



CALIFORNIA ASSESSORS' ASSOCIATION

**DRAFT Agenda
Meeting of the Members
of the California Assessors' Association
Wednesday, October 9, 2024
1:30 – 2:30 PM
Pismo Beach, California**

Join Zoom Meeting

<https://us06web.zoom.us/j/83686065616?pwd=mRR4bx6m2ZrjIGvRqcEW8R1aW65fqK.1>

Meeting ID: 836 8606 5616

Passcode: 586655

Dial by your location

• +1 669 444 9171 US

*indicates attachment

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|--|-------------------------|
| 1. Call to Order | Wynn |
| 2. Roll Call of Members | Duckels |
| 3. Adopt Agenda | Wynn |
| 4. Approval of Minutes | Duckels |
| a. 2023 Annual Meeting* | |
| 5. Treasurer and Finance Committee Report | Freitas |
| 6. Audit Committee Report | Ford, Zook, Stottlemire |
| 7. Nominating Committee Report | Stone |
| 8. Bylaws, Resolutions and Awards | Prang |
| a. Adoption of the Amendments to the Bylaws and Policy Manual* | |
| 9. Other Business | |
| 10. Announcements/Good of the Order | Wynn |
| 11. Adjourn | Wynn |



CALIFORNIA ASSESSORS' ASSOCIATION

2024 ANNUAL BUSINESS MEETING

President
CHRISTINA WYNN
Sacramento County
WynnC@sacounty.gov

Immediate Past President
***KRISTINE LEE**
Kings County
Kristine.Lee@co.kings.ca.us

President-Elect
JEFFREY PRANG
Los Angeles County
JPrang@assessor.lacounty.gov

Vice President
KRISTEN DEPAUL
Modoc County
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Treasurer
TARA FREITAS
Tulare County
tfreitas@tularecounty.ca.gov

Presidential Appointments

SHELLY SCOTT
Marin County
Shelly.Scott@MarinCounty.gov

MARINA CAMACHO
Monterey County
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VINCENT KEHOE
Mariposa County
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LARRY STONE
Santa Clara County
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JOHN TUTEUR
Napa County
John.Tuteur@countyofnapa.org

Regional Representatives

JOAQUIN TORRES
San Francisco County (BAAA)
joaquin.torres@sfgov.org

CHRIS WILHITE
Santa Bernardino County (CSCAA)
Chris.wilhite@arc.sbcounty.gov

KAENAN WHITMAN
Tuolumne County (NCAA)
kWhitman@co.tuolumne.ca.us

Ex-Officio/Secretary (non-voting)

STEPHEN DUCKELS
Yuba County

Committee Chairs

Standards
MARINA CAMACHO
Monterey County

Legislative
SHELLY SCOTT
Marin County

Education
VINCENT KEHOE
Mariposa County

Bylaws, Resolutions, and Award Committee Report

2024 CAA Annual Conference

Vespera Resort, Pismo Beach, CA

October 9, 2024

FROM: Bylaws, Resolutions, and Awards Committee

CHAIR: Jeffrey Prang

DATE: 10/09/2024

SUBJECT: Adoption of proposed Bylaws (Effective January 1, 2025)

RECOMMENDED ACTION(S): Adopt proposed Bylaws effective for January 1, 2025

BACKGROUND/DISCUSSION:

The Bylaws, Resolutions, and Awards Committee received approval to retain Best Best and Krieger on May 1, 2024 to provide a secondary review of the proposed Bylaws and Policy Manual. The service specifically consisted of an in-depth review of proposed Bylaws article 2 paragraph 2.09 – Discipline and to provide a detailed assessment of the language, intent, and implications of the proposed rules governing the conduct of CAA membership and leadership; an in-depth review of proposed Policy Manual article 9 – Duty of Loyalty, to see whether this duty is aligned with the current legal standards and best practices for organizational governance and leadership conduct; and, to provide proposed amendments to both articles.

The Bylaws, Resolutions, and Awards Committee met on July 16, 2024 and reviewed and approved the final draft language for the proposed Bylaws article 2, paragraph 2.09 - Discipline, and proposed Policy Manual article 9 – Duty of Loyalty.

Per Bylaws article XV. Amendments, the proposed amendments to the Bylaws shall be submitted to the Executive Committee at least forty-five (45) days prior to the Annual Business Meeting. The Executive Committee may make recommendations upon the proposed amendments to the members prior to the Annual Business Meeting. Amendments shall be the first order of business at the Annual Business Meeting. Copies of proposed amendments shall be delivered to each member by the Association Secretary at least thirty (30) days before the date of the Annual Meeting and the Bylaws may be amended by a majority vote of the members of the Association. Any and all amendments become effective upon adoption by the Association.

Correspondence from the committee was provided via email to all members on July 31, 2024. The Executive Committee met on August 8, 2024 to review and discuss the proposed Bylaws and Policy Manual. No recommended changes were suggested from the Executive Committee.

A copy of the proposed Bylaws and Policy Manual was emailed to all members on August 21, 2024. The timing met the 45-day and 30-day advance notification requirements. The Bylaws, Resolutions, and Awards Committee believe the proposed Bylaws are now ready for adoption and implementation for an effective date of January 1, 2025.

BYLAWS
OF THE
CALIFORNIA ASSESSORS' ASSOCIATION
PROPOSED AUGUST 2024

Article I. NAME, PRINCIPAL OFFICE, PURPOSE, AND RESTRICTIONS

1.01 Name. The name of the Association is California Assessors' Association ("Association" or "CAA"), a California nonprofit mutual benefit corporation.

1.02 Principal Office. The Board of Directors ("Board") shall determine the location of the principal office of the Association.

1.03 Mission. The mission of the Association is to promote the interests of California Assessors.

1.04 Restrictions. All policies and activities of the Association shall be consistent with applicable federal, state, and local antitrust, trade regulation laws and other legal requirements, including the California Nonprofit Corporation Law under which the Association is organized and operated, and applicable tax-exemption requirements.

Article II. MEMBERS

2.01 Membership Qualifications. Membership in the Association is extended to persons who meet the requirements set forth by the Board of Directors.

2.02 Regular Membership. There shall be a class of members called Regular Members. A member is anyone who, by operation of law, is performing the duties as a California Assessor in one of the 58 counties. Additional qualifications regarding eligibility for status as a Regular Member may be established by the Board of Directors.

2.03 Retired Membership. There shall be a class of members called Retired Members. Any individual who is a former California Assessor, for any length of time, may be eligible for status as a Retired Member.

2.04 Honorary Membership. There shall be a class of members called Honorary Members. Persons who have made distinctive contributions to the advancement of the Association, as determined by the Board of Directors, may be considered for and granted honorary member status.

2.05 Membership Restrictions. [Reserved].

2.06 Member in Good Standing. A member in good standing is one who has paid current dues and assessments, has no other outstanding obligations to the Association, and who has not been found by the Association to be in violation of membership conditions and requirements established by the Association.

2.07 Member Obligation to Follow Association Rules. Each member of this Association agrees to be bound by these Bylaws and any amendments thereto, and by the lawful actions of the Board and/or duly constituted committees of the Association.

2.08 Termination. A membership shall be considered terminated whenever the Board, or a committee or person authorized by the Board, in good faith determines that any of the following events have occurred: (a) resignation of member, on reasonable notice to the Association; and (b) a member is no longer performing the duties as an elected or appointed California Assessor in one of the 58 counties.

