

Pacifica Bylaws working draft B - REVISED:

from Carol Spooner

8-31-02

COMMITTEES OF THE BOARD OF DIRECTORS

SECTION 1 "LOCAL STATION BOARDS": The Directors elected by the Delegates to represent each station area, together with the elected Delegates for that station area, shall serve as a standing committee of the Board of Directors for that radio station, which shall be known as the Local Station Board.

(A) Power and Authority: By resolution of the Board of Directors, the Board of Directors may delegate to a Local Station Board any corporate powers of the Pacifica Foundation with regard to that radio station, subject to revocation of that delegated power at any time by the Board of Directors. Any resolution of or policy adopted by a Local Station Board may be overridden by majority vote of the Board of Directors. The powers delegated to one Local Station Board need not be the same for all Local Station Boards, and delegation of such power and authority shall be on a case by case basis.

(B) Duties: The ongoing duties of the Local Station Boards are:

1. to review and approve the station's annual budget prior to submission to the Board of Directors for approval, and to make quarterly reports to the Board of Directors of the station's budget vs. actual income and expenses;
2. to recommend to the Executive Director the hiring of the station General Manager. No station General Manager shall be hired or fired against the recommendation of the Local Station Board unless the Board of Directors approves the action by majority vote. The Local Station Board shall annually evaluate the station General Manager's performance and provide a written report to the Board of Directors.
3. to recommend to the General Manager the hiring of the station Program Director. No Program Director shall be hired or fired against the recommendation of the Local Station Board unless the Board of Directors approves the action by majority vote. The Local Station Board shall annually evaluate the Program Director's performance and provide a written report to the Board of Directors.
4. to work with station management and staff to ensure that station policies and procedures for making programming decisions, and for evaluating programming, are working in a fair, collaborative and respectful manner to provide quality programming that fulfills Pacifica's purposes and is responsive to the diverse needs of the listeners and communities served by the station.
5. to report station board activities regularly, and no less frequently than quarterly, on the air to the station listeners.
6. to conduct at least quarterly "Town Hall" style meetings devoted to hearing the station listeners' views, needs and concerns.

7. to assist in the fundraising activities of the station.
 8. to form open committees to carry on the work of the Local Station Board so that station listener-sponsor and staff members may join the committees and assist the board to the extent appropriate, taking care to keep confidential personnel, legal and proprietary matters.
 9. to actively reach out to under-represented communities to help the station serve a diversity of people of all races, creeds, colors and nations, classes, abilities, and to reach out to community organizations to help build collaborative relations with other organizations working for similar purposes.
 10. to perform community needs assessments, or to see to it that such assessments are performed by a separate "Community Advisory Board", as may be required as a condition of grants from the Corporation for Public Broadcasting.
- (C) Election of Officers. Each Local Station Board shall elect a Chair, a Vice-Chair, a Recording Secretary, and a Treasurer, who shall be elected in January each year for a term of one year. Each Local Station Board shall also elect representatives to other committees of the Board of Directors, as may be required from time to time. None of the Local Station Board officers may concurrently serve as a Foundation Director, and if elected to the office of Director, they shall resign their local Station Board office."

PACIFICA FOUNDATION BY-LAWS

ARTICLE ONE IDENTITY AND PURPOSE

SECTION 1. NAME: The name of this corporation is PACIFICA FOUNDATION, and it shall be referred to in these By-Laws as "The Foundation".

SECTION 2. PURPOSES: The purposes of The Foundation are stated in Article II of the Articles of Incorporation, as follows:

- a) To establish a Foundation organized and operated exclusively for educational purposes no part of the net earnings of which inures to the benefit of any member of the Foundation.
- b) To establish and operate for educational purposes, in such manner that the facilities involved shall be as nearly self-sustaining as possible, one or more radio broadcasting stations licensed by the Federal Communications Commission and subject in their operation to the regulatory actions of the Commission under the Communications Act of 1934, As Amended.

- c) In radio broadcasting operations to encourage and provide outlets for the creative skills and energies of the community; to conduct classes and workshops in the writing and producing of drama; to establish awards and scholarships for creative writing; to offer performance facilities to amateur instrumentalists, choral groups, orchestral groups and music students; and to promote and aid other creative activities which will serve the cultural welfare of the community.
- d) In radio broadcasting operations to engage in any activity that shall contribute to a lasting understanding between nations and between the individuals of all nations, races, creeds and colors; to gather and disseminate information on the causes of conflict between any and all of such groups; and through any and all means compatible with the purposes of this corporation to promote the study of political and economic problems and of the causes of religious, philosophical and racial antagonisms.
- e) In radio broadcasting operations to promote the full distribution of public information; to obtain access to sources of news not commonly brought together in the same medium; and to employ such varied sources in the public presentation of accurate, objective, comprehensive news on all matters vitally affecting the community.

ARTICLE TWO OFFICES OF THE FOUNDATION

SECTION 1. PRINCIPAL OFFICE: The principal office and place of business of The Foundation shall be located in the County of Alameda, State of California.

SECTION 2. OTHER OFFICES: The Foundation shall also have offices at such other places within or without the State of California as the Board of Directors may from time to time designate.

ARTICLE THREE MEMBERS OF THE FOUNDATION

SECTION 1. DEFINED: There shall be two classes of members: (A) "Listener-Sponsor Members", and (B) "Staff Members".

(A) "Listener-Sponsor Members" shall be any natural persons who within each of the three preceding 12-month periods: (1) has contributed a minimum \$25 donation to any Pacifica radio station, or such minimum amount as the Board of Directors may from time to time decide, or has volunteered a minimum of 3 hours' work to any Pacifica radio station.

