

BYLAWS
of the
SAN JOSE MUSEUM OF ART ASSOCIATION

Revised by the Board of Trustees on November 20, 2008

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ARTICLE I
NAME

The name of this corporation shall be the San Jose Museum of Art Association (the “Association”).

ARTICLE II
PURPOSE

The purposes of the Association shall be (1) to further interest and education in the arts and (2) to cooperate with the City of San Jose in establishing and maintaining a non-profit museum.

ARTICLE III
LIMITATION ON CORPORATE ACTIVITIES

Section 1. Charitable Purposes. This Association is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Notwithstanding any other provisions of these Articles, the Association shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 2. Influencing Legislation. No substantial part of the activities of this Association shall consist of carrying on propaganda or otherwise attempting to influence legislation, nor shall this Association participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office.

Section 3. Political Considerations. Political considerations shall not be a factor in the selection or continuance of any exhibit sponsored by the Association.

ARTICLE IV
DEDICATION AND DISSOLUTION

Section 1. Dedication. The property of this Association is irrevocably dedicated to charitable purposes, and no part of the net income or assets of this organization shall ever inure to the benefit of any trustee, officer, or member of this Association, or to the benefit of any private person.

Section 2. Dissolution. Upon the winding up or dissolution of this Association, and after paying or adequately providing for the debts and liabilities of the Association, the remaining assets shall be distributed to a non-profit fund, foundation, or corporation which is organized and operated exclusively for charitable purposes and which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

ARTICLE V
GOVERNANCE AND OFFICES

Section 1. Governance. The affairs and business of the Association shall be governed by a Board of Trustees, hereinafter sometimes referred to as the “Board” or the “Trustees.”

Section 2. Principal Offices. The principal office for the transaction of the business of this Association is presently fixed and located at 110 South Market Street, San Jose, California. The Board of Trustees may change the principal office from one location to another. Any change of this location shall be noted by the Secretary on these Bylaws opposite this section, or this section may be amended to state the new location.

Section 3. Other Offices. The Board of Trustees may at any time establish branch or subordinate offices at any place or places where the Association is qualified to do business.

ARTICLE VI
PERSONS ASSOCIATED WITH THE ASSOCIATION

Section 1. Contributors. This Association shall have no members. The Association may refer to contributors or other interested persons as “members,” “lifetime members,” “sustaining members,” “associate members” or similar designation, provided that no such designation or reference shall constitute anyone a member within the meaning of Section 5056 of the California Corporations Code or vest any such member or membership classification with any voting rights or other rights of a member or statutory member under the California Nonprofit Corporation Law or otherwise. Meetings of contributors may be held at such times and places for such purposes as may be determined from time to time by the Board of Trustees.

Section 2. Volunteers. The Executive Director of the Association may periodically establish and dissolve volunteer organizations, subject to the approval of the Board of Trustees.

(a) Up to four (4) trustees representing the volunteer groups of the Museum shall be nominated by the Volunteer Council, subject to the approval of the Board of Trustees (“Delegate Trustees”).

(b) Volunteer organizations shall follow the policies and procedures of the Association.

(c) Volunteer organizations may establish their own bylaws. However, the Bylaws of the Association shall preempt the bylaws of the volunteer organizations in the event any conflict arises between them.

ARTICLE VII
BOARD OF TRUSTEES

Section 1. Trustees.

(a) The authorized number of Trustees shall be not less than twenty-four (24) and not more than forty (40). The exact number of Trustees shall be fixed, within those limits, by a resolution adopted by the Trustees.

(b) All Trustees shall be elected by a majority of the Trustees. Nominations for such election shall be presented to the Board pursuant to Article VI, Section 2(a) and Article VII, Section 6(b)(vi).

Section 2. Quorum and Voting. A majority of the Trustees then in office (which in no event shall be a number less than a majority of the minimum authorized number of Trustees) shall constitute a quorum for the transaction of business (except to adjourn as provided in Sections 13 of this Article VII). A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Trustees, if any action taken is approved by at least a majority of the required quorum for that meeting. Every act or decision done or made by a majority of Trustees present at a meeting duly held at which a quorum is present is the act of the Board, except where a greater vote is required by these Bylaws. Where a vote by the “majority of Trustees” is required, “majority of Trustees” shall mean a majority of Trustees then in office.