2.09 Discipline. A member may be publicly reprimanded, fined, suspended, or terminated for cause by the Board. Cause shall include a failure, in serious degree, to (1) observe the Association's rules of conduct as prescribed by the Board in these Bylaws or otherwise, (2) to comply with applicable law, or (3) to engage in any conduct which is deemed by the Board contrary or prejudicial to the interests and/or purposes of the Association. The discipline shall occur only after the member has been given a fifteen-day prior written notice of the proposed discipline and the reasons therefor. The notice shall also advise the member of the member's opportunity to be heard, orally or in writing, not less than five days before the effective date of the discipline by the Board. The Board shall determine whether cause exists and the appropriate discipline, if any. The Board may adopt procedures regarding the consideration and review of any proposed discipline.

The Board is not required to follow the above procedure when imposing lesser discipline such as private reprimand.

2.10 Member Liability. No member of the Association shall be personally or otherwise liable for any of the debts or obligations of the Association.

Article III. DUES

3.01 Dues. The Board shall set dues and fees, make assessments, and set the terms of payment.

3.02 Delinquency. Any member of the Association who is delinquent in dues, fees or assessments may not vote at a regular or special meeting of the members.

3.03 Refunds. No dues will be refunded except as approved by a two-thirds vote of the Board of Directors or its designee, in its sole and final discretion.

Article IV. MEMBERSHIP MEETINGS

4.01 Annual Membership Meeting. The Association shall hold an annual meeting of the Membership at the place and on the date that the Board determines. At the annual meeting, Directors shall be elected, the Board shall report the activities of the Association to the members, and other business shall be transacted as may be properly brought before the meeting.

4.02 Special Meetings. The President or a majority of the Board may call special meetings of the Regular Membership.

4.03 Notice. The Board must give Association members reasonable notice of all annual and special meetings. The notice shall include a description of the business to be discussed and shall be given at least 10 days (but not more than 90 days) before the meeting. Under special circumstances, 48-hour notice is permitted when 100% of members waive the notice requirement.

4.04 Quorum, Voting. The Members present at a properly noticed Membership Meeting constitutes a quorum. Whenever a quorum is present, an act or decision made by a majority of the members is a valid act or decision. Proxy voting is not permitted at any meeting.

4.05 Action Without a Meeting: Written Ballot. Any action which may be taken at a meeting of the members may be taken by conforming to the mail balloting procedure specified in the California Nonprofit Corporation Law.

Article V. BOARD OF DIRECTORS

5.01 Board of Directors. The Board is the governing body of the Association and has authority and is responsible for the supervision, control, and direction of the Association.

5.02 Eligibility and Number of Directors. The authorized number of Directors of the Association shall be thirteen (13) until changed by an amendment of the Bylaws, by the vote or written assent of members entitled to exercise a majority of the voting power of the Association, or by the vote of a majority of a quorum at a meeting of members duly called pursuant to the Bylaws. All Directors must be members of the Association.

The Board shall consist of the President, President-Elect, Vice-President, Treasurer, Secretary, Immediate Past President, four (4) assessors appointed by the President and one (1) assessor selected by and from each of the Regions, hereinafter known as Regionally-Selected Directors. In the event the position of Immediate Past President is not filled by the prior year's President, the number of Presidential appointments shall be five (5) assessors.

5.03 Compensation. Directors and other volunteer leaders shall receive no financial compensation for their services but shall be eligible for reimbursement of reasonable and necessary expenses incurred on behalf of this Association by that volunteer leader in accordance with rules and procedures established by the Board.

5.04 Election and Term of Office. At each annual meeting of the Association an election is held to elect new members of the Board to replace those whose terms are expiring. The Board of Directors may establish written rules and procedures for nominating candidates for officer and director positions.

Only the President-Elect, Vice-President, Treasurer, Secretary, and Regionally-Selected Directors shall be elected. The President-Elect, Vice-President, Secretary, and Treasurer shall be elected by a majority of the members at the Annual Membership Meeting. The Regionally-Selected Directors shall be elected by a majority vote of the members within a Region.

The President of the Association shall be filled automatically by the President-Elect after serving to the end of the year as President-Elect. If the President-Elect Office is vacant, the office of the President shall be elected by a majority of the members at the Annual Membership Meeting. The Immediate Past President Office shall be filled automatically by the President after serving to the end of the year as President. If the Immediate Past President Office is vacant, for any reason, the Board may fill the Office in accordance with these Bylaws.

The newly elected Directors shall take office on the first day of the following calendar year and serve up to and including the last day of the same calendar year, or until their respective successor is elected and installed.

5.05 Vacancies. If a vacancy occurs on the Board for any reason, the Board may fill the unexpired portion of the term.

5.06 Meetings. The President, President-Elect, Vice-President, Treasurer, Secretary or any two Directors may call meetings of the Board. The Board shall hold its annual meeting at the time and place it selects and shall hold other meetings each year at the time and place it selects.

5.07 Notice. The Board may hold regular meetings without notice if the time and place of such meetings is fixed by the Board. The Board may hold special meetings upon four days' notice by first class mail or 48 hours' notice delivered personally or by telephone, email, facsimile, or similar electronic communication. Notice may be waived if approved in writing by all Members of the Board of Directors, for a meeting with less notice than required by these Bylaws.

5.08 Quorum, Voting. A majority of the directors then in office shall be necessary to constitute a quorum of the Board. Proxy voting is not permitted at any meeting.

5.09 Board Action. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board. The Board may adopt rules and regulations which may supplement and interpret these Bylaws and shall be binding and enforceable as to members, Directors, and officers.

5.10 Meeting Attendance. The office of any elected Director, who shall be absent without excuse (an unexcused absence shall be defined as any absence for any reason other than for death in the family or participation in Association business) from three regular meetings of the Board of Directors per year, may be declared vacant by the Board of Directors.

5.11 Conduct of Meetings. The Board shall adopt and adhere to an appropriate parliamentary procedure in the conduct of its meetings.

5.12 Meeting by Conference Call or Other Electronic Means. Members of the Board may participate in a meeting through use of conference telephone, electronic video screen communication, or other communication equipment if all of the following apply: (1) each member can communicate with all of the other members concurrently; (2) each member is provided with a means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection, to a specific action to be taken; (3) a means of verification is adopted and implemented by the corporation as to both of the following: (a) the person communicating by electronic means is entitled to participate in the Board meeting and (b) all statements, questions, actions, or votes were made by that person and not by another not entitled to participate.

5.13 Action by Unanimous Written Consent Without a Meeting. Any action required or permitted to be taken by the Board under any provision of law may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action in the manner specified in the California Nonprofit Corporation Law.

Article VI. OFFICERS

6.01 Officers. The officers of the Association shall be a President, President-Elect, Vice President, Treasurer, Secretary and, if applicable, an Executive Director.

6.02 Qualifications. With the exception of the Executive Director, each officer shall be a Regular Member.

6.03 Election and Term of Office. With the exception of the Executive Director, President, and immediate past president, the officers shall be elected by the Members at the Annual Membership Meeting.

6.04 Duties. The officers perform those duties that are usual to their positions and that are assigned to them by the Board, including those duties that are set forth in the position descriptions for each officer as adopted by the Board from time to time. In addition, the President acts as Chair of the Board; and the President-Elect acts in place of the President when the President is not available.