(B) "Staff Members" shall be: (1) any non-management permanent paid employee of a Pacifica radio station, or any unpaid worker or volunteer who has worked for any Pacifica radio station at least 15 hours in the preceding 3 months or at least 30 hours in the preceding year.

(C) "Single Membership" Membership shall be determined by radio station area, and each Pacifica Foundation radio station shall maintain a register of its Listener-Sponsor Members and Staff Members. In the event that a person qualifies for membership in more than one

radio station area, he or she shall be entitled to only one membership and shall notify the Foundation of which radio station area s/he wishes to be a member. In the event that a person qualifies both as a Listener-Sponsor Member and as a Staff Member, such person shall be deemed to be a Staff Member.

(D) Waiver of Requirements. A Local Station Board may choose to waive the gift requirement for Listener-Sponsor Membership for reasons of financial hardship for anyone who, due to incarceration or disability, cannot volunteer his/her time.

SECTION 2. RIGHTS:

(A) Amendment of Bylaws. Any amendment of these bylaws that materially adversely affects the rights of the members, or any class of members, shall require the vote of approval of the members, or affected class of members, in order to be effective. Any amendment of the Foundation bylaws that changes the number of Local Station Board Delegates or Foundation Directors, or the manner of election of Delegates or Directors, shall require the vote of approval of the members, or affected class of members, in order to be effective.

(B) Amendment of Articles of Incorporation. Any amendment to the Foundation Articles of Incorporation altering the purposes of the Foundation shall require the vote of approval of the Members.

(C) The Members of a radio station area shall have the right to remove any Delegate elected by them and any Director elected by the Delegates from their radio station area in the manner provided in Section 5222 of the California Corporations Code.

(D) The Members of the Foundation shall have the right to approve or reject the acquisition or disposition of major Foundation assets, for example real property or radio licenses.

(E) Nomination of Delegates.

1. Nominations for the office of local station Delegate shall open on September 1st of each year and close on November 1st 2. Nomination papers shall be delivered to an independent and neutral elections coordinator, who shall not hold any elective Foundation office and who shall not be an employee of the Foundation, who shall be chosen by each Local Station Board, by majority vote, to oversee and certify the fairness of the elections and conformity with these bylaws. Nomination papers shall consist of the required number of signatures on a form to be provided by the election coordinator, a statement of whether the candidate is running for election as a Listener-Sponsor Member or a Staff Member, and a statement up to 500 words in length by the candidate which shall be mailed to the voting members. The names of up to ten (10) nominators may be listed at the end of a candidate's statement. The candidate shall also indicate his/her gender, and racial or ethnic heritage, i.e., European, African, Latin American, Native American, Asian, Pacific Islander, Arab, or declines to state.
2. Any eligible Listener-Sponsor Member may be nominated for the office of Delegate by the signatures of ten (10) Listener-Sponsor Members in good standing.

3. Any eligible Staff Member may be nominated for the office of Delegate by the signatures of five (5) Staff Members in good standing.

(F) Election of Delegates.

1. The Listener-Sponsor Members for each station area shall elect twelve Delegates who shall sit on the Local Station Board. One third of the Listener-Sponsor Delegates shall be elected annually by mail ballot by the Listener-Sponsor Members of each radio station 3 , subject to the diversity criteria specified below. Cumulative Voting is permitted. The Proportional Representation "Single Transferrable Voting Method" is permitted and may be utilized if approved by majority vote of the Local Station Board. There shall be a 30-day period for return of ballots after mailing, and the ballots shall be counted and the election results certified by the Elections Coordinator not later than December 29th of each year 4.
2. The Staff Members for each station area shall elect six Delegates who shall sit on the Local Station Board. One third of the Staff Delegates shall be elected annually by the Staff Members of each radio station area by mail ballot 5 , subject to the diversity criteria specified below. Cumulative voting is permitted. The Proportional Representation "Single Transferrable Voting Method" is authorized and may be utilized, if approved by majority vote of the Local Station Board. There shall be a 30-day period for return of ballots after mailing, and the ballots shall be counted and the election results certified by the Elections Coordinator not later than December 29th of each year.

[(3)Diversity Goals - two alternatives:]

