

**Pacific Grove Art Center Associates, Inc.
Of Pacific Grove, California
BYLAWS**

ARTICLE I: NAME and MISSION

Section 1 The name of the corporation shall be the Pacific Grove Art Center Associates, Incorporated.

Section 2 The Mission of the Pacific Grove Art Center, a community art resource, is to cultivate the arts within the Monterey area by providing creative experiences that inspire and engage us, touch our hearts, challenge our minds and enrich our lives. This is achieved through a collaborative effort of membership programs, art education and events as well as providing gallery space and studio rentals for emerging and established artists.

Section 3 The PGAC is organized exclusively for charitable and educational purposes, within the meaning of Internal Revenue Code 501(c)(3).

ARTICLE II: PRINCIPAL OFFICE

Section 1 The principal office of the PGAC is hereby fixed and located at Pacific Grove, California. The Board of Directors is hereby granted full power and authority to change said principal office from one location to another in the County of Monterey. Any such change shall not be considered an amendment to the Bylaws.

ARTICLE III: MEMBERSHIP

Section 1 Anyone is eligible to join the PGAC who has the same interests as the corporation and upon payment of appropriate dues.

Section 2 Membership in the PGAC shall have the following classifications:

- a. Regular Member
- b. Family Member
- c. Life Member
- d. Business Member

Section 3 Membership shall not be transferable.

Section 4 Member Dues:

- a. The Board of Directors shall have exclusive power to set the annual membership dues.
- b. Life Members receive all member benefits with no further dues.

Section 5 Membership dues shall be paid by each member within 60 days of the date upon which they become due. Any Member failing to pay his or her dues within this period shall cease to become a member of the corporation. Upon payment of the prescribed dues, the defaulting Member shall be automatically reinstated.

Section 6 Members shall be entitled to vote, to hold office and to enjoy all other rights and privileges as determined by the Board of Directors.

Section 7 At all meetings of the Members of the Corporation, absent members may vote in person or absentee ballot on specific issues in accordance with procedures to be determined by the board of Directors. Voting by proxy shall not be permitted.

ARTICLE IV: MEETINGS OF MEMBERS

Section 1 An Annual Meeting of the Members shall be held during the last 3 months of each calendar year, for the purpose of nominating Directors and publication of the written annual report and for the transaction of other business as may come before the meeting. The day and time of such Annual Meeting shall be as determined the Board of Directors. A financial report shall be presented to the members at each annual meeting. This report shall be prepared by the Treasurer or by any other person so designated by the Board. Robert's Rules of Order shall govern all meetings.

Section 2 Special meetings of the membership may be held at any time on the call of the President of the Board of Directors, or by order of the Board of Directors, or on the written request of FIFTEEN (15) members of the Corporation who have been members of the Corporation for at least 30 days prior to the requested meeting date.

Section 3 The place and time for each meeting of the members shall be designated by the Board of Directors, which shall be reasonably convenient.

Section 4 Written, e-mailed or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally, electronically or by mail, to each member entitled to vote at such meeting, by or at the direction of the President of the Board, the Secretary or the persons calling the meeting. In case of a special meeting or when required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of the meeting shall be deemed to be delivered one (1) day after mailed if deposited in the United States mail addressed to the member at his/her address as it appears on the records of this Corporation with postage thereon prepaid. Such notice shall be given to members not less than fourteen (14) days or more than sixty (60) days in advance of such a meeting.

Section 5 Those members present at any meeting shall constitute a quorum.

Section 6 All issues to be voted on shall be decided by simple majority of those present at the meeting and absentee ballots received prior to the vote.

Section 7 Voting shall be by written ballot in person or by absentee ballot and voting by proxy shall not be permitted.

ARTICLE V: BOARD OF DIRECTORS

Section 1 The Board of Directors (the Board) shall be at least four (4) nor more than fifteen (15) members. The Board of Directors shall be elected by member ballot at the annual meeting and shall serve for a period of two years.

Section 2 The Board is responsible for overall policy and direction of the Pacific Grove Art Center, and delegates responsibility of day-to-day operations to the Executive Director and committees. The Board receives no compensation other than reimbursement of reasonable expenses.

Section 3 The activities and affairs of the corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors subject to the provisions of the California Nonprofit Public Benefit Corporation law and any limitations of the Articles of Incorporation and Bylaws relating to action required or permitted to be take or approved by the member, if any, of this corporation.