Article VII. EXECUTIVE COMMITTEE

7.01 Composition. The Executive Committee shall consist of the Officers. The President shall serve as Chair of the Executive Committee. The Executive Director shall not have voting rights on the Executive Committee and is not a member of the Board of Directors.

7.02 Authority. The Executive Committee shall act in the place and stead of the Board between Board meetings on all matters except those specifically reserved by the Board. The

Executive Committee shall report its actions to the Board no later than the next meeting of the Board.

Article VIII. OTHER COMMITTEES

8.01 Other Committees. The Board may form, revise, or terminate other committees on such terms and conditions as it deems to be appropriate.

Article IX. REGIONS AND AFFILIATES

9.01 Regions. Regions are a compilation of California Assessors within a specific geographic area within California. The Board may establish, modify, or terminate Regions, and create written rules and criteria for the establishment and maintenance of a Region.

9.02 Affiliates. Affiliates are authorized subsidiary, but separately incorporated, organizations of CAA. The Board may establish, modify, or terminate Affiliates, and create written rules and criteria for the establishment and maintenance of an Affiliate.

Article X. INDEMNIFICATION AND INSURANCE

10.01 Indemnification. To the fullest extent permitted by the law, the Association shall defend, indemnify, and hold harmless any agent against any claim arising out of any alleged or actual action or inaction in the performance of duties performed in good faith on the Association's behalf. "Agent" for this purpose shall include representatives, Directors, officers, and employees.

10.02 Insurance. The Association may purchase and maintain insurance to the full extent permitted by the law on behalf of its agents against any liability asserted against or incurred by the agent in such capacity arising out of the agent's status as such.

Article XI. EMERGENCY ACTION

11.01 Emergency Action. The Board of Directors or Executive Committee of this Association may, to the full extent of and in the manner permitted by Corporations Code Sections 7140 and 7151, take actions and conduct business as may be necessary to protect the interests of the Association and its membership in the event of an emergency. A written record of all actions taken will be maintained during the emergency period, and all such actions shall be subject to review by the Association, in its sole discretion, upon conclusion of the emergency.

Article XII. AMENDMENT OF BYLAWS

12.01 Amendment of Bylaws. These Bylaws may be amended by a two-thirds vote of the Board, provided that certain amendments to the Bylaws specified in the California Nonprofit Corporation Law, including those that materially and adversely affect the rights of members or

change the authorized number of Directors, must be approved by a majority vote of the members.

12.02 Membership Voting. Proposed amendments that materially and adversely affect the rights of members or change the authorized number of Directors must be delivered to the members at least thirty (30) days prior to the vote by membership, either by ballot or at a meeting.

**CALIFORNIA ASSESSORS'
ASSOCIATION**

BOARD OF DIRECTORS

**Policy Manual
Proposed
September 2023**

This California Assessors' Association Policy Manual is a collection of the policies and procedures of California Assessors' Association (hereinafter "Association" or "CAA"). It is intended for use by CAA Board members, leaders, and staff. These policies also apply to any and all subsidiaries of CAA.

In addition to the policies set forth in this Policy Manual, the provisions of CAA Bylaws and the Protocol shall also be considered CAA policy and are subject to change.

Periodically, revisions, additions, and/or deletions to the Policy Manual are approved by the Board of Directors. When this occurs, certain materials in this Manual may be outdated until its next publication. When in doubt, contact CAA staff with questions about CAA policy.

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Article 1: General Policies

Section 1: Purpose

The purpose of the ASSOCIATION shall be to: promote cooperation of the Assessors of California in matters of mutual interest and responsibility; promote improvement of assessment procedures for the public good; promote improvement in the assessment laws of the State of California for the public good; collaborate with the State Board of Equalization (BOE) and California Department of Tax and Fee Administration (CDTFA); collaborate with the International Association of Assessing Officers (IAAO), the California State Association of Counties (CSAC), and other organizations as approved by the Board; coordinate with the California County Assessors' Information Technology Authority (CCAITA) for the development of statewide assessor technology solutions; and, facilitate the effective operation of the affiliate organizations.

Section 2: Fiscal Year

For all purposes the "fiscal year" of CAA shall be the calendar year, from January 1 to and including December 31.

Section 3: Regions

The 58 counties are divided into three geographic regions and referred to as Regions:

The NORTHERN CALIFORNIA ASSESSORS' ASSOCIATION (NCAA) shall be comprised of Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Nevada, Placer, Plumas, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Tuolumne, and Yuba Counties.

The BAY AREA CALIFORNIA ASSESSORS' ASSOCIATION (BAAA) shall be comprised of Alameda, Contra Costa, Marin, Monterey, Napa, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, and Yolo Counties.

The CENTRAL-SOUTHERN CALIFORNIA ASSESSORS' ASSOCIATION (CSCAA) shall be comprised of Fresno, Imperial, Inyo, Kern, Kings, Los Angeles, Madera, Merced, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Stanislaus, Tulare, and Ventura Counties.

Regions must comply with CAA bylaws, policies, and Board actions.

Section 4: Legislative Positions

CAA shall follow the following procedure for taking formal positions on Legislative activities:

1. The Legislative Committee shall review and prepare a report for the Board on any proposed positions for legislation related to CAA's mission and purpose.
2. The Board shall review the Legislative Committee's report. A majority vote of the Board approving the proposed formal and public position regard the legislation shall initiate the

following procedures. A Board vote denying the proposed position shall prevent adoption of any formal position on the legislative action.

3. The Board shall initiate ballot voting procedures for the Membership. The vote shall be in regard to adopting the formal position recommended by the Legislative Committee and Board.
4. Ballots shall contain the report from the Legislative Committee.
5. The quorum for such ballots shall be in accordance with CAA bylaws.
6. If the recommended position is approved by the Members, CAA may adopt the formal position. If the recommended position is denied by the Members, CAA shall not adopt a formal position.

Article 2: Membership

Section 1: Annual Conference Fees

The Conference Committee shall recommend Annual Conference registration fees to the Board for approval at least sixty (60) days prior to the Annual Conference. Retired and Honorary members are exempt from registration fees.

Section 2: Use of Association Name

No member, retired member or honorary member of the Association shall, by inference or otherwise, directly or indirectly, misuse or abuse the name of the Association or the members' connection therewith; nor shall any member imply or cause others to imply that the Association will sponsor or be responsible for any written article, statement, report, policy or practice of any member or firm, association, corporation or the government agency by which said member is employed or is associated. Any member who desires to use the Association name in connection with any personal endeavor shall first receive written authority from the Board.

Article 3: Board of Directors

Section 1: Board Composition

The composition of the Board shall be as set forth in the Bylaws of CAA.

Section 2: President

The president of the Association shall preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him or her by the Board or prescribed by the Bylaws.

Committees. The President shall appoint Committee Chairs, and any Committee members, with approval of the Board.

Appointments. The President shall make all appointments, except those appointments specifically named in the Bylaws.

Spokesperson. The President shall be the official spokesperson for CAA and approve all correspondence and expressions of CAA policies and determinations.

CCAITA. The President shall serve as a Director of the CCAITA.

Section 3: President-Elect

The President-Elect shall perform the duties of the President in the event of the current President's inability to carry out his or her duties. In the event the office of President becomes vacant, assume the office of President;

Committees. The President-Elect shall chair the Bylaws, Resolutions, Policies and Awards Committee; be a member of the Finance Committee; and be a member of the Legislative Committee.