<p>3. Diversity Goals: It is the goal of the Foundation that a minimum of 50% of the Delegates shall be racial/ethnic minorities and a minimum of 50% of the Delegates shall be women. To that end, the candidate pool shall be limited so that the number of men and women candidates and the number of racial/ethnic minorities and caucasian candidates shall be equal within plus or minus one. I.e., if there are 5 women candidates there can be no less than 4 nor more than 6 men candidates. The Elections Coordinator shall number nomination papers in the order received and fill the candidate pool of men and women and racial/ethnic minorities and caucasians on a first come first served basis. Thus, if the first three</p>	<p>3. Diversity Goals: It is the goal of the Foundation that a minimum of 50% of the Delegates shall be racial/ethnic minorities and a minimum of 50% of the Delegates shall be women. To that end, in any election of Delegates half the number of seats to be filled shall be filled by the top vote-getters who are racial/ethnic minorities and half the number of seats to be filled shall be filled by the top vote-getters who are women, regardless of whether or not they are among the top vote-getters overall. However, for purposes of applying this rule, no person shall be elected a Delegate who does not receive at least one-half (½) the number of votes as the last person who would have been elected were it not for the diversity goals. After all the ballots are counted, the election coordinator shall examine the results to determine whether the diversity goals for the Local Board have been met in the aggregate and not just incrementally, and if they have not been met,</p>
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<p>nomination papers received are from 2 men and 1 woman, no other men shall be admitted to the candidate pool until nomination papers are received an additional woman. This provision shall not apply if the number of candidates is less than 150% of the number of seats to be filled, in which case all nominees up to 150% of the number of seats to be filled shall be qualified as candidates.</p>	<p>then s/he shall look to see if there are candidates who are minorities and/or women who received at least half the number of votes of the lowest vote-getter who would otherwise be elected, and s/he shall declare them elected in order of highest number of votes received, replacing the candidates who would have been elected in order of lowest number of votes received. For example: if there are 4 seats to be filled and the top 4 vote-getters are 3 non-minority men and one minority woman, the non-minority man with the least votes who would have been elected will be replaced with the next highest votegetter who is either a minority or a woman provided s/he has obtained at least half of the votes of that non-minority man being replaced. The elections coordinator will then examine the results again to see if the diversity goals for both minorities and women has been met in the next highest minority or woman with the minimum required number of votes who will aggregate, and if not, s/he will replace the next lowest non-minority man who would have been elected with the fulfill the diversity goals.</p>
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(G) Fair Campaign Provisions. No Foundation or radio station management or staff may use air time to endorse or campaign or recommend for or against any candidate for election to Station Board Delegate, or give air time to some candidates but not others. All candidates for election shall be given equal opportunity for air time, and such air time shall be specially set aside for candidates statements and questions and answers from the listeners. No Foundation or radio station management or staff may give written endorsements to any listener-sponsor delegate candidates. Neither the Board of Directors nor any Local Station Board may, as a body, endorse any candidate(s) for election to the Local Station Board(s), however individual directors and Local Station Board Delegates may endorse or nominate candidates.

SECTION 3. QUORUM: For purposes of any election or written ballot, a quorum of the Listener-Sponsor Members shall be 10% of those entitled to vote, and a quorum of the Staff members shall be one-third (1/3) of those entitled to vote, as of the applicable record date.

SECTION 4. RECORD DATE: The record date for purposes of determining the members entitled to notice, voting rights, written ballot rights, or any other right with respect to any other lawful membership action, shall be 45 days before the first written ballot or notice is mailed.

SECTION 5. PROXIES: All action taken by Members shall be taken by the Members personally. The powers of Members may not be exercised by alternates, by proxy or the like.

**ARTICLE FOUR
DIRECTORS OF THE FOUNDATION**

SECTION 1. FOUNDATION BOARD OF DIRECTORS – MEMBERSHIP ELIGIBILITY, NUMBER, POWERS AND DUTIES:

(A) Defined: The Directors of the Foundation shall be natural persons who have been elected to the office of Director as set forth in these bylaws, and are serving as such.

(B) Eligibility: Any Local Station Board Delegate who is currently serving and has served at least one year as a Delegate 6 is eligible to be elected to the office Foundation Director, and any natural person nominated by a "Pacifica Affiliate" is eligible to be elected an "at large" director, provided, however, that the Chair, Vice-Chair, Secretary and Treasurer of any Local Station Board may not concurrent hold the office of Foundation Director and must resign his/her Local Station Board office upon election to the office of Foundation Director, and provided further that no person who holds any elective or appointive public office at any level of government – federal, state or local – or is a candidate for such office, or who has held such elective or appointive office within the preceding 3 years, shall be eligible for election to the office of Director of the Pacifica Foundation. A Director shall be deemed to have resigned the office of Director if s/he becomes a candidate for public office or receives a political appointment during his or her term as a Director. This restriction shall not apply to civil service employment by governmental agencies.

[(C)Number - two alternatives:]

(C) Number: There shall be a minimum of fifteen (15) and a maximum of eighteen (18) directors of the Foundation.	(C) Number: There shall be a minimum of fifteen (15) and a maximum of twenty eight (28) directors of the Foundation.
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(D) Ex Officio Members: The Foundation Executive Director, the Director of the Pacifica Foundation Archives, and a Recording Secretary or Chief Financial Officer (if either or both are appointed) shall be ex officio non-voting members of the Board of Directors. Ex Officio members shall not be counted in determining the maximum or minimum number of Foundation Directors.

(E) Power and Authority: Subject to the provisions of the California Nonprofit Public Benefit Corporation law and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the Members or Delegates of the Foundation, the activities and affairs of the Foundation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

(F) Duties: The ongoing duties of the Directors are: to ensure fulfillment of the purposes of the Foundation as set forth in the Articles of Incorporation; to ensure compliance with applicable state and federal laws; to ensure the financial health of the Foundation by adoption and

monitoring of an annual budget and to oversee an independent annual audit of the Foundations books and accounts; to ensure regular communication with the Members at all levels of the Foundation; to appoint, supervise and remove, employ and discharge, the Executive Director of the Foundation; to meet at such regular times and places as required by these Bylaws and to meet at such other times as may be necessary in order to carry out the duties of Directors; to register their addresses, telephone numbers, and email addresses with the Secretary of the Foundation. Notices of meetings mailed, transmitted by telecopier facsimile, or emailed to them at such addresses shall be valid notices thereof.

SECTION 2. TERMS:

- (A) The term of a Director shall be three (3) years. A director may serve two (2) consecutive three-year terms.
- (B) A Director shall not be eligible for further service as a Director until one year has elapsed after the termination of a Director's second consecutive three- year term.

SECTION 3. NOMINATION OF DIRECTORS:

- (A) Station Representative Directors: Any Delegate serving on a Local Station Board may nominate any other eligible Delegate serving on that Local Station Board for the office of Director.
- (B) At Large Directors: The board of directors, or equivalent governing body, of any "Pacifica Affiliate" may nominate any eligible natural person for the office of Director. For these purposes, "Pacifica Affiliate" is defined as any non- commercial broadcaster -- radio, digital, internet, or the like – that broadcasts Pacifica programming, either by permission or by contract with the Pacifica Foundation. Any Local Station Board may nominate, by majority vote of the Delegates present and voting, any eligible listener-sponsor member of the Foundation who is not then serving as a station board Delegate to the office of Director.