Section 3. Qualification and Commitments. The Board shall establish and periodically modify a Board Policy Statement, which shall set forth Trustee qualifications and commitments.

Section 4. Term. So long as he or she meets the performance criteria and is otherwise qualified, each Trustee other than a Delegate Trustee shall hold office for a term of three (3) years provided that the Board may appoint a Trustee to serve for a term less than three (3) years in order to stagger the terms of office. Delegate Trustees shall hold office for a term of one (1) year. No more than thirty-five (35%) of the then fixed number of Trustees, exclusive of Delegate Trustees, shall have terms of office which expire on the same date. A Trustee may serve for an unlimited number of consecutive terms.

Section 5. Vacancies; Removal.

(a) A vacancy or vacancies on the Board of Trustees shall be deemed to exist on the occurrence of any one of the following: (i) the death or resignation of any Trustee; (ii) the declaration by resolution of the Board of Trustees of a vacancy of the office of a Trustee who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment or any court to have breached a duty under section 5230 and following of the California NonProfit Corporation Law; or (iii) the increase of the authorized number of Trustees.

(b) Except as provided in this paragraph, any Trustee may resign, which resignation shall be effective on giving written notice to the President, the Secretary, or the Board of Trustees, unless the notice specifies a later time for the resignation to become effective. If the resignation of a

Trustee is effective at a future time, the Board of Trustees may elect a successor to take office as of the date when the resignation becomes effective. No Trustee may resign when the Association would then be left without a duly elected Trustee or Trustees in charge of its affairs.

(c) If the Executive Committee, pursuant to the procedures set forth in Article VII, Section 6(b)(vi)(cc), determines that a Trustee, during that Trustee's term as a Trustee, has failed to meet the performance criteria established by the Board, then that Trustee may be deemed by the Executive Committee to have resigned. If the Executive Committee recommends to the Board of Trustees that such resignation be accepted, the Board of Trustees may accept the Executive Committee's recommendation or retain the Trustee.

(d) No reduction of the authorized number of Trustees shall have the effect of removing any Trustee before that Trustee's term of office expires.

(e) If a vacancy occurs on the Board, a new Board member may be elected by the Board for the balance of the unexpired term and until a successor has been elected.

(f) Not more than 49% of the persons serving on the Board of Trustees may at any time be interested persons. An interested person is (i) any person being compensated by the Association for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise; and (ii) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the Association.

Section 6. Powers and Responsibilities of Trustees.

(a) Subject to the provisions of the California Nonprofit Corporation Law and any limitations in the Articles of Incorporation and these Bylaws, the business and affairs of the Association shall be governed, and all corporate powers shall be exercised, by or under the direction of the Board of Trustees.

(b) Every Trustee shall have the rights of inspection of the books and records of the Association as provided under California Nonprofit Corporation Law.

(c) Without limiting the general powers, the Trustees shall have the power and responsibility for:

(i) Establishing the fiscal policies of the Association, adopting and amending the annual budget, and causing an audit to be made at the end of each fiscal year;

(ii) Appointing an Executive Director, defining his or her rights, powers and duties, and using due diligence in supervising his or her actions;

- (iii) Ensuring that appropriate personnel policies have been established;
- (iv) Supervising the preparation and maintenance of procedures and guidelines for the Association and its activities including, but not limited to, the adoption by the Board of Trustees of a Collections Management Policy and an Ethics Code for Trustees, Staff, Volunteers and Interns, and ensuring the written affirmation by each Trustee of the Code of Ethics for Trustees as a condition of serving as a Trustee;
- (v) Establishing committees in accordance with Article IX and such other educational and auxiliary groups as the Trustees deem necessary to carry on the work of the Association;
- (vi) Nominating and assessing the performance of Trustees;
 - (aa) Method of Nominating Officers. The Executive Committee shall forward a slate of nominations for officers to the Board for election no later than the last Board meeting of the fiscal year.
 - (bb) Method of Nominating Trustees. The Executive Committee shall periodically present Trustee nominees to the Board for election.
 - (cc) Performance Review of Trustees. The Executive Committee shall review the performance of each Trustee in accordance with the Board Policy Statement.
- (vii) Implementing and overseeing Association's ethics codes. To assist in the interpretation and implementation of Association's Ethics Code for Trustees, the Executive Committee shall appoint an ethics ombudsman (hereinafter "Ethics Ombudsman") at the commencement of each fiscal year. The Ethics Ombudsman shall be a member of the Executive Committee. In the absence of the ombudsman or in an issue involving the Ethics Ombudsman, the President of the Board of Trustees shall serve in this capacity.
 - (aa) Consultation with Trustees. Trustees are required to consult with the Ethics Ombudsman in all questionable cases, and with respect to any actual, potential or perceived conflict of interest. To the extent possible, information gained during consultations will remain confidential. Upon request, the Ethics Ombudsman shall issue a written opinion on the interpretation or application of the Ethics Code.
 - (bb) Ethical Violations. Alleged ethical violations should be brought to the attention of the Ethics Ombudsman. The Ethics Ombudsman shall bring the indicated violation to the attention of the person involved, discuss it with him/her and attempt to resolve it. If the indicated violation cannot be resolved, and the