The President Elect shall keep the seal of the Association in safe custody.

Section 4: Vice President

The Vice President shall be a member of the Education Committee, the Standards Committee; the Finance Committee; and the History and Preservation Committee.

Section 5: Secretary

The Secretary of the Association shall designate and maintain the official repository of all official records of the Association and attend to the following:

Book of agendas and minutes. The Secretary shall keep or cause to be kept, at a place as the board of directors may direct, a book of minutes of all meetings and actions of directors, and members, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, the number of members present or represented at members' meetings, and the proceedings of such meetings. Such records may be kept or stored electronically. The Secretary shall submit, or cause to be submitted, meeting materials including but not limited to agendas and meeting minutes to the members and the board of directors at least one week prior to the annual business meeting of the members and at all regular meetings of the board of directors. Such records may be kept or stored electronically.

Membership records. The Secretary shall keep, or cause to be kept as determined by resolution of the board of directors, a record of the Association's members, showing the names of all members and their contact information. Such records may be kept or stored electronically.

Notices and other duties. The Secretary shall give, or cause to be given, notice of all meetings of the members and of the board of directors required by the bylaws to be given.

The Secretary may delegate the electronic maintenance of these records to administrative staff of the Association but is ultimately responsible for such maintenance.

Section 6: Treasurer

The treasurer of the Association (the "Treasurer") shall attend to the following:

Books of account. The Treasurer shall keep and maintain, or **cause to be kept and maintained**, adequate and correct books and records of accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any director at all reasonable times. The Treasurer shall submit a financial report(s) to the members and the board of directors at the annual business meeting of the members and at all regular meetings of the board of directors. Such records may be kept or stored electronically.

Deposit and disbursement of money and valuables. The Treasurer shall deposit, or cause such deposits, all money and other valuables in the name and to the credit of the Association with such depositories as may be designated by the board of directors; shall disburse the funds of the Association as may be ordered by the board of directors; shall render to the president and directors, whenever they request it, an account of all of his or her transactions as treasurer and of the financial condition of the Association; and shall have other powers and perform such other duties as may be prescribed by the board of directors or the bylaws.

Budget. In conjunction with the President, shall submit an annual budget for approval by the Board.

Tax filings. In conjunction with the President, the Treasurer, or its designee shall prepare and file any and all required tax filings in a timely manner. With approval of the Board, the Treasurer may engage outside professionals to prepare the required tax filings.

The Treasurer may delegate the electronic maintenance of these records to administrative staff of the Association but is ultimately responsible for such maintenance.

CCAITA. The Treasurer shall serve as a director of CCAITA.

Section 7: Executive Director or Association Management

At the discretion of the Board, an Executive Director or Association Management Company (“AMC”) may be employed or contracted. Under this employment or contract, an evaluation of the Executive Director or AMC will be performed by members of the Board or other persons selected by the Board prior to the end of the year meeting. The result of the evaluation will be shared with the Board for review.

Article 4: Committees

Section 1: General Policies

The Board will establish committees and the President shall appoint Committee Chairs as necessary, with a majority vote approval required. All committee Chairs will maintain minutes for all committee meetings.

Section 2: Functions

Committees will conduct investigations, hold hearings, make recommendations to the Board, and carry out such activities as may be delegated to them by the Board. They will report their progress and results of their assigned activities to the Board. Each Committee Chair is directly accountable to the Board for coordination, performance, or assistance.

Section 3: Composition

Members in good standing re eligible as committee members. Staff of Members in good standing may be non-voting members of subcommittees, ad hoc committees, and affiliate groups, but not standing committees

Section 4: Quorum

At all committee meetings, including the Executive Committee, a majority will constitute a quorum. Proxy voting is not permitted at any committee meeting. No quorum requirement is provided for subcommittee meetings.

Section 5: Appointment

The President shall appoint all committee members subject to a majority vote of the Board. Committee Chairs may appoint a vice-chair and/or a secretary who may be a staff member of the Committee Chair, upon approval of the Board.

Section 6: Meetings

Committees shall each meet as necessary or as specified in the Bylaws. The agenda and related material (including but not limited to minutes, subcommittee reports, action items etc.) for all committee meetings, except for special meetings, shall be sent to all assessors at least one week before the meeting. The chair of each Committee shall prepare a written or oral report of committee activities at the next Board meeting.

Section 7: Standing Committees

Standing committees of the Association include the Executive Committee; Standards Committee; Legislative Committee; Annual Conference Committee; Bylaws, Resolutions, and Awards Committee; Finance Committee; Education Committee; Information Technology Committee; History and Preservation Committee; Audit Committee; and Nominating Committee. Other committees may be created by the Board.

Section 8: Committee Duties

1. *Standards Committee.* The Standards Committee consists of nine (9) members appointed by the President including a Chair.

Duties. The duties of the Standards Committee are:

- a. To formulate and standardize assessment procedures;
- b. To promote, in cooperation with the BOE, uniformity in procedures and form;
- c. To report, through the Chair, all recommendations of the committee to the

- Board for official action;
- d. If requested by the Board, the Chair will represent the Association at BOE Interested Parties Meetings, Taxpayer Rights Hearings and other public hearings as needed to advocate for the efficient administration of fair and equitable assessment procedures, rules and regulations;
- e. To establish subcommittees and ad hoc committees, designate Chairs, and appoint committee members;
- f. To provide direction and assistance, assign projects as needed, and receive regular reports from the respective Standards subcommittees and ad hoc committees.

2. *Legislative Committee.* The Legislative Committee consists of nine (9) members appointed by the President including a Chair.

Duties. The duties of the Legislative Committee are:

- a. To review and track legislation that is deemed to have an impact on the Assessor's role in administration of the property tax program;
- b. To develop legislative proposals for review, consult with relevant committees and provide recommendation to the Board;
- c. To establish temporary subcommittees and ad hoc committees, designate a Chair, and appoint committee members;
- d. The Chair shall, under the general direction of the Board, represent the position of the Association on matters pertaining to legislation.

3. *Annual Conference Committee.* The Annual Conference Committee consists of five (5) members: the Chair appointed by the President, the current year's Annual Conference host assessor, the next year's Annual Conference host assessor, the Association Treasurer, and one assessor appointed by the Conference Committee Chair. The Treasurer of CAA serves ex-officio as a member of the Conference Committee.

Duties. The Annual Conference Committee shall:

- a. Recommend to the Board of Directors proposed dates and location of the Annual Conference as soon as the information is available. The recommendation shall become official when approved by the Board. The Chair shall notify the members of the registration fees at least 60 days prior to the Annual Conference;
- b. Be responsible for ensuring conference arrangements comply with the "Protocol, California Assessors' Association" (Protocol).

4. *Bylaws, Policies, Resolutions, and Awards Committee.* The Bylaws, Policies, Resolutions, and Awards Committee consists of five (5) members: the President-Elect who serves as Chair, one member appointed by the President-Elect with the approval of the President, and a member selected by and from each of the Regions.

Duties. The duties of the Bylaws, Policies, Resolutions, and Awards Committee are:

- a. To prepare, review and make recommendations on all Bylaws and Policy changes;
 - b. To secure, prepare and arrange for the presentations of resolutions and awards on behalf of the President.
5. *Finance Committee.* The Finance Committee consists of seven (7) members: the Treasurer, who serves as Chair, the President-Elect, the Vice-President, one member appointed by the President (such member shall not be a member of the Board), and one member selected by and from each of the Regions.