[SECTION 4. ELECTION OF DIRECTORS - two alternatives:]

<p>SECTION 4. ELECTION OF DIRECTORS:</p> <p>(A) Station Representative Directors: Each Local Station Board shall elect from among the then current Local Station Board Delegates, by majority vote of the Delegates present and voting, three Directors to represent that station on the Foundation Board of Directors, two of whom shall be listener-sponsor members and one of whom shall be a staff member. These elections shall take place in January of each year and be staggered so that one Director is elected by each Local Station Board each year.⁷</p>	<p>SECTION 4. ELECTION OF DIRECTORS:</p> <p>(A) Station Representative Directors: Each Local Station Board shall elect from among the then current Local Station Board Delegates, by majority vote of the Delegates present and voting, three Directors to represent that station on the Foundation Board of Directors, two of whom shall be listener-sponsor members and one of whom shall be a staff member. In addition, if a station has more than 10,000 subscribers who have contributed the minimum amount required for membership, or more, during the prior twelve months, the Local Station</p>
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	<p>Board shall elect a fourth Director who shall be a listener-sponsor member; and if a station has more than 20,000 subscribers who have contributed the minimum amount required for membership, or more, during the prior twelve months, the Local Station Board shall elect a fifth Director who shall be a staff member. These elections shall take place in January of each year and be staggered so that, at most, two Directors are elected by each Local Station Board each year.⁸</p>
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(B) At Large Directors: The Board of Directors may, in its discretion, elect up to three (3) Directors nominated either by Pacifica Affiliates or by majority vote of three of the five Local Station Boards, by 3/5ths majority vote of the Directors present and voting, provided that notice of the nomination and vote is served on all Directors with the Notice of Meeting at least ten days in advance of the meeting date.

SECTION 5. REMOVAL OF A DIRECTOR:

(A) Any Director may be removed by the Board of Directors at a regular or special meeting by a three-fifths (3/5) majority vote of all of the members of the Board of Directors, provided that the grounds for such removal are submitted with the notice of the meeting and, provided further, that the said Director shall have a reasonable opportunity at said meeting to protest his/her removal.

(B) Any Director may be removed by the Delegates of the Local Station Board that elected him or her at a regular or special meeting by three-fifths (3/5ths) majority vote of all the Delegates for that Local Station Board, provided that the grounds for such removal are submitted with the notice of the meeting and, provided further, that the said Director shall have a reasonable opportunity at said meeting to protest his/her removal.

(C) Upon the petition of fifty (50) of the Members of the Radio Station area that a Director represents, a Director may be removed by a majority vote of the Members voting in a recall election. If recall procedures have not been established by the Board of Directors, then the Local Station Board Committee for that station area shall determine the recall procedures within thirty (30) days of the submission of a recall petition.

(D) Any Director may be removed automatically for unexcused absences as set forth in Article Five.

SECTION 6. VACANCY: If a Director's seat becomes vacant for any reason, that seat shall be filled for the remainder of the term by of the Local Station Board for that station area.

SECTION 7. COMPENSATION: Directors shall serve without compensation except that they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties.

SECTION 8. RESTRICTION REGARDING INTERESTED DIRECTORS:

(A) Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the board may be interested persons.

(B) For purposes of this Section, "interested persons" means either:

- 1) Any person currently being compensated by the Foundation for services rendered it within the previous twelve (12) months, whether as a full- or part-time officer or other employee, independent contractor, or otherwise; or
- 2) 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.

ARTICLE FIVE CONFLICT OF INTEREST POLICY

SECTION 1. EXPLANATION: This conflict of interest policy ("Policy") is designed to help directors, officers, advisors and employees of Pacifica Foundation ("The Foundation") identify situations that present potential Conflicts of Interest and to provide The Foundation with a procedure which, if observed, will allow The Foundation to enter into a transaction even though a director, officer or employee has or may have a Conflict of Interest with respect to the transaction.

SECTION 2. DEFINITIONS:

A "CONFLICT OF INTEREST" is any circumstance described in Section 3 of this Policy, or such similar circumstances.

An "INTERESTED PERSON" is any person serving as a director, officer, delegate, employee, or member of a committee of the Board of Directors of The Foundation.

A "FAMILY MEMBER" is a 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 an Interested Person.

A "FINANCIAL INTEREST" in an entity is a financial interest of any kind, which, in view of all the circumstances, would, or reasonably could, affect an Interested Person's or Family Member's judgment with respect to transactions to which the entity is a party.

SECTION 3. CONFLICT OF INTEREST DEFINED: A Conflict of Interest exists where the personal interests of an Interested Person are or may be inconsistent with the best interests of The Foundation. For purposes of this Policy, the following circumstances shall be deemed to create a Conflict of Interest:

A contract or transaction between The Foundation and an Interested Person or Family Member (e.g., The Foundation contracts for services to be provided by a director's child).

A contract or transaction between The Foundation and an entity in which an Interested Person or Family Member has a Financial Interest or with which such Person has a relationship, for example as a director, officer, trustee, partner, or guardian (e.g., The Foundation makes a grant to a university where a member of The Foundation's board of directors serves on the board of directors).

A compensation arrangement between any entity or individual with which The Foundation has a contract or transaction and an Interested Person or Family Member (e.g., The Foundation makes a grant to a university where a director's sister is employed).

