

BY-LAWS OF THE TOWER FOUNDATION OF SAN JOSÉ STATE UNIVERSITY

Article I

Name, Purpose, Incorporation and Principal Office

1. The name of the Corporation is THE TOWER FOUNDATION OF SAN JOSE STATE UNIVERSITY (hereinafter, "Corporation" or "Tower Foundation").
2. The purpose of the Tower Foundation is to serve as the fiduciary board which oversees the solicitation, receipt, investment and expenditure of donations for the development and advancement of the objectives of San Jose State University (hereinafter, "University" or "SJSU") as well as to advise the president of San Jose State University and the CEO of the Tower Foundation.
3. The Corporation was organized under and is governed by California Nonprofit Corporation Law.
4. The principal office of the Corporation shall be maintained in the City of SAN JOSE and County of SANTA CLARA.

Article II

Board of Directors and Directors Emeriti

1. The Board of Directors of the Corporation (hereinafter, "the Board") shall manage the Corporation. Directors shall be nominated by the Board's Nominating & Governance Committee, and proposed to the Board for approval. Student and faculty (except those serving ex officio) representatives on the Board as described below shall be appointed to the Board directly by the President of the University.
2. The Board shall consist of individuals and ex officio holding the following titles either permanently or provisionally:
 - A. Fifty (50) Directors including ex officio members:
 - (i) No more than forty-three (43) Directors who are members of the community; at least five such Community Directors must be alumni of the University;
 - (ii) The President of the University (ex officio);
 - (iii) The Chief Executive Officer (CEO) of the Tower Foundation;
 - (iv) The Chair of the Academic Senate (ex officio);
 - (v) The President of the Alumni Association (ex officio);
 - (vi) The President of the Spartan Athletics Fund (ex officio);
 - (vii) One member of the faculty of the University to be appointed by the President; and
 - (viii) One member of the student body of the University, to be appointed by the President.
3. Each Director, except for ex officio Directors and Directors appointed under paragraphs 2.A (vii) and (viii), must be a Donor to the Corporation or become a Donor within six months of election. A Donor is a person who has contributed money or property or services to the Corporation. Each Director shall make annual contributions of at least \$10,000 to the Corporation and shall support occasional special fund raising campaigns.
4. Each Director including the ex officio Directors shall have one vote.

5. The term of office of each elected Director shall be three years, except for the Director who is a member of the faculty, whose term shall be for two years, or the Director who is a member of the student body, whose term shall be one year or longer as approved by the president of the university; ex officio Directors, whose term extends through their term in office at the University, the Alumni Association or the Spartan Foundation.
6. Each Director, except ex officio and Founding Directors, may serve no more than three consecutive terms. The member of the faculty may serve one two-year term.
7. Members of the board serving as of October 1, 2016 may serve the remainder of their present term and two additional terms before being subject to the provisions of paragraph 6.
8. Founding Directors are Directors whose membership on the Board commenced on or before June 30, 2007.
9. The Board can from time to time reduce or increase the number of Directors, but in no event shall the Board be comprised of more than fifty (50) Directors or fewer than fifteen (15) Directors, including ex officio and Founding Directors but not including Directors Emeriti. If there is a reduction in the number of Directors, such reduction shall not affect ex officio Directors or the Directors selected pursuant to paragraph 2.A above.
10. The terms of Directors shall run from July 1st of the year of appointment and end on June 30th of the following third year. The Directors, except for ex officio Directors, will be divided into three classes. At the first appointment of Directors, or in the first appointment of any Directors added as a result of an amendment to these by-laws, or by increase by the Board in the number of Directors, the Board shall attempt to establish terms of office such that the membership of the Board shall be divided into approximately equally sized groups of one-, two- and three-year terms, in order that subsequent periods shall select approximately one-third of the Board membership.
11. Any elected Director or Directors may be removed from office without cause if such removal is approved by a majority of the Directors then in office and the President of the University has approved the removal in writing. The Board may declare vacant the office of an elected Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final judgment of any court to have breached any duty arising under Sections 5231 and 5238 of the Law.
12. The Board shall meet at least four times per year.
13. The Board shall manage the Corporation and have charge of the properties of the Corporation. It shall possess all the powers and be charged with all the duties necessary to carry out fully the dictates of the Amended and Restated Articles of Incorporation and the provisions of these By-laws.
14. The Board shall:
 - A. Appoint such staff officers as appropriate. It shall determine their powers, duties, terms of office, and compensation. An appointee to any of these offices shall serve at the pleasure of the COO, who shall be responsible to the Board for all personnel matters relating to such individuals.
 - B. Be responsible for all fiscal affairs of the Corporation. At the Board's direction, the Audit Committee shall engage the independent auditor.
 - C. Give approval to the raising of funds in the name of the Corporation or any other funds that are expected to be kept by the Corporation.
 - D. Be responsible for all activities carried on by or under the auspices of the Corporation.
15. The Board may adopt any necessary rules of procedures for the Corporation's operation provided they are not inconsistent with the Certificate of Incorporation, regulations of the State of California or of the California State University, or these By-laws.
16. The Board may from time to time appoint a person as a Director Emeritus in recognition of services and contributions made to the Tower Foundation. Each Director Emeritus shall have all the rights and power of any Director.

