

# ASC Educational Foundation Bylaws

*Adopted July 25, 2011  
Amended June 16, 2016  
Amended January 14, 2019*

## *Article I: Name & Offices*

**1.01 Name.** The Name of this Foundation is ASC Educational Foundation Inc. (ASCEF or Foundation), a California Nonprofit Public Benefit Corporation.

**1.02 Principal Office.** The principal office of ASCEF shall be in the State of California. The Board of Trustees may also at any time create a branch or subordinate office in any location.

## *Article II: Purpose & Limitations*

**2.01 Purpose.** This foundation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for charitable and public purposes. The specific purpose of the Foundation is to provide educational and training opportunities, scholarships and endowments in the field of automotive repair and maintenance.

**2.02 Restrictions.** All policies and activities of the Foundation shall be consistent with applicable federal, state and local antitrust and trade regulation laws.

**2.02.1 Political Activity.** The Foundation shall conduct any political activities in accordance with the provisions of section 5019(h) of the Internal Revenue Service Code. This Foundation shall not participate in or intervene in (including the publishing or distributing of statements in conjunction with) any political campaign on behalf of any candidate for public office.

**2.02.2 Property.** The property, assets, profits and net income are dedicated irrevocably to the purposes set forth in these bylaws. No part of the profits or net earnings of this Foundation shall ever inure to the benefit of any of its Trustees, Officers, Employees or to benefit of any private individual.

## *Article III: Membership*

**3.01 Membership.** The Foundation shall have no members.

## *Article IV: Board of Trustees*

**4.01 Board of Trustees.** The Board of Trustees (Trustees or Board) shall be the governing body of the ASC Educational Foundation.

#### **4.02 Number, Selection & Term of Office.**

**4.02.1 Number.** The Board of Trustees shall be no less than seven (7) nor no more than eleven (11), who need not be residents of California. Trustee terms are staggered so that no more than four Trustees shall be appointed each year, as further defined in policy.

**4.02.2 Selection.** The Board of Trustees shall be selected as follows: Ten (10) of the Trustees shall be selected from a slate of candidates nominated by the Board of Trustees of the ASC Educational Foundation and approved by a vote of the Board of Directors of the Automotive Service Councils of California (ASCCA). If the ASCEF Board does not submit enough candidates or if the ASCCA Board does not approve enough of the slate to fill the Board of Trustees, the ASCCA Board of Directors shall appoint Trustees to fill the vacancies. The eleventh Trustee, who shall also serve as the President, shall be the Executive Director of ASCCA or his/her designee.

**4.02.3 Term of Office.** Each Trustee appointed by the ASCCA Board of Directors shall serve a three-year term commencing October 1 following the appointment, except in the case of a Trustee's death, resignation or removal from office.

**4.03 Restrictions.** Not more than 49 percent of the persons serving on the Board of Trustees shall be interested persons who have been compensated by the Foundation as defined in the California Nonprofit Benefit Law.

**4.04 Participation.** Any member of the Board of Trustees who is unable to attend a meeting shall notify the President of his/her reasons for absence. Trustees may participate in all meetings either in person, or by other means approved by the Board in compliance with the then current state of the law. The failure of a Trustee to attend two consecutive meetings, for reasons that the Board of Trustees determines to be insufficient, may constitute resignation from the Board of Trustees.

**4.05 Individual Trustees.** As individuals, Trustees shall have only that authority provided by Board action and in the form of position descriptions for those Trustees.

**4.06 Duties.** The Board of Trustees is the governing body of the Foundation and may delegate the management of the activities of the Foundation to any person or persons, association management company or committee however composed, provided that the activities and affairs of the Foundation shall be managed and all Foundation powers shall be exercised under the ultimate direction of the Board of Trustees.

**4.07 Policies and Procedures.** The Board of Trustees shall create and abide by a policy and procedures manual from which the description and duties of activities within the Foundation are documented. Such policies and procedures shall be determined by the Board of Trustees and may be added, deleted or amended by the Board of Trustees and may be added, deleted or amended by a majority vote of the Board of Trustees.

**4.08 Meetings.** The Board of Trustees shall hold meetings at times and places designated by the Board.

**4.09 Special Meetings.** Special meetings of the Board of Trustees may be called by the Chair, President, Secretary or any two Trustees for any purpose.

**4.10 Notice of Meetings.** The Board of Trustees may hold regular meetings without notice if the time and place of such meetings is fixed by the Trustees. The Trustees may hold special meetings upon a five-day notice by first-class mail or seventy-two hour notice delivered personally or by telephone, fax, or email. In all cases notices shall specify in reasonable detail the business to be transacted.

**4.11 Quorum.** All voting Trustees shall have one vote each on matters on which the Board of Trustees is entitled to vote. A majority of Trustees then in office constitutes a quorum for the transaction of business at any meeting of the Board. Participation in a meeting from any communication medium designated by the Board to be acceptable shall constitute presence-in-person at that meeting as long as all members participating in the meetings are able to hear or communicate with each other. Any action taken at a meeting may be taken by a majority of a quorum and is the action of the Board. 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 of the meeting.

**4.12 Minutes of a Meeting.** All meetings that meet the definition of a quorum shall be recorded and entered into the official minutes of the Foundation.

**4.13 Board Action.** Every action taken or decision made by the Board of Trustees present at a meeting duly held at which a quorum is present is the act of the Board of Trustees. Participation in a meeting through any approved means of communication shall constitute a presence-in-person at that meeting as long as all Trustees present at that meeting can communicate with each other.