Ethics Ombudsman concludes that conduct inconsistent with the Code has occurred, he/she shall issue a written opinion to the Executive Committee. This opinion shall include a recommended remedy, which may include the requested resignation or removal of that Trustee. The Executive Committee shall then forward its recommendation to the full Board for the final resolution.

Section 7. Place of Meetings. Regular meetings of the Board of Trustees may be held at any place within or outside the State of California that has been designated from time to time by resolution of the Board. In the absence of such designation, regular meetings shall be held at the principal executive office of the Association. Special meetings of the Board shall be held at any place within or outside the State of California that has been designated in the notice of the meeting or, if not stated in the notice, or if there is no notice, at the principal executive office of the Association. Notwithstanding the above provisions of this Section 7, a regular or special meeting of the Board of Trustees may be held at any place consented to in writing by all the Board members, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting.

Section 8. Regular Meetings. Regular meetings of the Board of Trustees shall be held at least four times a year. The time and place of such meetings may be established by the President with the approval of the Board. Any change in the time and place of such regular meetings shall be communicated in writing to all members of the Board of Trustees not less than five (5) days before such meeting.

Section 9. Special Meetings.

(a) Special meetings of the Board of Trustees for any purpose may be called at any time by the President. The President shall call a special meeting upon receipt of a written request for a meeting signed by no less than (5) members of the Board.

(b) Notice of special meetings shall be given as follows:

(i) Notice of the time and place of special meetings shall be given to each Trustee by one of the following methods: (a) by personal delivery of written notice; (b) by first class mail, postage pre-paid; (c) by telephone communication, either directly to the Trustee or to a person at the Trustee's home or office who would reasonably be expected to communicate such notice promptly to the Trustee; or (d) telegram, fax or e-mail. All such notices shall be given or sent to the Trustee's address, telephone number, fax number, or e-mail address as shown on the records of the Association.

(ii) Notices sent by first-class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notice given by personal delivery, telephone, telegraph, fax or e-mail shall be delivered, telephoned, faxed, electronically

transmitted, or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting.

(iii) The notice shall state the time and place for the meeting.

Section 10. Waiver of Notice. Notice of a meeting need not be given to any Trustee who signed a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Trustee. All such waivers, consents and approvals shall be filed with the records of the Association or made a part of the minutes of the meeting.

Section 11. Action Without Meeting. Any action required or permitted to be taken by the Board of Trustees may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to this action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Trustees. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 12. Compensation. Trustees and members of committees shall receive no compensation for their services, but may be reimbursed for out-of-pocket expenses, at the discretion of the Board of Trustees.

Section 13. Adjournment. A majority of the Trustees present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 14. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Trustees who were not present at the time of the adjournment.

ARTICLE VIII **OFFICERS**

Section 1. Officer Designations. The officers of the Association shall be a President, a Vice-President, a Secretary, and a Chief Financial Officer. The association may also have, at the discretion of the Board of Trustees, such other officers as may be appointed by the Board of Trustees. All officers shall serve as members of the Board of Trustees during their term of office.

Section 2. Election and Term. The officers of the Association shall be elected by the Board of Trustees and shall serve at the pleasure of the Board. The term of office for each officer shall be two (2) fiscal years of the Association. No person may hold the office of President for more than three (3) consecutive two (2) year terms. No officer may serve concurrently in any other office.

Section 3. Vacancies. A vacancy in any office except the office of President shall be filled by the Board of Trustees. A vacancy in the office of President shall be filled by the Vice-President, and the resulting vacancy in the Vice-Presidency shall then be filled by the Board.

