30th of June each year.

Section 5. Authority

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

ARTICLE IX. CONTRACTS, LOANS, BORROWING, CHECKS AND DEPOSITS

Section 1. Contracts

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

Section 2. Loans

Financing transactions of the Foundation shall conform to CSU Executive Order #994 dated October 23, 2006 and titled [“Financing and Debt Management Policy – Project Development and the System wide Revenue Bond Program.”](#)

Section 3. Borrowing

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

Section 4. Checks, Drafts, Etc.

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

Section 5. Deposits

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

ARTICLE X. AMENDMENT OF BY-LAWS, POLICIES, ARTICLES OF INCORPORATION AND ARCHIVAL RESPONSIBILITIES

Section 1. Amendments

The Bylaws and the Articles of Incorporation of the Foundation may be amended by the Board at any duly constituted meeting called for that purpose by an affirmative vote of a majority of the Board members present. Said written approvals will be recorded in the minutes of the Board.

Section 2. Policies

The Board may adopt or amend such policies as it deems necessary, by majority vote of the directors present at a scheduled Board meeting.

Section 3. Archival of Records

The Cal Maritime President or his/her designee shall be responsible for archiving the Foundation's By-Laws, Articles of Incorporation, and all official statements of policy or procedure promulgated by the Board or administrative personnel in the exercise of duties. Retention must be in keeping with the CSU Chancellor's Office record retention policies and procedures.

ARTICLE XI. DISSOLUTION

Section 1. Dissolution

Dissolution of the Foundation may be approved by majority vote of the directors of the Board at the Annual Meeting or any special meeting called for that purpose.

Section 2. Dissolution by CSU

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

Section 3. Disbursement of Assets

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

HISTORY:

REVISED AND APPROVED: 06/11/2008

REVISED AND APPROVED: 06/12/2013

REVISED AND APPROVED: 06/11/2014

REVISED AND APPROVED: 08/19/2016

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