Duties. The duties of the Finance Committee are to prepare an annual budget, determine the annual dues of the Association members, and review insurance coverage and policy cost. The budget, dues, and CAA insurance for the year shall be presented and adopted by the Board at the prior year's year-end meeting, or no later than January 1st of the current year. Special funds may be established for any purpose consistent with the stated objectives of this organization and shall be administered by the Finance Committee as directed by the Board. Special funds shall include all grants and gifts of every kind or any monies set aside by the Association for a specific purpose.

6. *Education Committee.* The Education Committee consist of seven (7) members: a Chair appointed by the President, the Vice-President, two members selected by the Vice President with approval of the President, and one member selected by and from each of the Regions.

Duties. The duties of the Education Committee shall be to administer educational programs adopted by the Board and to function as the advisory committee to the BOE as described in California Revenue and Taxation Code Section 670, et seq. The Chair shall serve as liaison to the California Assessors' Administrative Services Association (CAASA).

7. *Information and Technology Committee.* The duty of the Information Technology Committee is to promote business efficiency and effectiveness through technological solutions. The Chair is appointed by the President.

8. *History and Preservation Committee.* The History and Preservation Committee consists of a minimum of five (5) members: The Chair (Historian), appointed by the President, the Vice-President, and one member selected by and from each of the Regions.

Duties. The duties of the History and Preservation Committee are to administer and preserve the history and records of the Association as directed by the Board. A records retention schedule adopted by the Board serves as the guideline and policy statement for managing CAA records. Keep a listing of all honorary members.

9. *Audit Committee.* An Audit Committee is annually appointed by the President to serve during the period of his/her term and consists of one member by and from each of the Regions.

Duties. The duties of the Audit Committee are to conduct an audit of the financial and accounting records of the Association prior to the Annual Business Meeting and at such other times as directed by the Board. The Audit Committee submits a written report during the Annual Business Meeting, or otherwise as required, summarizing its findings relative to the overall condition of the accounting records and financial status of the Association.

10. *Nominating Committee.* The Nominating Committee consists of past-presidents still serving and the current president of the Association. The Chair shall be the assessor who, among all the members of the committee, was the first to serve as CAA President.

Duties. The duties of the Nominating Committee are to select and nominate members to the positions of Treasurer, Secretary, Vice-President, and President-Elect of the Association. The Nominating Committee presents its slate of nominees at the Annual Business Meeting of CAA or a special meeting of CAA called by the President to fill a vacancy(ies) of an officer(s) of the Association.

Article 5: Elections

Section 1: Nominations and Voting.

At the Annual Business Meeting, the Chair or designated member of the Nominating Committee shall present the slate of nominees for officers of the Association for the following year. The President then asks if there are additional names to be placed in nomination from the floor at that time by any member who has paid his or her current dues. Only members who have paid their current dues shall be eligible to vote or hold office in the Association.

Section 2: Contest

In the event of a contest, the election shall be by written ballot. The President shall appoint three members as tellers who shall conduct the election, tabulate the ballots, and report the results to the Association. The nominees receiving the highest number of votes for each office shall be elected. The tellers will so certify in writing to the Secretary of CAA.

If the validity of the election of any officer of the Association is challenged in writing by five (5) or more members of CAA in communications addressed to the President and/or the Board of Directors of the Association within thirty (30) days of the date of the election in question, the Board shall delegate to a three person arbitration board with the responsibility of determining whether or not the questioned election was valid. (One member shall be selected by the challengers, one by those who support the results of the election, and the third to be selected by the first two members.) In the event that the challenged election is found to be invalid by the arbitration board, the President shall call for a new election. This election may be conducted by calling a special meeting of the Association as a whole or by mail ballot. The nominating process in such an event shall be determined by the Board.

Article 6: Meetings

Section 1: Audio and Video Recordings of Meetings

It is the policy of CAA that no audio, video or other form of recording of any meeting (including but not limited to informal meetings and gatherings, task forces, committees and subcommittee meetings) of the Association be permitted other than as may be authorized by the Board of Directors, in its sole discretion, by a majority vote of the Board. In the event that a recording of a meeting is authorized, said recording shall be destroyed upon approval of the minutes of the meeting or one hundred (100) days, whichever is sooner, unless prohibited by law, court order, or written directive of the Board of Directors.

Section 2: Voting

Votes may be cast, either orally, by conference call, by roll call vote of the participating members, in writing in accordance with the bylaws, as deemed appropriate at or during any such meeting.

Section 3: Rules of Order

Generally, all meetings will be conducted under the rules for meetings in Rosenberg's Rules of Order, the exception(s) being those enumerated and listed in the Protocol and when Rosenberg's Rules are silent, Roberts Rules of Order apply. Certain fundamental elements of customary procedure, decorum, and tradition associated with specified events, activities, and functions of the Association have been developed and fostered over time. Collectively, this assemblage of practical guidelines is referred to as the Protocol. The Protocol is hereby acknowledged and affirmed as the proper repository and source for such additional detail and instruction as may not otherwise be contained within or subject to these Bylaws. A Past President, appointed annually by the President, shall keep and maintain the Protocol. Amendments to the Protocol require approval of the Board.

Article 7: Affiliates

Section 1: Creation

Affiliate Organizations ("Affiliate") are required to be approved subgroups of the Association. All Affiliates will be represented by an Assessor who will act as Liaison (the "Assessor Liaison") between the Affiliate and CAA. Each Assessor Liaison will provide a summary report to their controlling committee at each meeting.

Section 2: Reporting

Affiliates must report an annual list of the officers to the appointed Assessor Liaison and CAA webmaster by January 1 each year; provide copies of agendas and final meeting minutes to the Assessor Liaison and CAA Webmaster within 30 days of approval; annually provide a statement of the financial condition of the Affiliate to the CAA Treasurer. This statement shall include but not be limited to, total income, expenses, net income or (loss) and beginning and ending bank account balances.

Failure to report may result in termination of Affiliate status by a vote of the Board of Directors of CAA.

Section 3: Bylaws

Affiliates must comply with all CAA bylaws, rules, and policies. Affiliate Bylaws must be provided and approved by CAA prior to adoption and/or amendment.

Article 8: Corporate Records

Section 1: Minute Book

The Association shall keep a minute book in written form which shall contain a record of all actions by the Board or any committee including (i) the time, date and place of each meeting; (ii) whether a meeting is regular or special and, if special, how called; (iii) the manner of giving notice of each meeting and a copy thereof; (iv) the names of those present at each meeting of the Board or any Committee thereof; (v) the minutes of all meetings; (vi) any written waivers of notice, consents to the holding of a meeting or approvals of the minutes thereof; (vii) all written consents for action without a meeting; (viii) all protests concerning lack of notice; and (ix) formal dissents from Board actions.

Section 2: Books and Records of Account

The Association shall keep adequate and correct books and records of account. "Correct books and records" includes, but is not necessarily limited to: accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains, and losses.

Section 3: Articles of Incorporation and Bylaws

The Association shall keep at its principal office, the original or a copy of the Articles of Incorporation and Bylaws as amended to date.

Section 4: Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

The Association shall at all times keep at its principal office a copy of its federal tax exemption application and, for three years from their date of filing, its annual information returns. These documents shall be open to public inspection and copying to the extent required by the Code.