Section 4. President. Subject to the control of the Board of Trustees, the President shall have general supervision, direction, and control of the business and affairs of the Association. The President shall coordinate Association activities and shall preside at all meetings of the Trustees and the Executive Committee, and shall have such other powers and duties as may be prescribed from time to time by the Board of Trustees. The President shall be an ex-officio member of all committees and shall be notified of all meetings of such committees.

Section 5. Vice-President. In the absence or disability of the President, the Vice-President shall perform all the duties of the President and in so acting shall have all the powers of the President. The Vice-President shall also have such powers and perform such duties as may be prescribed from time to time by the Board of Trustees.

Section 6. Secretary. The Secretary shall ensure that minutes of the Executive Committee and the Board of Trustees are kept. These minutes shall be maintained at the principal office of the Association and shall consist of a full and complete record of the proceedings of those meetings. The Secretary shall also ensure appropriate record keeping for the Association and the service of such notices as may be necessary and proper. He or she shall have such powers and perform such duties as may be prescribed from time to time by the Board of Trustees.

Section 7. Chief Financial Officer. The Chief Financial Officer shall ensure that the funds of the Association are properly safeguarded and received, and deposited in the bank or banks that may be designated by the Board of Trustees. The Chief Financial Officer shall also ensure that proper financial records are kept and that sufficient and regular reports are made to the Finance Committee, Executive Committee and the Board of Trustees. The Chief Financial Officer shall have such other powers and perform such other duties as may be prescribed from time by the Board of Trustees.

Section 8. Compensation. The officers of the Association shall receive no compensation for their services as officers, but may be reimbursed for out-of-pocket expenses at the discretion of the Board of Trustees.

Section 9. General Duties. Each officer shall maintain a file of procedures and materials pertaining to his or her office and shall turn over such files to his or her successor within thirty (30) days after election or appointment to such office.

ARTICLE IX **COMMITTEES**

Section 1. Committees of Trustees. The Board of Trustees may, as set forth herein, designate one or more standing or advisory committees, to serve at the pleasure of the Board. Each committee shall have such powers and duties as the Board may from time to time designate. Any standing committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

- (a) fill vacancies on the Board of Trustees or on any committee that has the authority of the Board;
- (b) amend or repeal the Bylaws or adopt new bylaws;
- (c) amend or repeal any resolution of the Board of Trustees, which by its express terms is not amendable or repealable;
- (d) appoint other committees of the Board of Trustees or the members thereof except that the Executive Committee may do so;
- (e) approve any transaction (i) to which the Association is a party and in which one or more Trustees have a material financial interest; or (ii) between the Association and one or more of its Trustees or between the Association or any person in which one or more of its Trustees have a material financial interest.

Section 2. Meetings and Action of Committees. Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of this Article IX of these Bylaws, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board of Trustees and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Trustees or by resolution of the committee. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. The Board of Trustees may adopt rules for the governance of any committee not inconsistent with the provisions of these Bylaws.

Section 3. Standing Committees. The Association shall have the following Standing Committees of the Board: Executive; Finance; Collections; Marketing and Communications; Development; Education; Facilities and Technology; and Audit. With the exception of the Executive, Finance and Audit Committees, the Chairpersons of such committees shall be nominated by the President and approved by the Board of Trustees; the Chairpersons shall select committee members who may be Trustees or non-Trustees. Standing Committees shall appoint and oversee advisory subcommittees to works towards defined ends, as they deem necessary.

- (a) Executive Committee.

(i) **Composition and General Duties.** This Association shall have an Executive Committee with a minimum of nine members and a maximum of twelve members of the Board of Trustees consisting of the four officers, the chairpersons of the other Standing Committees, and other Trustees nominated by the President and approved by the Board of Trustees. The Executive Committee shall carry on Association business between Board meetings and, with the limitations set forth in Section 1 hereof, shall have all the authority of the Board except that the Executive Committee shall have no power to rescind, or make substantive changes to, any action previously taken by the Board.

(ii) **Meetings.** The Executive Committee may meet between meetings of the Board of Trustees as necessary at the call of the President or at the written request of two members of the Committee. The approved minutes of the Executive Committee meetings shall be distributed to the Board of Trustees.

(iii) **Special Duties.** The Executive Committee is charged with the oversight and administration of the Association's Long Range Planning and Personnel Compensation and Review.