A compensation arrangement between any entity or individual with which The Foundation has a contract or transaction and an entity in which an Interested Party or Family Member has a Financial Interest or with which person has a relationship, for a example as a director, officer, trustee, or guardian (e.g., The Foundation makes a grant to a university which is performing research, for a fee, for a company owned by one of The Foundation's directors).

An Interested Person competing with The Foundation in the rendering of services or in any other contract or transaction with a third party (e.g., one of The Foundation's employees seeks a research grant to write a paper on international energy issues from a foundation to which The Foundation has applied for funding).

An Interested Person having a Financial Interest in, or maintaining a relationship with (for example, as director, officer, trustee or guardian), an entity or individual that competes with The Foundation in the Provision of services or in any other contract or transaction (e.g., one of The Foundation's employees serves as director of a new charity with a mission similar to The Foundation's).

An Interested Person accepting gifts, entertainment or other favors from any individual or entity that (i) does or is seeking to do business with, or is a competitor of , The Foundation or (ii) has received, is receiving or is seeking to receive a loan or grant, or to secure other financial commitments from The Foundation, in both cases under circumstances where it might be inferred that such action was intended to influence or might influence the Interested Person in the performance of his or her duties (e.g., a potential grantee offers one of The Foundation's employees free tickets to the World Series).

SECTION 4. PROCEDURES:

- (A) An Interested Person must disclose orally or in writing all material facts related to an actual or potential Conflict of Interest to directors and/or members of committees considering a proposed contract or transaction to which the Conflict of Interest relates. If a contract or transaction is not being considered by the Board or a committee, the required disclosure must be made to the Chairperson or the Chairperson's designee. Until a Conflict of Interest has been voted upon by the Board of Directors in accordance with this Policy, an Interested Person shall refrain from any action that might affect The Foundation's participation in any contract or transaction affected by a Conflict of Interest.

(B) After disclosure of the Conflict of Interest and all material facts, and after the Interested Person responds to any questions that the Board may have regarding the Conflict of Interest, the Interested Person shall leave the Board meeting while the Conflict of Interest is discussed and voted upon. An Interested Person may not vote on the contract or transaction to which the Conflict of Interest relates, but may be counted in determining the presence of a quorum for purposes of the vote.

(C) The Board shall determine by a majority vote of the disinterested directors whether a Conflict of Interest exists and, if so, whether The Foundation shall nonetheless enter into the contract or transaction because it is in The Foundation's best interest. If appropriate, the Chairperson may appoint a disinterested person or committee to investigate alternatives to a proposed contract or transaction. In order to approve the contract or transaction, the Board must in good faith after reasonable investigation make the following determinations:

- 1) that the contract or transaction is for the benefit of the Foundation; and
- 2) that the contract or transaction is fair and reasonable; and
- 3) that the Foundation could not obtain a more advantageous arrangement with reasonable effort under the circumstances.

(D) The minutes of the Board or committee meeting shall reflect (1) that the Conflict of Interest was disclosed, (2) the Board or committee's decision regarding the Conflict of Interest, including a statement that the Interested Person was not present during the final discussion and vote, and (3) that the Interested Person abstained from voting.

SECTION 5. VIOLATIONS OF THE CONFLICT OF INTEREST POLICY:

(A) If the Board or committee believes that an Interested Person has failed to disclose an actual or potential Conflict of Interest, it shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.

(B) If, after hearing the response of the Interested Person and making any further investigation as may be warranted in the circumstances, the Board or committee determines that the member has in fact failed to disclose an actual or potential Conflict of Interest, it shall take appropriate disciplinary and corrective action, which might include removal of a director from a committee or termination of an employee's employment.

ARTICLE SIX MEETINGS OF THE BOARD OF DIRECTORS

SECTION 1. TIME AND PLACE OF MEETINGS: The Annual Meeting of the Board of Directors shall take place in March, at such times, and places as designated by a majority vote of the Board of Directors at the previous meeting. The Board shall also regularly meet in June and September of each year. All meetings shall occur at a location not farther than 25 miles from the offices of a Foundation radio station, and the Board meetings shall rotate through the five radio station areas so that meetings do not take place twice in the same station area until a meeting has

been held in all other station areas. Directors may attend in person, or by telephone or video conference, or other electronic means, provided that all Directors may hear one another, at all times.

SECTION 2. SPECIAL MEETINGS: Special meetings of the Board of Directors may be called by the Board Chair, any two Officers of the Board, or by any five members of the Board.

SECTION 3. NOTICE: Written notice of every regular meeting of the Board of Directors, stating the time and place of said meeting, and the purposes thereof, shall be mailed, or sent to each member of the Board of Directors by first class mail, telecopier or email at least thirty (30) days before any such meeting. Special meetings shall require only 7 days advance notice. All meetings shall be announced in advance on the air.

SECTION 4. QUORUM: A quorum at any meeting of the Board of Directors shall consist of one-third (1/3) of the duly elected Directors.

SECTION 5. ATTENDANCE: Any Director who is absent for three (3) consecutive meetings of the Board of Directors shall be deemed to have resigned and shall be automatically removed from the Board whether or not the absences have been excused.

SECTION 6. ACTION BY UNANIMOUS WRITTEN CONSENT: Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent shall have the same force and effect as a unanimous vote of such Directors.

SECTION 7. PROXIES: All action taken by Directors shall be taken by the elected Director personally. The powers of members of the Board may not be exercised by alternates, by proxy or the like.

ARTICLE SEVEN COMMITTEES OF THE BOARD OF DIRECTORS

SECTION 1. LOCAL STATION BOARDS: The Directors elected by the Delegates to represent each station area, together with the elected Delegates for that station area, shall serve as a standing committee of the Board of Directors for that radio station, which shall be known as the Local Station Board.