Section 4 All board members shall serve a two-year term, but are eligible for re-election for up to five consecutive terms. Renewal of a Board member's term shall be with the agreement of the Board member and approval of a majority of the membership. The term of office shall be considered to begin January 1 and end December 31 of the second year in office, unless the term is extended. Board terms shall be staggered.

Section 5 All candidates for the office of Director must be members in good standing of the corporation. Each member of the Board of Directors must actively participate as a member of at least two Standing Committees or one Standing and one Ad Hoc Committee as described in Article VII.

Section 6 Directors may be elected at any board meeting by the majority vote of the members. The election of directors to replace those who have fulfilled their term of office shall take place in the last board meeting of the calendar year.

Section 7 Vacancies shall exist on the expiration of term, dismissal, death or resignation of a Board member. The Board shall fill any office vacated for the remainder of the term.

Section 8 By a majority vote, the Board may remove a board member who misses three or more meetings in any twelve month period or who otherwise fails to promote the purposes of the corporation. The Secretary shall notify the Board member in writing of such dismissal.

Section 9 Only Board members are entitled to vote at Board meetings. No Director may vote by proxy or agent. Absentee ballots apply to General Membership meetings only.

Section 10 The Board of Directors shall hold regular meetings on a monthly basis or special meetings at such time and place as it shall determine upon reasonable notice to the Directors. A quorum shall be a majority of the Board of Directors. Board members may participate by video conferencing and telephone.

Section 11 Members of the PGAC may attend meetings of the Board with the approval of the Board of Directors but may not vote.

Section 12 Special meetings of the board may be called by the President, Vice President, Secretary, Treasurer, or any two (2) other directors. A special meeting must be preceded by at least 4 days notice to each director of the date, time and place, but not the purpose.

Section 13 Conflict of Interest:

- a. No member of the board, or of any committee, shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation with the Pacific Grove Art Center. Each individual shall disclose any personal interest, which he or she may have in another matter pending before the Pacific Grove Art Center and shall refrain from any decision on such matter.
- b. Any member of the Board, or of any committee, who is an officer, board member, committee member or staff member of a borrower organization or a loan applicant agency, shall identify his or her affiliation with such agency or agencies, further, in connection with any board action specifically directed to that agency, he or she shall not participate in the decision affecting that agency and the decision must be made and/or ratified by the rest of the full Board.

Section 14 Board members have an obligation to maintain the confidentiality of Board, corporate, employee and member information in accordance with applicable ethical and legal standards. Board members shall use confidential information only as needed to perform legitimate duties as a board member affiliated with the PGAC.

Article VI: Officers

Section 1 The elected officers shall be President, Vice President, Treasurer and Secretary. All officers must be Directors. No staff member may serve as officers.

Section 2 The officers shall perform such duties as are ordinary and customary for such officers and shall perform other duties as may from time-to-time be determined by the Board of Directors.

Section 3 The officers shall serve for one year from the time of their election, or such additional time as may be required until new officers are elected. The officers shall be elected by majority vote of the board of Directors, not later than two weeks following the Annual General Meeting of the membership. A vacancy occurring in the office of one of the elected officer shall be filled by majority vote of the Board of Directors. An elected officer may be elected for additional terms.

Section 4 The President shall be chair of the Board and preside at all regular and special meetings; appoint chairs of the standing committees, with assistance and ratification of the board; shall be an ex-officio member of all committees.

Section 5 The Vice President shall assist the President and preside in the absence of the President.

Section 6 The Secretary shall record minutes of the PGAC at any official meeting including full Board meetings and general Membership meetings; shall have charge of all minutes belonging to the PGAC and shall provide a copy of any minutes to the Board within fourteen (14) days after each meeting. The Secretary shall handle designated correspondence of the PGAC; shall keep on file assigned communication received and all assigned letters sent; shall sign the Corporate Resolution(s); shall chair

board meetings in the absence of the President and Vice President; shall give all notices required or permitted by the Bylaws.

Section 7 The Treasurer shall oversee the receiving and depositing of all monies in the bank designated by the Board in coordination with appropriate staff member(s); shall oversee that proper records of all receipts and disbursements are maintained in coordination with appropriate staff member(s), and make a monthly and annual report to the PGAC in writing. The Treasurer shall be chair of the Business and Management Committee as described in Article VII. The Treasurer shall insure that all payments are made within the budget and expenditures outside the budget shall require the approval of the Board in advance of the expenses being incurred.