(aa) **Long Range Planning.** The Executive Committee shall assist the Board in defining the Association's long term goals on a systematic basis, and in creating and supervising its strategic and financial plans. It shall review and report to the Board on the long-term plans of the Association on at least an annual basis, monitoring implementation of the Association's strategic plan.

(bb) **Personnel Compensation and Review.** The Executive Committee shall advise the Board on personnel policies, compensation, benefits and evaluation. It shall recommend the Executive Director's compensation to the full Board, review the annual personnel compensation package, and oversee personnel policies.

(b) **Finance Committee.** The Chief Financial Officer shall be the Chairperson of the Finance Committee, and shall select committee members who may be Trustees or non-Trustees. The Finance Committee shall oversee the Association's finance, budget and investment matters. Responsibilities shall include, but not be limited to, monitoring the Association's stewardship of entrusted funds, the performance of investment managers, and reporting findings, conclusions and recommendations to the Board.

(c) **Collections Committee.** The Collections Committee shall be responsible for overseeing the implementation of the Collections Management Policy with regard to such matters as standards for care and conservation, loan of objects, and deaccessioning practices. In addition, the Collections Committee shall make decisions in accordance with the Collections Management Policy with regard to acquisitions.

(d) Marketing and Communications Committee. The Marketing and Communications Committee shall set policies regarding the Association's marketing and communications activities and its public image in general, and assess the activities that directly affect it. It shall also coordinate the Board's role in media and public relations, and assess the general look and feel of the Museum experience. Among others, the advisory subcommittees to the Marketing and Communications Committee may include ones for Audience Development and Membership.

(e) Development Committee. The Development Committee shall work with the Board, the Executive Director, and the Development staff to set policies pertaining to all fundraising and shall work towards obtaining the resources required for the Association's operations, endowment, collection and capital projects in order to meet current needs and sustain long-term stability.

(f) Education Committee. The Education Committee shall set educational program policy for on-site and outreach educational programs, set guidelines for Board involvement in educational program matters, and monitor implementation of the Association's strategic plan with regard to educational programming. On behalf of the Association's staff, it shall recommend major educational program initiatives to the full Board for approval and report regularly on the Association's educational programming.

(g) Facilities and Technology Committee. The Facilities and Technology Committee shall develop policies and objectives for the management of the Association's physical facility and technology resources, and engage in short and long-term planning on these issues to support the programs, activities and operations of the Association.

(h) Audit Committee. The Audit Committee shall be appointed by the Board of Trustees and consist of at least three voting members, at least one of whom shall be a Trustee, but shall not include any Museum staff members, or the President or Chief Financial Officer of the Association. Members of the Finance Committee may serve on the Audit Committee but members of the Finance Committee shall constitute less than one-half of the Audit Committee. The Chairperson of the Audit Committee may not be a member of the Finance Committee. Members of the Audit Committee shall not have any material financial interest in any entity doing business with the Association. Members of the Audit Committee shall not receive any compensation from the Association.

The Audit Committee shall assist the Board of Trustees in fulfilling the Board's oversight responsibilities as they relate to the Association's audit. In this capacity, subject to the supervision of the Board of Trustees, the Audit Committee is responsible for: (1) recommending to the Board of Trustees the retention and termination of the independent auditor and may negotiate the independent auditor's compensation on behalf of the Board of Trustees; (2) conferring with the independent auditor regarding to satisfy the Audit Committee's members that the financial affairs of the Association are in order; (3) approving any non-audit services performed by the firm conducting the audit, provided the auditor and its individual auditors

adhere to the standards for auditor independence set forth in the latest revision of the Government Auditing Standards, issued by the Comptroller General of the United States (the Yellow Book); (4) reviewing and determining whether to accept the audit; and (5) meeting with the Board of Trustees each year at the time of the presentation of the external audit to the Board.

Section 4. Advisory Committees. Advisory committees may be appointed by the Board of Trustees, the Executive Committee or the President of the Board. Advisory Committees shall have no legal authority to act for the Association, but shall report their findings and recommendations to the Board of Trustees.

ARTICLE X **EXECUTIVE DIRECTOR**

Section 1. Executive Director. The Board of Trustees shall employ an Executive Director for the San Jose Museum of Art who shall be responsible to the Board for the administration of the affairs of the Museum, including planning of exhibitions, supervising the collection and acquisition programs, planning and supervising educational programs and activities of volunteer organizations, expenditures and employment of staff, in accordance with the policies and budgetary limitations established by the Board. The Executive Director may be appointed or dismissed only by a majority of the Trustees.