17. No Director shall receive any salary or other similar compensation for services rendered as a Director or committee member. The Corporation shall not make any loan of money or property to, or guarantee the obligation of, any Director or Officer, unless approved in advance by the Attorney General.
18. Directors, including ex officio and Founding Directors, and such other persons as determined by the Board from time to time shall complete and file with the COO annually a statement on potential conflicts of interest. The Audit Committee shall prescribe the nature and form of this statement annually. The COO will report annually to the Audit Committee on Directors' potential conflicts of interest.

Article III **Officers**

1. The Officers of the Corporation shall be a Chair, Vice Chair, Secretary, Treasurer and such other Officers as are authorized by the Board. The Chief Operating Officer shall serve as the Secretary of the Board.
2. The terms of office of the Officers shall be one year and shall continue until their successors are elected and qualified. The terms of Officers shall run from July 1st of the year after election.
3. The Officers shall be elected by the Board from among the Directors who hold office excluding ex officio and emeritus.
4. The Chair shall preside at all meetings of the Directors, Board, and Executive Committee. The Chair shall see that notice of all regular and special meetings of the Directors, Board, and Executive Committee is duly given. The Chair, subject to the approval of the Board, shall appoint such standing, special, or other Committees as from time to time are established by the Directors or the Board. The Chair shall sign and execute for the Corporation, Board, and Executive Committee all documents issued by those bodies when duly authorized to do so.
5. The Vice Chair shall act in the place of the Chair during the latter's absence or disability and shall carry out the duties of the Office of Chair should it become vacant prior to the expiration of the term of the incumbent until the Directors shall elect a Chair.
6. The Secretary shall conduct or cause to be conducted such part of the correspondence of the Corporation as shall be assigned to that office. The Secretary shall keep or have kept an accurate record of the proceedings of all meetings of the Directors, Board, and Executive Committee and shall certify such minutes or Board actions as true copies when required. The Secretary shall assure that all books, papers, documents, and records of the Corporation are housed permanently at the principal office of the Corporation. The Secretary shall notify or cause to be notified, all Directors, Officers, and members and chairpersons of the several standing and special Committees of their election and appointment.
7. The Treasurer, who may also be the Corporation's chief financial officer, shall be the fiscal Officer of the Corporation. The Treasurer shall be charged with the safekeeping of all funds and properties of the Corporation. The Treasurer shall receive or cause to be received all monies and securities of the Corporation, including any subscriptions, beneficiary aid and other fees, and shall deposit or cause to be deposited such monies and securities in depositories approved by the Finance & Investment Committee. The Treasurer shall maintain or have maintained complete and accurate accounts of all receipts and expenditures and shall be prepared to report on the Corporation's financial condition at regular and special meetings of the Directors and the Board, as well as other entities as required by Federal or State regulation or by the policies of the California State University and the University. The Treasurer, at Corporation expense, shall give bond for faithful performance of the duties of the office, unless the Board waives the giving of said bond.
8. Any Officer, other than the Chair, Vice Chair, Secretary and Treasurer, shall have such duties as established by the Board.