(A) **Power and Authority:** By resolution of the Board of Directors, the Board of Directors may delegate to a Local Station Board any corporate powers of the Pacifica Foundation with regard to that radio station, subject to revocation of that delegated power at any time by the Board of Directors. Any resolution of or policy adopted by a Local Station Board may be overridden by majority vote of the Board of Directors. The powers delegated to one Local Station Board need not be the same for all Local Station Boards, and delegation of such power and authority shall be on a case by case basis.

(B) **Duties:** The ongoing duties of the Local Station Boards are:

- 1) to review and approve the station's annual budget prior to submission to the Board of Directors for approval, and to make quarterly reports to the Board of Directors of the station's budget vs. actual income and expenses;
 - 2) to recommend to the Executive Director the hiring of the station General Manager. No station General Manager shall be hired or fired against the recommendation of the Local Station Board unless the Board of Directors approves the action by majority vote. The Local Station Board shall annually evaluate the station General Manager's performance and provide a written report to the Board of Directors.
 - 3) to recommend to the General Manager the hiring of the station Program Director. No Program Director shall be hired or fired against the recommendation of the Local Station Board unless the Board of Directors approves the action by majority vote. The Local Station Board shall annually evaluate the Program Director's performance and provide a written report to the Board of Directors.
 - 4) to work with station management and staff to ensure that station policies and procedures for making programming decisions, and for evaluating programming, are working in a fair, collaborative and respectful manner to provide quality programming that fulfills Pacifica's purposes and is responsive to the diverse needs of the listeners and communities served by the station.
 - 5) to report station board activities regularly, and no less frequently than quarterly, on the air to the station listeners.
 - 6) to conduct at least quarterly "Town Hall" style meetings devoted to hearing the station listeners' views, needs and concerns.
 - 7) to assist in the fundraising activities of the station.
 - 8) to form open committees to carry on the work of the Local Station Board so that station listener-sponsor and staff members may join the committees and assist the board to the extent appropriate, taking care to keep confidential personnel, legal and proprietary matters.
 - 9) to actively reach out to under-represented communities to help the station serve a diversity of people of all races, creeds, colors and nations, classes, abilities, and to reach out to community organizations to help build collaborative relations with other organizations working for similar purposes.
 - 10) to perform community needs assessments, or to see to it that such assessments are performed by a separate "Community Advisory Board", as may be required as a condition of grants from the Corporation for Public Broadcasting.
- (C) Election of Officers. Each Local Station Board shall elect a Chair, a Vice-Chair, a Recording Secretary, and a Treasurer, who shall be elected in January each year for a term of one year. Each Local Station Board shall also elect representatives to other committees of the Board of Directors, as may be required from time to time. None of the Local Station Board

officers may concurrently serve as a Foundation Director, and if elected to the office of Director, they shall resign their local Station Board office.

SECTION 2. EXECUTIVE COMMITTEE: There shall be an Executive Committee of the Board of Directors consisting of the Board Chair, Vice Chair, Secretary and Treasurer and such other Directors as may be needed so that there is at least one Executive Committee Member from each radio station area at all times. Executive Committee Members who are not Foundation officers shall be elected by majority vote of the directors present and voting. The Executive Committee shall have such authority as the Board of Directors may delegate to it from time to time by resolution of the board, and shall meet on twenty four hours telephone notice to all members from any Executive Committee member to respond to such matters as may arise between board meetings as may require their attention. The Executive Committee may refer the matter to an appropriate board committee, or may convene a special meeting of the full board, or may delegate the matter to the Executive Director for action, as they deem appropriate. Within five days after any Executive Committee Meeting the Secretary shall circulate to the full Board of Directors Minutes of the meeting stating the reason for the meeting, and the action taken by the Executive Committee.

SECTION 3. NATIONAL PROGRAMMING COMMITTEE: There shall be a National Program Committee which shall review and evaluate the programming of all Pacifica radio stations to insure that each station is fulfilling the purposes of the Foundation. The Program Committee members shall consist of one director from each station area, and two Local Station Board members from each station area who shall be elected by their respective Local Station Boards, In the event that the Program Committee determines that a local station is not adequately fulfilling Pacifica's purposes, the committee shall meet and confer with Executive Director, the Station Manager, and the Local Station Board for that station to develop corrective measures and policies, and may make recommendations for corrective action to the full Board of Directors

SECTION 4. NATIONAL BUDGET COMMITTEE: The Foundation Treasurer and the Treasurers of the five Local Station Boards shall constitute the National Budget Committee, which shall have the duty to prepare, in consultation with appropriate national and station staff and other local and national committees, a recommended annual budget for all Foundation operations for approval by the Board of Directors in September prior to the commencement of the next fiscal year. The National Budget Committee shall issue quarterly "budget vs actual" reports to the Board of income and expenses for all Foundation operations.

SECTION 5. OTHER ADVISORY COMMITTEES: The Board may establish such other advisory committees as may be needed to assist the Board in developing plans and initiatives to further Pacifica's mission and purposes in areas such as: membership and organizational development; affiliate relations; programming for community development, peace and social justice; financial planning; fundraising and development; technological and infrastructure development; new station planning; review of governance structures and procedures. All advisory committees, whether standing or ad hoc, shall have at least one Director and two Local Station Board members from each station area. All committee members shall be elected by majority vote of the Board of Directors or their respective Local Station Boards, as appropriate.