**4.14 Meetings by Electronic Means.** Members of the Board of Trustees may participate in a meeting through the use of any means described by the policy and procedures manual approved by the Trustees if all of the following apply:

**4.14.1.** Each member can communicate with all of the other Trustees concurrently.

**4.14.2.** Each member is provided with a means of participating in all matters before the Board, including the capacity to propose or to interpose and object to a specific action to be taken.

**4.14.3.** A means of verification is adopted through policies and procedures and implemented by the Foundation 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 any other person who is not entitled to participate.

**4.15 Actions by Unanimous Written Consent.** Any action required or permitted to be taken at a meeting by the Board of Trustees may be taken without a meeting, by written consent to the action, signed by each Trustee, as specified in the Foundation policies and procedures.

**4.16 Alternates.** The Board of Trustees may appoint alternates members to the Board of Trustees to act as additional counsel to the Foundation. Such appointments shall have no rights to vote on matters brought before the Trustees.

**4.17 Vacancies.** If a vacancy occurs on the Board of Trustees for any reason, the position may be filled for the expired portion of the term by the Board.

**4.18 Conduct of Meetings.** Meetings shall be governed by Sturgis, *The Standard Code of Parliamentary Procedure*.

### *Article V: Officers*

**5.01 Officers.** The officers of the Foundation shall include a Chair of the Board, a President, a Secretary and a Treasurer. The selected Officers will also be known as the Executive Committee. Any two offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as either the President or Chair of the Board.

**5.02 Selection and Term of Office.** The Officers of the Foundation, other than the President, shall be selected annually by the Board of Trustees, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an Officer under any contract of employment.

**5.03 Removal of Officers.** Subject to the rights, if any, of an Officer under any contract of employment, any Officer, except the President, may be removed, with or without cause, by the Board of Trustees.

**5.04 Other Officers.** The President of the Foundation shall be the Executive Director of ASCCA or his/her designee as appointed by the ASCCA Executive Director. If the ASCCA Executive Director appoints someone other than himself/herself as the President of the Foundation, the individual appointed to that position shall serve at the pleasure of the ASCCA Executive Director.

**5.05 Resignation of Officers.** Any Officer may resign upon written notice to the foundation without prejudice to the rights, if any, of the Foundation under any contract to which the Officer is a party.

**5.06 Vacancies.** A vacancy occurring in any office because of death, resignation, removal or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office.

**5.07 Duties of Officers.** The Officers perform those duties that are usual to their positions and as described in the Foundation's Policy and Procedure Manual. In addition, the following duties are prescribed:

**5.07.1. Chair.** The Chair of the Board shall preside at meetings of the Board of Trustees and shall generally supervise, direct and control the activities and affairs of the Foundation. In addition, the Chair shall provide an annual report on the state of the Foundation at the Annual Meeting of the ASCCA Board of Directors.

**5.07.2. President.** The President shall act as the Chief Executive Officer, subject to the control and supervision of the Board of Trustees, and shall generally supervise, direct and control the activities and affairs of the Foundation. The President shall preside at all meetings of the Foundation in the absence of the Chair.

**5.07.3. Secretary.** The Secretary shall be the keeper of the records of the Foundation. The Secretary shall keep minutes of meetings, votes and other business of the Board of Trustees. The Secretary shall perform all duties assigned to him/her as required by law.

**5.07.4. Treasurer.** The Treasurer is responsible for the oversight of the Foundation's financial accounting and shall make reports to Trustees at every scheduled meeting.

**5.08 Powers of the Executive Committee.** The Executive Committee shall have the authority of the Board of Trustees to act in its place between Board meetings on all matters that cannot reasonably be delayed until the next Board meeting, except those specifically reserved to the Board by law or by the Board of Trustees itself. The Executive Committee shall submit its actions to the Board of Trustees at the earliest practical time for approval.

**5.09 Composition of the Executive Committee.** The Executive Committee shall consist of the Chair of the Board, President, Secretary and Treasurer.

#### *Article VI: Other Committees*

**6.01 Establishment of Committees/Task Forces.** The Board of Trustees may create committees to which it may delegate various governance functions, provided the Board shall issue to the committee a specific mission statement with a definition of the committee's authority. A committee may be made up of individuals approved by the Board of Trustees who are not Trustees of the Foundation.

#### *Article VII: Indemnification and Insurance*

**7.01 Indemnification.** To the fullest extent permitted by law, The Foundation shall defend, indemnify and hold harmless all agents against claims arising out of any alleged or actual action or inaction in the good-faith performance of their duties. "Agents" for this purpose shall include Trustees, Officers, Employees or Volunteers.

**7.02 Insurance.** The Foundation shall have the right to purchase and maintain insurance to cover its indemnification obligation described above on behalf of its agents.

### *Article VIII: Records and Reports*

**8.01 Records and Reports.** The Foundation shall maintain all records and make reports and statements required by Federal, State and Local governments.

**8.02 Inspection by Trustees.** Every Trustee shall have the absolute right at any reasonable time to inspect all books, records, minutes and documents of every kind, the physical property of the Foundation and the records of each of its subsidiary entities. This inspection by a Trustee may be made in person or by an agent or attorney and the right of inspection includes the right to copy and make extracts of such documents.

### *Article IX: Amendments*

**9.01 Amendments.** The Bylaws of the ASC Educational Foundation may only be amended or repealed and new Bylaws may only be adopted by a simple majority vote of the Board of Directors of ASCCA.

### *Article X: Dissolution*

**10.01 Dissolution.** The Foundation may be dissolved upon a majority vote of both the Board of Trustees and the Board of Directors of ASCCA. Any funds that remain after dissolution has been carried out shall be distributed to a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code of 1954.

### *XI: Interpretation*

**11.01 Interpretation.** These Bylaws are subject to the California Nonprofit Corporation Law and must be interpreted so as to conform with that Law, as it is interpreted and amended from time to time.