Article VII: Committees

Section 1 Each Standing Committee Chair must be a member of the Board of Directors. An elected officer of the Board may be named to a Committee Chair position or a Committee Chair may be elected to the position and to the Board by a majority of the existing Board Members. Committee Chair elections shall take place in January of each year. The term of the Committee Chair shall be one year. There shall be no limits to the number of terms a Committee Chair may serve. Renewal of a Committee Chair's term shall be with the agreement of the Committee Chair and with the approval of a majority of the Board of Directors. Vacancies in a Committee Chair position shall be handled in the same manner as Article V, Section 7.

Section 2 Pacific Grove Art Center members may serve on any Committee but may not chair a Standing Committee.

Section 3 The Nominating Committee meets periodically throughout the year to:

- a. Develop and consider applications to the Board of Directors and make formal nominations to the board. The committee considers the attributes and talents needed when making additions for the board and cultivates applicants in respect to those needs.
- b. Assist in orienting new members so they will quickly become knowledgeable, contributing members.
- c. Determine the Board terms and amend the Bylaws should those terms alter from what is already established.
- d. Meet to discuss board offices, communicate with existing board officers to determine if a current office will be vacated or renewed at the annual meeting. If the office is being vacated, the Nominating Committee will consult with other board members to determine the future officer(s) replacement.
- e. The Nominating Committee chair will present a proposed slate of officers at the annual meeting for nomination and election to the Board of Directors.
- f. The president and executive director are ex-officio members of the committee.

Section 4 The Fundraising Committee meets regularly throughout the year to:

- a. Approve the annual grant calendar as well as set the strategies for fundraising efforts for the year.
- b. The committee meets consistently to plan and implement events and activities, including, but not limited to, annual appeal letter, annual report, *Tiny Treasures*, the donor appreciation event and other fundraising events as determined.

- c. Committee members will seek donations and sponsorships for fundraising efforts as well as seek and cultivate community volunteers to do the same.
- d. The president and executive director are ex-officio members of the committee.

Section 5 The Business and Management Committee meets consistently throughout the year to:

- a. Oversee the business functions of the organization providing expertise, guidance and recommending changes as needed. Regular activities include review of monthly financial statements, assigning members of the committee to serve on the audit subcommittee as needed, reviewing policy and recommending motions where policy changes are needed.
- b. The committee reviews the annual operating budget as drafted by the staff and recommends board approval.
- c. The committee also oversees personnel issues as circumstances and needs arise and recommends policy as needed for approval by the board of directors.
- d. The president and executive director are ex-officio members of the committee.

Section 6 Ad Hoc committees may be set up by the Board for special, limited or recurring events. Ad Hoc Committee Chairs are not required to be Board Members but will report to the Board. Examples of Ad Hoc Committees include but are not limited to: Submission Committee, Education Committee and Volunteer Coordination Committee.

Article VIII: Restrictions on Actions

Section 1 The Pacific Grove Art Center Incorporated is organized exclusively for charitable purposes. All the assets and earnings of the corporation shall be used exclusively for its exempt purposes, including the payment of expenses incidental thereto. No part of any net earnings shall inure to the benefit of any employee of the corporation or be distribute to its Directors, officer, or any private person, except that the Corporation shall be empowered to pay reasonable compensation for services render and make payments and distributions in furtherance of the purpose set for in Article I of these bylaws. The Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(3)(c) of the IRC, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the IRC.

Section 2 No substantial part of the activities of the corporation shall consist of lobbying or propaganda, or otherwise attempting to influence federal, state or local legislation of any type. The Corporation shall not participate in or intervene in (including publishing or distributing statements) any political campaign on behalf of or in opposition to any candidate for political office or any proposed legislation.

Section 3 The property, assets, profits and net income of the Corporation are irrevocably dedicated to charitable purposes. No part of the earnings of the Corporation shall ever inure to the benefit of any director, trustee, or officer of the Corporation, or to the benefit of any private individual, nor shall they take any action or carry on any activity by or on behalf the Corporation not permitted to be taken or carried on by an organization exempt under Section 501(c) (3) of the Internal Revenue Code of 1954 and its regulations, as they now exist or as they may hereafter be amended.

Article IX: Contracts and Liabilities

Section 1 Contracts or indebtedness made or entered into by any of the officers of the Pacific Grove Art Center Associates Incorporated shall not be valid without the previous authorization or subsequent ratification of the Board of Directors, and shall be reported to the members at the Annual Business Meeting.