**ARTICLE EIGHT
OFFICERS OF THE FOUNDATION**

SECTION 1. DESIGNATION OF OFFICERS:

- (A) The Officers of Pacifica Foundation shall be a Chairperson of the Board of Directors, a Vice-Chair, a Secretary, a Treasurer, and such Assistant Secretaries and Assistant Treasurers as may be authorized from time to time by the Board of Directors. The Chairperson of the Board shall not concurrently hold any other Foundation office.
- (B) A Recording Secretary or Chief Financial Officer, who are not Directors, may be employed by the Board in addition to the Foundation Secretary or Treasurer. Any such non-Director officers shall serve at the pleasure of the Board.

SECTION 2. DUTIES OF OFFICERS: The duties of the officers of the Foundation shall be set out in board guidelines and procedures.

SECTION 3. ELECTION, TERMS, AND REMOVAL OF OFFICERS:

- (A) Election of Officers: The Officers of The Foundation shall be elected bi-annually in even numbered years by the Board of Directors at the Annual Meeting in March.
- (B) Terms of Officers: Officers shall serve for a term of two years or until the election of their successors, which ever is later, unless he or she resigns or is removed or is otherwise disqualified to serve before such time. No officer may continue to serve as an officer past the expiration of his/her term as Director.
- (C) Removal of Officers: Any officer may be removed by the Board of Directors at any regular or special meeting by a majority vote of all of the members of the Board of Directors, provided that the grounds for such removal are submitted with notice of said meeting, and provided further that said officer shall have a reasonable opportunity at said meeting to protest his or her removal.

**ARTICLE NINE
OTHER CORPORATE OFFICERS**

SECTION 1. EXECUTIVE DIRECTOR:

- (A) The Board shall employ a person designated as the Executive Director, The Executive Director shall be hired, supervised and fired by the Board of Directors. In addition, his or her performance shall be annually evaluated by each Local Station Board, which may make recommendations to the Board of Directors.
- (B) The Executive Directors shall be the chief executive officer of the Foundation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the Foundation. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this Foundation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors.

Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he or she shall, in the name of the Foundation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

ARTICLE TEN GENERAL PROVISIONS

SECTION 1. RESIGNATION: Any Director or Officer may resign his or her position by written resignation filed with the Secretary of the Foundation.

SECTION 2. MEMBERSHIP NOT TRANSFERABLE: Foundation Membership, or membership on the Board of Directors, or any position as an Officer of the Foundation, is not transferable by assignment, inheritance, or by execution, bankruptcy, or other process of law.

SECTION 3. EFFECT OF TERMINATION OF MEMBERSHIP ON BOARD OF DIRECTORS, OR POSITION AS OFFICER OF THE FOUNDATION: Membership on the Board of Directors, or the holding of any office in the Foundation, shall cease and terminate upon the death of the member, upon his/her withdrawal or removal as provided in these Bylaws, upon the termination of his/her Foundation Membership, or office-holding position, and, thereafter, neither the heirs nor personal representative of the deceased members, withdrawing or terminated members, or office-holders, shall have any claim whatsoever upon the assets of the Foundation, or any claim whatsoever arising out of said membership or the holding of said membership or the holding of any office in the Foundation. No member of the Board of Directors, or officer of the Foundation, either while such a member or officer, or upon termination of membership or office, for any reason whatsoever, shall be entitled to the return of any monies theretofore paid by her/him or advanced to the Foundation as a contribution to the Foundation, or any station owned and operated by the Foundation.

SECTION 4. NON-LIABILITY OF DIRECTORS: Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation, subject to the provisions of the California Corporations Code.

SECTION 5. INDEMNIFICATION BY CORPORATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS: To the extent that a person who is, or was, a Director, officer, employee or other agent of this corporation has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was an agent of the corporation, or has been successful in defense of any claim, issue or matter therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding. If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation to the extent allowed by, and in accordance with the requirements of, Section 5238 of the California Non-Profit Public Benefit Corporation Law.

ARTICLE ELEVEN
CORPORATE RECORDS, REPORTS AND SEAL

SECTION 1. MAINTENANCE OF CORPORATE RECORDS: The Foundation shall keep at its principal office in the State of California:

- (A) Minutes of all meetings of the Board of Directors, of committees of the Board having any authority of the Board, and, if held, of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- (B) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- (C) A record of its members indicating their names and addresses and the class of membership held by each member and the termination date of any membership;
- (D) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the members of the corporation at all reasonable times during office hours.

SECTION 2. CORPORATE SEAL: The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

SECTION 3. DIRECTORS' INSPECTION RIGHTS: Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

SECTION 4. MEMBERS' INSPECTION RIGHTS: Members of the Foundation shall have the following inspection rights, for a purpose reasonably related to such person's interest as a member:

- (A) To inspect and copy the record of all members' names, addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand on the corporation, which demand shall state the purpose for which the inspection rights are requested.
- (B) To inspect at any reasonable time the books, records, or minutes of proceedings of the Members or of the Board or committees of the Board, upon written demand on the corporation by the member, for a purpose reasonably related to such person's interests as a member.

SECTION 5. RIGHT TO COPY AND MAKE EXTRACTS: Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

SECTION 6. ANNUAL REPORT:

(A) The board shall cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the Foundation's fiscal year to all directors of the corporation and, upon payment of reasonable copying costs, to any Member who requests it in writing, which report shall contain the following information in appropriate detail:

- 1) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;
- 2) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- 3) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;
- 4) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year;
- 5) Any information required by Section 7 of this Article.

(B) The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

SECTION 7. ANNUAL STATEMENT OF SPECIFIC TRANSACTIONS:

(A) The Foundation shall attach as an addendum to the Annual report a statement within one hundred and twenty (120) days after the close of its fiscal year which briefly describes the amount and circumstances of any indemnification or transaction in which the Foundation or one of its Radio Stations was a party, and in which any Director or officer of the Foundation had a direct or indirect material financial interest.