Section 5: Annual Report; Statement of Certain Transactions

The Board shall cause an annual report to be sent to each Director within 120 days after the close of the Association's fiscal year containing the following information:

- a) The assets and liabilities of the Association as of the end of the fiscal year;
- b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- c) The revenue or receipts of the Association, both unrestricted and restricted to particular purposes, for this fiscal year;
- d) The expenses or disbursements of the Association for both general and restricted purposes during the fiscal year;
- e) A statement of any transaction (i) to which the Association, its parent, or its subsidiary was a party, (ii) which involved more than \$50,000 or which was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (iii) in which either of the following interested persons

had a direct or indirect material financial interest (a mere common directorship is not a financial interest):

- (1) Any Director or Officer of the Association, its parent, or its subsidiary;
- (2) Any holder of more than 10% of the voting power of the Association, its parent, or its subsidiary.

The statement shall include: (i) a brief description of the transaction; (ii) the names of interested persons involved; (iii) their relationship to the Association; (iv) the nature of their interest in the transaction, and; (v) when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

Section 6: Directors' Rights of Inspection

Every Director shall have the absolute right at any reasonable time to inspect the books, records, and physical properties of the Association and each of its subsidiaries. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of such books and records.

Article 9: Duty of Loyalty

Section 1: Definitions

It is the policy of the California Assessors Association (CAA) and its subsidiaries and subdivisions that all Directors, Officers, Committee Chairs and Committee/Task Force/Work Group members (hereinafter "Leaders") owe a duty of loyalty to CAA and is obligated to act in a manner the Leader reasonably believes to be in the best interests of CAA and its members. This duty of loyalty is in accordance with California law relating to corporate fiduciary duties.

The duty of loyalty includes a duty not to act in the Leader's own self-interest or the interest of any other entity when the interests of the corporation will be damaged thereby. Duty of loyalty applies even though the members of the Board may also serve on subsidiary bodies or groups that make up the constituent element of the corporation.

In accordance with these duties, the following rules apply to all CAA Leaders:

1. CAA Leaders should support, both privately and publicly, the lawful decisions and policies of CAA, even if the Leader personally disagrees with those decisions and/or policies. CAA Leaders may freely and vigorously argue in favor of their positions and perspectives during debate of those matters at Board meetings but should support CAA positions and policies once they are adopted by CAA. If a CAA Leader does not personally support a CAA position or policy, they shall not publicly indicate directly or indirectly that they are speaking for or on behalf of CAA when doing so.
2. CAA Leaders should not publicly criticize or express reservations or concerns about a CAA decision, position, or policy other than during a duly convened CAA Board meeting (for issues relating to CAA decisions, positions or policies) or committee meeting (or issues relating to CAA committee decisions, positions or policies). CAA Leaders are not expected to change their personal beliefs, positions, or perspectives about any issue. If a CAA Leader does not personally

support a CAA decision, position, or policy, they shall not publicly indicate directly or indirectly that they are speaking for or on behalf of CAA when doing so.

3. CAA Leaders shall disclose to the Board situations in which the Leader is expected by another entity, to support a position adopted by that entity. This disclosure is intended to make the Board aware of the positions of other entities, and the reasons for those positions. Recusal may be appropriate depending on the situation.

4. CAA Leaders that fail to abide in this policy are subject to reprimand, disciplinary action or removal or disqualification to serve as a CAA Leader by the Board. CAA Leaders that cannot in good conscience abide in this Policy should consider resigning from their CAA office.

5. As is the case with all CAA policies, this policy is applicable to all CAA Leaders regardless of whether they are aware of it or have affirmed it in writing.

Section 2: Corporate Opportunity Doctrine

CAA Leaders are bound by California's "Corporate Opportunity Doctrine" which provides that if aware of an opportunity that may be of interest or benefit to CAA, the Director must disclose that opportunity to CAA and provide CAA the first right to take advantage of the opportunity.

Section 3: Conflicts of Interest

Conflicts of interest shall be handled in accordance with CAA's Conflict of Interest Policy.

Article 10: Conflicts of Interest

Section 1: Purpose

The purpose of the conflicts of interest policy is to protect CAA's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of CAA 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 conflicts of interest.

Section 2: Definitions

Most people think of a conflict of interest as referring to a financial conflict of interest. In fact, conflicts of interest can relate to financial matters, personal and family matters, and business interests. A conflict of interest occurs when an individual (or an entity) serving in a leadership capacity has material interests that may not be fully aligned with those of CAA. Examples of conflicts of interest include, among many others, the following:

- a. The CAA Leader has an ownership or investment interest in any entity with which CAA has a transaction or arrangement,
- b. The CAA Leader has a compensation arrangement with CAA or with any entity or individual with which the Organization has a transaction or arrangement, or

- c. The CAA Leader is a potential owner or investor in, or compensation arrangement with (for example, a referral fee, finder's fee or commission), any entity or individual with which CAA is negotiating a transaction or arrangement.
- d. The CAA Leader serves on an CAA committee that is evaluating or considering taking action against a competitor or rival of that Leader.
- e. The CAA Leader also serves as a paid or volunteer leader of an entity that, to a material extent, competes against CAA.
- f. The CAA Leader receives complimentary or discounted hotel rooms or services from a CAA vendor.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. The mere fact that a CAA Leader is affiliated with other organizations, civic groups or businesses is alone not sufficient to amount to a conflict of interest. In fact, in most cases those affiliations are valuable.

The fact that a conflict of interest exists is not necessarily problematic. Oftentimes, a conflict of interest is insubstantial. For example, a CAA Leader that participates in establishing a new educational program that is likely result in educational benefits to members of that Leader's business staff is an insubstantial conflict of interest. Another example of an insubstantial conflict of interest is when an CAA Leader owns a small (less than 5%) amount of stock in a vendor doing business with CAA, provided the Leader receives no compensation as a result of the transaction. Further, a conflict may be significant, but not of concern to the Board; in which case the Board will take into consideration the statements and positions of that Board member and assign the weight that each Board member deems appropriate given the circumstances. A person who has interests conflicting with those of CAA may continue to serve as a Leader of CAA to the extent that the conflict is fully disclosed and the Board authorizes that service.

Section 3: Procedures

1. Duty to Disclose

In connection with any actual, potential or apparent conflict of interest, an interested person must disclose the existence of the conflict and be given the opportunity to disclose all material facts to the directors and members of committees with governing Board delegated powers considering the proposed transaction or arrangement. Conflict of Interest Disclosure forms shall be submitted to the CAA office and reviewed by the Executive Director and President. In the event that the Executive Director and/or President makes a good faith determination that a material conflict of interest exists, that conflict of interest shall be forwarded to the Executive Committee for review. In the event that the Executive Committee determines that a material conflict of interest exists, the matter shall be agendized for discussion and possible action by the Board during its next meeting.

The duty to disclose conflicts of interest is ongoing. Should a conflict of interest arise after a Conflict of Interest Disclose form has been submitted, the CAA Leader shall disclose those conflicts of interest in writing as soon as possible thereafter.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the interest and all material facts, and after any discussion with the interested person, the Board or committee affected shall follow the procedures below in making a determination of whether a conflict exists or not.

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 President of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- b. After exercising due diligence, the governing board or committee shall determine whether CAA 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.
- c. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in CAA's best interest 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

- 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.

Section 4: Compensation

1. A voting member of the governing board who receives compensation, directly or indirectly, from CAA for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from CAA for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from CAA, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 5: Loans to Directors

The Association shall not make any loan of money or property to or guarantee the obligation of any Director or Officer.