Article IV
Chief Executive Officer (CEO) and Chief Operating Officer (COO)

1. The CEO shall act as the primary liaison to SJSU as it relates to advancement and fundraising activities and may serve as the direct supervisor to the Chief Operating Officer.
2. The CEO shall report on the activities of the Corporation at each regular meeting of the Board.
3. The COO shall be entitled to attend all meetings of the Board and its committees but shall have no vote (unless otherwise entitled to vote as a Director.)
4. The COO shall oversee the day-to-day operations and activities of the Corporation, and shall have such other powers and duties as shall be assigned to the office by the Board.
5. The COO may appoint additional staff to supervise activities of the Tower Foundation providing such appointments do not violate the Tower Foundation budget annually approved by the Board and are consistent with Article II, Section 14, Paragraph A of these by-laws.

Article V
Committees

1. Each Director, excluding ex officio, Directors Emeritus and Founding Directors, shall serve on a standing Committee.
2. The voting members of the Executive Committee shall consist of the Officers, the most recent past Chair of the Board, the University President, the CEO, the Chairs of any Committees and sub-Committees of the Board and the COO, who shall have no vote.
3. The Executive Committee shall have the powers and perform the duties of the Board in the interim between Board meetings, except as otherwise provided by law, the Articles of Incorporation, these By-laws or by resolution of the Board.
4. Each Committee shall meet as often as needed to carry out the duties for which it is responsible.
5. At the next regularly or specially scheduled meeting of the Board following a meeting of the Executive Committee, the Committee shall report its actions to the Board.
6. The term Standing Committee shall mean any Committee appointed by the Board which is authorized by specific delegation, without further Board action, to make and implement decisions on behalf of the Board, or to implement, with some degree of discretion, decisions of the Board pursuant to guidelines established by the Board. The Standing Committees of the Board shall be: Finance and Investment, Audit, Nominating and Governance, and Development.
 - A. Finance and Investment Committee. The Finance and Investment Committee shall oversee the financial affairs of the Corporation, recommend and monitor the Corporation's operating budget, monitor the investment policy statement, review the performance of investments, and related assets. The Committee shall have authority to retain and dismiss investment managers, although the Board of Directors must approve the engagement of the investment consultant. The Finance and Investment Committee shall be comprised of a Chair, the CEO, and two or more other Directors. The Committee may also have industry experts who are not members of the Board of Directors.
 - B. Audit Committee. The Audit Committee shall be comprised of Board members selected by a majority vote of the Directors in office. The Audit Committee shall be responsible for recommending the engagement or discharge of independent auditors, for the review and approval of the annual independent audit and the 990 tax return, shall direct and supervise investigation into matters relating to audit functions, and review with

independent auditors the plans and scope of annual audits. The Audit Committee shall be comprised of a Chair and two or more other Directors; the Committee may also have industry experts who are not members of the Board of Directors. Neither the Chair of the Finance and Investment Committee nor the CEO may serve as a member of the Audit Committee.

- C. Nominating and Governance Committee. The Nominating and Governance Committee shall nominate qualified candidates for the Board and oversee the Corporation's compliance with applicable laws. It shall be comprised of the Chair of the Board of Directors, the CEO, two or more other members of the Board of Directors, and may also have industry experts who are not members of the Board of Directors.
 - D. Development Committee. The Development Committee shall direct and oversee the Corporation's fundraising campaigns and development efforts. It shall be comprised of the Chair of the Board of Directors, the CEO, two or more other members of the Board of Directors, and may also have campus members and industry experts who are not members of the Board of Directors.
- 7. In the event that the Board determines that the establishment of an ad-hoc Committee would benefit the management of the Corporation, the Board may from time to time establish one or more such committees. The establishment of an ad-hoc Committee shall be effected by a Board resolution, which specifically sets forth the powers and duties delegated to such Committee and approved by the vote of the majority of the Directors then in office. Each ad-hoc Committee shall consist of two or more Directors.
 - 8. The Board can, from time to time, create, alter and abolish Committees of the Board, (which shall be in addition to the Executive Committee) and define the duties and responsibilities and set the membership thereof. Each Committee shall have at least three Directors. The Chair upon the approval of the Board shall appoint members of the Committees and sub-Committees. If the Board deems it advisable to recruit non-Directors to any Committee, these shall be in addition to the minimum number of three Directors and in no case shall number more than one half the number of Directors on the Committee.