Section 2 All checks, drafts or order for payment of money, notes or other evidence of indebtedness issued in the name of the corporation, shall be signed by such Officer or Officers, again or agents of the Corporation in such a manner as shall from time to time be determined by resolution of the Board of Directors, such instruments shall be signed by two (2) of the following: Treasurer, President, Executive Director or other Board member so designated by the Board of directors. Two signatures are not needed for checks issue in amounts under \$5000.

Section 3 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 of Directors may select.

Section 4 The board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or device for the general purpose or for any special purpose of the Corporation.

Section 5 No member of the Incorporation, either regular or otherwise, shall be personally liable for any debts, liabilities, and /or obligations of this Incorporation.

Section 6 The PGAC shall maintain General Liability Insurance and Directors and Officers (D&O) Insurance policies.

Article X: Indemnification and Insurance

Section 1 The Pacific Grove Art Center shall, to the maximum extent permitted by the California Nonprofit Public Benefit Corporation Law, and in accordance with that law, indemnify each of its agents against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceedings arising by reason of the fact that any such person is or was an agent of the corporation. For purposes of this section an "agent" includes any person or organization that is or was a board Member, Executive Director, employee or other agent of the corporation.

Section 2 The Corporation may, to the maximum extent permitted by California Nonprofit Public Benefit Corporation Law or the Employee Retirement Income Security Act (EIRSA), purchase and maintain insurance on behalf of any agent of the corporation against liability 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.

Article XI: Emergency Powers

Section 1 In anticipation of or during an emergency, the Board is authorized to take either or both of the following actions necessary to conduct the corporation's ordinary business operations and affairs:

- a. In the event of the incapacity of any director, officer, employee or agent resulting from the emergency, lines of succession are ranked as follows: President, Vice President, Treasurer, Secretary and Executive Director. Any two Board Members or a Board Member and the Executive Director may meet to conduct ordinary business until such time as the Board of Directors is able to convene. Meetings may be conducted by conference call or electronically. A quorum shall be defined as a majority of those able to attend.
- b. Notice of an emergency meeting may be given in any practicable manner under the circumstances, including but not limited to telephone or electronic communication.
- c. The principal office may be close until such time as the area is deemed safe. The principal office may be relocated if necessary as agreed by the available Directors and/or Executive Director.

Section 2 The acting Board may not take any action that requires the vote of the membership or is not in the corporation's ordinary course of business, unless the required vote of the membership was obtained prior to the emergency.

Section 3 Any actions taken in good faith in anticipation of or during an emergency bind the corporation and may not be used to impose liability on a corporate director, officer, employee, or agent.

Section 4 "Emergency" means any of the following events or circumstances as a result of which, and only so long as, a quorum of the corporation's board of directors cannot be readily convened for action:

- a. A natural catastrophe, including, but not limited to, a hurricane, tornado, storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, or drought, or, regardless of cause, any fire, flood, or explosion.
- b. An attack on this state or nation by an enemy of the United States of America, or upon receipt by this state of a warning from the federal government indicating that an enemy attack is probable or imminent.
- c. An act of terrorism or other manmade disaster that results in extraordinary levels of casualties or damage or disruption severely affecting the infrastructure, environment, economy, government functions, or population, including, but not limited to, mass evacuations.
- d. A state of emergency proclaimed by a governor or by the President.

Article X11: General Rules

Section 1 The fiscal year of the Incorporation shall be January 1st to December 31st each year.

Section 2 Audits shall be made at the discretion of the Board whenever they may deem it necessary in compliance with any legal requirement.

Section 3 All question of order not provided for in the bylaws shall be decided by the most recent addition of Robert's Rules of Order.

Article XIII: Dissolution

Section 1 In the event of the dissolution of the corporation, after paying or providing adequately for the debts and obligations of the corporation, the remaining assets shall be distributed to a nonprofit fund, foundation or corporation which shall be selected by the Board of Directors; which select fund(s), foundation(s) or corporation(s) shall be operating in the County of Monterey, California, for charitable or educational purposes and which has established its tax exempt status 501 (c)(3) of the Internal Revenue Code.

Article XII: Amendments

The Board of Directors may propose amendments to these Bylaws. Such amendments must be sent to all members of the PGAC a minimum of 14 days prior to a regular or special General Meeting. Approval of the proposed amendment will require a two-thirds (2/3) majority vote of those members present at that meeting of the corporation.

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Approved:

Date: November xx, 2018 @ Annual Membership Meeting

Adrienne Jonson
President of the Board of Directors

Paula Brandon
Secretary of the Board of Directors