Article 11: Instruments, Deposits, and Funds

Section 1: Execution of Instruments

The Board, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Association to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent, or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 2: Commercial Paper

All checks, drafts or orders for payment of money, notes or other evidence of indebtedness greater than ten thousand dollars (\$10,000) or other amount that may be from time to time authorized by the Board of Directors, issued in the name of CAA, shall be signed by at least two (2) signatories designated by the Board, with the exception of previously Board approved expenses, payroll and recurring payments such as utilities, taxes, etc. In those instances, one (1) signatory is authorized to sign and that signatory may be the Executive Director or a member of the board.

Section 3: Contracts

The Board, except as otherwise provided herein, may authorize any officer or officers, agent or agents to enter into any contract or execute any instrument in the name of and on behalf of the organization; and unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind CAA by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount. Contracts valued up to \$10,000 per year may be executed by the Executive Director; contracts valued over \$10,000 per year must be signed by an authorized Board member.

Section 4: Deposits

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

Section 5: Gifts

The Board may accept on behalf of the Association any contribution, gift, bequest, or devise for the charitable or public purposes of the Association.

Article 12: Indemnification of Directors, Officers, Employees, and Agents

Section 1: Definitions

For purpose of this Article:

“Agent”

means any person who is or was a Director, Officer, employee, or other agent of the Association, or is or was serving at the request of the Association as a Director, Officer, employee, or agent of the Association, or was a Director, Officer, employee, or agent the Association that was a predecessor Association of the Association or of another enterprise at the request of the predecessor Association;

“Proceeding”

means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and

“Expenses”

includes, without limitation, all attorneys’ fees, costs, and any other expenses reasonably incurred in the defense of any claims or proceedings against an Agent by reason of his or her position or relationship as Agent and all attorneys’ fees, costs, and other expenses reasonably incurred in establishing a right to indemnification under this Article.

Section 2: Applicability of Indemnification

Successful Defense by Agent

To the extent that an Agent has been successful on the merits in the defense of any proceeding referred to in this Article, or in the defense of any claim, issue, or matter therein, the Agent shall be indemnified against expenses actually and reasonably incurred by the Agent in connection with the claim.

Settlement or Unsuccessful Defense by Agent

If an Agent either settles any proceeding referred to in this Article, or any claim, issue, or matter therein, or sustains a judgment rendered against him, then the provisions of Section 3 through Section 6 shall determine whether the Agent is entitled to indemnification.

Section 3: Actions Brought by Persons Other than the Association

This Section 3 applies to any proceeding other than an action “by or on behalf of the Association” as defined in Section 4. Such proceedings that are not brought by or on behalf of the Association are referred to in this Section 3 as “Third Party proceedings.”

Part 1: Scope of Indemnification in Third Party Proceedings

Subject to the required findings to be made pursuant to Section 3, Part 2, the Association shall indemnify any person who was or is a party, or is threatened to be made a party, to any Third Party proceeding, by reason of the fact that such person is or was an Agent, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding.

Part 2: Required Standard of Conduct for Indemnification in Third Party Proceedings

Any indemnification granted to an Agent in Section 12.2 above is conditioned on the following. The Board must determine, in the manner provided in Section 12.5, that the Agent seeking reimbursement acted in good faith, in a manner he or she reasonably believed to be in the best

interest of the Association, and, in the case of a criminal proceeding, he or she must have had no reasonable cause to believe that his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner he or she reasonably believed to be in the best interest of the Association or that he or she had reasonable cause to believe that his or her conduct was unlawful.

Section 4: Action Brought By or On Behalf Of the Association

This Section 4 applies to any proceeding brought (i) by or in the right of the Association, or (ii) by an Officer, Director or person granted relator status by the Attorney General, or by the Attorney General, on the ground that the defendant Director was or is engaging in self-dealing within the meaning of section 5233 of the California Nonprofit Association Law, or (iii) by the Attorney General or person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust (any such proceeding is referred to in these Bylaws as a proceeding “by or on behalf of the Association”).

Part 1: Scope of Indemnification in Proceeding By or On Behalf Of the Association

Subject to the required findings to be made pursuant to Section 4 Part 2, and except as provided in Section 4 Parts 3 and 4, the Association may indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding by or on behalf of the Association, by reason of the fact that such person is or was an Agent, for all expenses actually and reasonably incurred in connection with the defense or settlement of such action.

Part 2: Required Standard of Conduct for Indemnification in Proceeding By or On Behalf Of the Association

Any indemnification granted to an Agent in Section 4 is conditioned on the following. The Board must determine, in the manner provided in Section 5, that the Agent seeking reimbursement acted in good faith, in a manner he or she believed to be in the best interest of the Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

Part 3: Claims Settled Out of Court

If any Agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of the Association, with or without court approval, the Agent shall receive no indemnification for amounts paid pursuant to the terms of the settlement or other disposition. Also, in cases settled or otherwise disposed of without court approval, the Agent shall receive no indemnification for expenses reasonably incurred in defending against the proceeding, unless the proceeding is settled with the approval of the Attorney General.

Part 4: Claims and Suits Awarded Against Agent

If any Agent is adjudged to be liable to the Association in the performance of the Agent’s duty to the Association, the Agent shall receive no indemnification for amounts paid pursuant to the judgment, and any indemnification of such Agent under Section 2 for expenses actually and reasonably incurred in connection with the defense of that action shall be made only if both of the following conditions are met:

- a) The determination of good faith conduct required by Section 4 Part 2 must be made in the manner provided for in Section 5; and
- b) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the Agent is fairly and reasonably entitled to indemnity for the expenses incurred. If the Agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 5: Determination of Agent's Good Faith Conduct

The indemnification granted to an Agent in Section 3 and Section 4 is conditioned on the findings required by those Sections being made by:

- a) the Board by a majority vote of a quorum consisting of Directors who are not parties to the proceeding; or
- b) the court in which the proceeding is or was pending. Such determination may be made on application brought by the Association or the Agent or the attorney or other person rendering a defense to the Agent, whether or not the application by the Agent, attorney, or other person is opposed by the Association.

Section 6: Limitations

No indemnification or advance shall be made under this Article 12, except as provided in Section 2 Part 1 or Section 5(b), in any circumstances when it appears:

- a) that the indemnification or advance would be inconsistent with a provision of the Articles of Incorporation, as amended, 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 the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 7: Advance of Expenses

Expenses incurred in defending any proceeding may be advanced by the Association before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it is determined ultimately that the Agent is entitled to be indemnified as authorized in this Article.

Section 8: Contractual Rights of Non-Directors and Non-Officers

Nothing contained in this Article shall affect any right to indemnification to which persons other than Directors and Officers of the Association, or any of its subsidiaries, may be entitled by contract or otherwise.

Section 9: Insurance

The Board shall adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any Agent, as defined in this Article, against any liability asserted against or incurred by any Agent in such capacity or arising out of the Agent's status as such, whether or not the Association would have the power to indemnify the Agent against the liability under the provisions of this Article.

Article 13: Document Retention

This Document Retention and Destruction Policy of CAA identifies the record retention responsibilities of staff, volunteers, members of the Board of Directors, and outsiders for maintaining and documenting the storage and destruction of CAA's documents and records.