(B) The above statement need only be provided with respect to a transaction during the previous fiscal year involving more than ONE THOUSAND DOLLARS (\$1,000) or which was one of a number of transactions with the same persons involving, in the aggregate, more than ONE THOUSAND DOLLARS (\$1,000).

(C) Similarly, the statement need only be provided with respect to indemnifications or advances aggregating more than ONE THOUSAND DOLLARS (\$1,000) paid during the previous fiscal year to any director or officer, except that no such statement need be made if such indemnification was approved by the Members pursuant to Section 5238(e)(2) of the California Nonprofit Public Benefit Corporation Law.

(D) Any statement required by this Section shall briefly describe the names of the interested persons involved in such transactions, stating each person's relationship to the corporation, the nature of such person's interest in the transaction and, where practical, the amount of such interest, provided that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

**ARTICLE TWELVE
AMENDMENT OF BY-LAWS**

SECTION 1. POWER TO AMEND: Subject to any provision of law applicable to the amendment of Bylaws of California public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted as follows:

(A) Subject to the power of members to change or repeal these Bylaws under Section 5150 of the Corporations Code, by approval of two-thirds (2/3) the Board of Directors unless the Bylaw amendment would materially and adversely affect the rights of members as to voting or transfer, provided, however, a Bylaw specifying or changing the maximum or minimum number of directors, or changing from a fixed to variable board or vice versa, may not be adopted, amended, or repealed except as provided in subparagraph (b) of this Section; provided that the proposed changes have been submitted to each member of the Board of Directors at least 30 days in advance with notice of the meeting and provided further that the right of waiver of notice of meeting shall not apply, or

(B) By approval of the members of the Foundation voting by mail ballot.

SECTION 2. VOTING AND RATIFICATION: In order to be adopted, any proposed bylaws amendment must receive the vote of two-thirds (2/3) of the Directors present and voting or voting by signed ballot received before the meeting at which the proposal is voted upon convenes, the Directors voting by mail ballot must attach an exact copy of the proposal being voted upon to their ballots. In addition, any bylaw proposed by the members, or any bylaw requiring the approval of the members, or any class of members, must be approved by the affirmative vote of a majority of the votes representing a quorum of the members, or class of members, as applicable, voting by written mail ballot.

**ARTICLE THIRTEEN
AMENDMENT OF ARTICLES**

SECTION 1. PROPOSING AMENDMENTS: Amendments to the Articles of Incorporation may be proposed by two-thirds (2/3) majority vote of the Board of Directors.

SECTION 2. APPROVING AMENDMENTS: Any amendment(s) to the Articles of Incorporation proposed by the Board of Directors shall be presented to the Members of the Foundation and must be approved by the affirmative vote of a majority of the votes representing a quorum of the members, or class of members, as applicable, voting by written mail ballot.

**ARTICLE FOURTEEN
PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS**

No member, director, officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such

person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the corporation. All members of the corporation shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after all debts have been satisfied, shall be distributed as required by the Articles of Incorporation of this corporation and not otherwise.

ARTICLE FIFTEEN PARLIAMENTARY PROCEDURE

As to any matter not herein specified, Robert's Rules of Order (revised edition) shall apply.

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End Notes:

1. The three-year requirement for listener-sponsor membership shall be suspended until January 1, 2006. Through January 1, 2004 Listener-sponsor members shall be eligible to vote on any matter properly brought to the members if they have met the minimum contribution or minimum number of volunteer hours within the preceding 12-month period; through January 1, 2005 Listener-sponsor members shall be eligible to vote if they have met the minimum contribution or minimum number of volunteer hours within the preceding two 12-month periods.
2. For the first implementation of these bylaws, nominations shall open immediately upon ratification of the bylaws and shall be open for 45 days thereafter.
3. For the first implementation of these bylaws, the top twelve vote-getters shall be elected, subject to the diversity criteria (unless Local Advisory Board members have been "grandfathered").
4. For the first implementation of these bylaws, the current Local Advisory Boards may, by majority vote, select up to four of their current listener-sponsor members to be "grandfathered" for a one-year term, and up to four of their listener members to be "grandfathered" for a two-year term (provided that 4 are "grandfathered" for a one-year term). This provision shall not apply to any Local Advisory Board member added after June 1, 2001, nor to any Local Advisory Board that has passed a resolution not to "grandfather" any of its members. Staff members, as defined in these bylaws, currently serving on Local Advisory Boards may not be "grandfathered".
5. For the first implementation of these bylaws, the top six vote-getters shall be elected, subject to the diversity criteria.
6. For the first implementation, the one-year eligibility requirement is waived.
7. In the first implementation of these bylaws, three Directors shall be elected by the Delegates from each Local Station Board. The nominee receiving the highest number of votes shall

serve a 3-year term, the second highest shall serve a 2-year term, and the third highest shall serve a 1-year term.

8. In the first implementation of these bylaws, if a Local Station Board is electing three directors, then the nominee receiving the highest number of votes shall serve a 3-year term, the second highest shall serve a 2-year term, and the third highest shall serve a 1-year term; and if a Local Station Board is electing 4 Directors, then the two nominees receiving the highest and next highest number of votes shall serve 3-year terms, the next highest shall serve a 2-year term, and the next highest shall serve a 1-year term; and if a Local Station Board is electing 5 directors, then the two nominees receiving the highest and next highest number of votes shall serve 3-year terms, the next two highest shall serve 2-year terms, and the next highest shall serve a 1-year term.