Article VI

Meetings

- 1. Meetings shall be held at a time, date and place determined by the Chair or the CEO. A copy of the minutes of each meeting of the Directors, Board, or the Executive Committee, shall be filed with the COO promptly following said meeting, and shall be distributed to the membership of the entity as appropriate.
- 2. Directors of the Board, or any Committee thereof, may participate in a meeting of such Board or Committee by means of a conference telephone, web or video conferencing or similar equipment, which allows all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at such a meeting.
- 3. All meetings of the Board of Directors, the Executive Committee, and other Committee meetings shall be open and public, and all persons shall be permitted to attend; provided, however, that the Board, Executive Committee, or other affected Committee may hold closed sessions during any meeting to consider those matters that may lawfully be considered in such sessions under Article 2 (commencing with Section 89920) of Chapter 7 of Part 55 of the Education Code.
- 4. A quorum for the transaction of business at any meeting of the various constituent units of this Corporation shall be:
 - A. For the Board: at least one-third of the voting Directors presently serving;

- B. For any standing or ad-hoc Committee of the Board: a majority
5. The Chair of any Committee may poll the voting members of that Committee on matters of importance arising between meetings of such Board or Committee, provided that a majority of voting members approves the measure. Such polling shall be conducted by email.
 6. Written notice of all regular meetings of the Board, the Executive Committee, and other Committees that are required to hold open meetings shall be provided to all Directors and Committee members prior to the meeting. A special meeting of the Board may be called by the President or by one-third of the non ex officio Directors upon one week's notice to the Directors. A special meeting may be called with less than seven days notice if all members of the Board or Committee (as appropriate) signs a waiver of notice. A special meeting of the Executive Committee may be called by the President, the Chair, or by one-third of the Directors upon one week's notice to the Directors. A notice forwarded by telephone, facsimile, electronic mail or other electronic transmission shall be deemed written notice sufficient under these By-Laws. Digitally signed communication is acceptable, provided it conforms to the requirements set forth in California Government Code Section 16.5. Written notice of any of the above-described meetings shall also be given within the same time periods prior to the meetings as applies to the Board or Committee members, to any person or medium who requests such notice in writing. Timely posting of notice on the Company's website will constitute written notice.

Article VII

Fiscal Year

The fiscal year of the Corporation shall begin on the first day of July and shall end on the thirtieth day of June in the following year.

Article VIII

Tax Status

1. The Corporation will endeavor to keep a status that permits donors to deduct gifts to it for the University from their taxes to the maximum extent permitted by law.
2. The Corporation shall endeavor to receive income which is largely consistent with a tax-exempt status under Federal and State regulation, but recognizes a minimal portion of taxable income may appropriately be accepted, with concurrence of the Treasurer and to be reported to the Board at its next regular or special meeting.
3. No part of the net earnings of this Corporation shall inure to the benefit of or be distributed to nor shall there be the right to receive or be lawfully entitled to receive any pecuniary profit from the operation thereof to its Directors, Officers, staff or other private persons except that the Corporation shall be empowered to pay reasonable compensation for services rendered in effecting one or more of such purposes and to make payments and distribution in furtherance of the purposes hereinabove set forth, and no Director, Officer or other private person shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Corporation.
4. No substantial part of the activities of the Corporation shall be carrying on propaganda, or otherwise attempting to influence legislation, nor shall the Corporation participate in, or intervene in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office.

Article IX

Indemnification

All Directors, Officers, and employees of the Corporation who are made, or threatened to be made, a party to any legal action or proceeding, shall be indemnified, to the extent authorized by the Board, provided such indemnification is permitted by law. The Board is authorized to purchase insurance coverage against the risks of indemnification.

Article X
Auxiliary Organization

This Corporation is an auxiliary organization of San Jose State University, as defined in Section 89901(d) of the California Education Code. In addition to the restrictions in the Amended and Restated Articles of Incorporation of this Corporation, it shall not engage in any activity except those activities permitted by the Operating Agreement between this Corporation and the Trustees of the California State University.

Article XI
Amendments

1. These By-laws may be amended at any meeting of the Directors by a majority vote.
2. The Board shall, directly or by Committee, regularly review these By-laws for currency and effectiveness.