Section 1: Rules

CAA's staff, volunteers, members of the Board of Directors, and outsiders (i.e., independent contractors via agreements with them) are required to honor these rules: (a) paper or electronic documents indicated under the terms for retention below will be transferred and maintained by the Human Resources, Legal or Administrative staffs/departments or their equivalents; (b) all other paper documents will be destroyed after three years; (c) all other electronic documents will be deleted from all individual computers, databases, networks, and back-up storage after one year; and (d) **no paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.**

Section 2: Terms for Retention

a. Retain permanently:

Governance records – Charter and amendments, Bylaws, other organizational documents, governing board and board committee minutes.

Tax records – Filed state and federal tax returns/reports and supporting records, tax exemption determination letter and related correspondence, files related to tax audits.

Intellectual property records – Copyright and trademark registrations and samples of protected works.

Financial records – Audited financial statements, attorney contingent liability letters.

b. Retain for ten years:

Pension and benefit records -- Pension (ERISA) plan participant/beneficiary records, actuarial reports, related correspondence with government agencies, and supporting records, including employee handbook and policies and procedures manuals.

Government relations records – State and federal lobbying and political contribution reports and supporting records.

c. Retain for four years:

Employee/employment records – Employee names, addresses, social security numbers, dates of birth, INS Form I-9, resume/application materials, job descriptions, dates of hire and termination/separation, evaluations, compensation information, promotions, transfers, disciplinary matters, time/payroll records, leave/comp time/FMLA, engagement and discharge correspondence, documentation of basis for independent contractor status (retain for all current employees and independent contractors and for three years after

departure of each individual).

Lease, insurance, and contract/license records – Software license agreements, vendor, hotel, and service agreements, independent contractor agreements, employment agreements, consultant agreements, and all other agreements (retain during the term of the agreement and for three years after the termination, expiration, non-renewal of each agreement).

d. Retain for one year:

All other electronic records, documents and files – Correspondence files, past budgets, bank statements, publications, and survey information.

Article 14: Whistleblowers

This Whistleblower Policy of CAA: (1) encourages staff and volunteers to come forward with credible information on illegal practices or serious violations of adopted policies of CAA; (2) specifies that CAA will protect the person from retaliation; and (3) identifies where such information can be reported.

Section 1: Encouragement of Reporting

CAA encourages complaints, reports or inquiries about illegal practices or serious violations of CAA's policies, including illegal or improper conduct by CAA itself, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy would include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. Other subjects on which CAA has existing complaint mechanisms should be addressed under those mechanisms, such as raising matters of alleged discrimination or harassment via CAA's human resources channels, unless those channels are themselves implicated in the wrongdoing. This policy is not intended to provide a means of appeal from outcomes in those other mechanisms.

Section 2: Protection from Retaliation

CAA prohibits retaliation by or on behalf of CAA against staff or volunteers for making good faith complaints, reports, or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. CAA reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports, or inquiries or who otherwise abuse this policy.

Section 3: Where to Report

Complaints, reports, or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the bases for the complaints, reports, or inquiries. They should be directed to CAA's Executive Director, Human Resources, or President of the Board of Directors; if all of those persons are implicated in the complaint, report, or inquiry, it should be directed to other CAA officers or CAA's legal counsel. CAA or a third party designated by CAA will conduct a prompt, discreet, and objective review

or investigation. Staff and volunteers must recognize that CAA may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.

Article 15: Harassment

CAA does not tolerate harassment of board members, staff, or other affiliated persons of any kind. Offensive conduct based on any classification protected by federal, state, and local laws and ordinances is a violation of this policy. Any board or staff member who feels they have been subject to harassment from a member should consult with CAA's President or the Executive Director. If a board member knows or has reason to know that any Board member or other persons in connection with any CAA activity or event that is related in any way related to CAA, such involvement is required to be documented in accordance with CAA policies and procedures.

The Board may adopt written rules and procedures and is authorized to take action it deems appropriate to administer and enforce this policy.

Section 1: Definitions

Harassment Defined. Harassment under this policy is unwelcome verbal, visual, or physical conduct creating an intimidating or offensive environment that interferes with performance. Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), graphic (including offensive posters, symbols, cartoons, drawings, computer displays, or e-mails) or physical conduct (including physically threatening another, blocking someone's way, etc.) that denigrates or shows hostility or aversion towards an individual because of any protected characteristic. Such conduct violates this policy, even if it is lawful. Because it is difficult to define unlawful harassment, Board members are expected to behave at all times in a professional and respectful manner.

Sexual Harassment Defined. Sexual harassment under this policy can include all of the above actions as well as other unwelcome conduct such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities, and other verbal or physical conduct of a sexual nature.

Examples of conduct that violates this policy include, but are not limited to:

- Unwelcome sexual advances, flirtations, advances, leering, whistling, touching, pinching, assault, blocking normal movement
- Requests for sexual favors or demands for sexual favors in exchange for favorable treatment
- Obscene or vulgar gestures, posters, or comments
- Propositions or suggestive or insulting comments of a sexual nature
- Derogatory cartoons, posters, and drawings
- Sexually explicit texts, instant messages, e-mails, voicemails, or other methods of communication
- Uninvited touching of a sexual nature

- Conduct or comments consistently targeted at only one sex, even if the content is not sexual
- Teasing or other conduct directed toward a person because of the person's sex

All such conduct is unacceptable in CAA and in any related settings, such as workshops, meetings, conferences, and social functions, regardless of who engages in the conduct.

Section 2: Reporting and Investigation

Reporting. If a board member believes, knows, or has reason to know, that this policy has been violated, they are required to promptly bring the matter to the immediate attention of CAA's President or Executive Director, and file a written report regardless of the seriousness or credibility of the violation, and regardless of whether the alleged victim of the harassment wishes to file a formal complaint or not. The reason for this requirement is that once CAA or any constituent of CAA knows or has reason to know that a violation of this Harassment Policy has occurred, CAA must take reasonable steps to protect its members and guests from harassment, and to ensure the safety and well-being of its members. The member reporting the harassment shall be invited to file a formal complaint and be provided with the appropriate forms to make such a complaint.

Investigation. After receiving the formal complaint, CAA shall promptly call or constitute a special ad hoc committee, which will then review the complaint and commence (or direct the commencement of) an investigation. The investigation may be conducted by the Special Ad hoc Committee or a professional and non-partisan investigator, in the sole discretion of the Special Ad hoc Committee, provided that the person or persons conducting the investigation shall be reasonably independent and impartial. The Special Ad hoc Committee members shall include not less than three (3) persons designated by the current President and ratified by the Executive Committee. The Special Ad hoc Committee shall endeavor to ensure that the investigation is conducted in as confidential a manner as is reasonably possible/practical. The extent of the investigation shall be determined in the discretion of the Special Ad hoc Committee in consultation with the investigator.

Section 3: Action

Action. Upon conclusion of the investigation, the results of the investigation findings will be reported to the President and Board. The Board will review the investigation results and take prompt and appropriate corrective measures against any person who has engaged in conduct in violation of this policy. Such action can include, but is not limited to:

- Dismissal of the complaint based on lack of cause or evidence
- Formal reprimand and documentation
- Mandatory harassment or sexual harassment training
- Exclusion from particular events
- Suspension
- Probation
- Expulsion

If a formal complaint was filed, the complaining party and accused shall be provided written notice of the action taken pursuant to this policy. The details and reports of the investigation shall be provided to the complainant and accused to the extent directed by the Board in its sole discretion.