Section 2. Attendance at Meetings. The Executive Director shall be notified of, and may attend meetings of the Board of Trustees, Executive Committee, and all subsidiary groups and committees in order to advise and make recommendations for deliberation and decisions by such groups.

ARTICLE XI **FINANCE**

Section 1. Fiscal Year. The fiscal year of the Association shall be July 1 to June 30. The fiscal year may be changed by the Board of Trustees.

ARTICLE XII **PARLIAMENTARY AUTHORITY**

Section 1. The rules contained in the most recent edition of Roberts' Rules of Order shall govern this Association in all cases to which they are applicable and in which they are not inconsistent with these Bylaws.

ARTICLE XIII **INDEMNIFICATION OF TRUSTEES, OFFICERS,**

EMPLOYEES AND OTHER AGENTS

Section 1. Definitions. For the purpose of this Article,

(a) “Agent” means any person who is or was a Trustee, officer, employee, or other agent of this Association, or is or was serving at the request of this Association as a Trustee, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Trustee, director, officer, employee or agent of a foreign or domestic corporation that was a predecessor corporation of this Association or of another enterprise at the request of the predecessor corporation;

(b) “Proceeding” means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and

(c) “Expenses” includes, without limitation, all attorneys' fees, costs, and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of his/her position or relationship as agent and all attorneys' fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.

Section 2. Successful Defense By Agent. To the extent that an agent of this Association 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 reasonable incurred by the agent in connection with the claim.

Section 3. Actions Brought by Persons Other Than The Association. Subject to the required findings to be made pursuant to Section 5 below, this Association shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding other than an action brought by, or on behalf of, this Association, under California Corporations Code section 5233, or by the Attorney General or a person granted relator status by the Attorney General, for any breach of duty relating to assets held in charitable trust, by reason of the fact that such person is or was an agent of this Association, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of this Association and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of this Association or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 4. Action Brought By or On Behalf of the Association. This Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action brought by or on behalf of this Association, under California

Corporations Code Section 5233, or by the Attorney General or a person granted relator status by the Attorney General, for breach of duty relating to assets held in charitable trust, by reason of the fact that the person is or was an agent of this Association for all expenses actually and reasonably incurred in connection with the defense or settlement of that action, if such person acted in good faith, in a manner such person believed to be in the best interests of this Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section:

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

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

(c) of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval unless such action concerns assets held in charitable trust and is settled with the approval of the Attorney General.

Section 5. Determination of Agent's Good Faith Conduct. Except as provided in Section 2, this Association shall indemnify any agent under this Article only if authorized in the specific case upon a determination that such indemnification is proper in the circumstances because the agent has met the applicable standard of conduct in Section 3 or 4 above, by:

(a) the Board of Trustees by a majority vote of a quorum consisting of Trustees 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 this 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 this Association.

Section 6. Limitations. No indemnification or advance shall be made under this Article, except as provided in Section 2, in any circumstance when it appears:

(a) That the indemnification or advance would be inconsistent with a provision of the articles 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 this 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-Trustees and Non-Officers. Nothing contained in this Article shall affect any right to indemnification to which persons other than Trustees and officers of this Association, or any subsidiary hereof, may be entitled to by contract or otherwise.

Section 9. Insurance. The Board of Trustees may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of this Association against any liability other than for violating provisions against self-dealing asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this Association would have the power to indemnify the agent against that liability under the provisions of this Article.

ARTICLE XIV **AMENDMENTS TO THESE BYLAWS**

Section 1. Amendments. These Bylaws may be amended, repealed, supplemented, revised, and restated, in whole or in part, by the affirmative vote of a majority of the Trustees.

Section 2. Notice. All proposals to amend, repeal, supplement, revise or restate these Bylaws or any part thereof shall be submitted to the Trustees for a vote only if proposed by the President or the Executive Committee or one-fifth (1/5) of the number of Trustees then in office.

ARTICLE XV **AUTHORIZATION TO EXECUTE DOCUMENTS ON BEHALF OF THE ASSOCIATION**

The President of the Association and the Executive Director of the Museum, and other persons delegated by those individuals, shall have the authority to enter into agreements and execute documents on behalf of the Association in accordance with these Bylaws and the fiscal policies of the Board.

END.