

BYLAWS
OF
HEALTH CARE FOUNDATION FOR VENTURA COUNTY, INC.
(a California nonprofit public benefit corporation)

ARTICLE I

Organization

Section 1 Name

The name of this corporation is Health Care Foundation for Ventura County, Inc. (HCFVC).

Section 2 Purposes

To further the general purposes set forth in Article II of the Articles of Incorporation, the specific purposes for which this corporation is formed are:

- A. To provide financial support for the Ventura County Health Care Agency (HCA), a public health care system, owned and operated by the County of Ventura, through the following activities, among others:
1. Soliciting contributions and raising funds for the support of HCA;
 2. Acquiring property by gift, devise, bequest, purchase, or otherwise for the benefit of HCA; and
 3. Holding property, making investments, and applying income or making property available to HCA.

The financial support for HCA contemplated by this statement of purpose shall supplement, rather than substitute for, other financial support available to HCA.

- B. To enhance the image and visibility of HCA, generate support for its endeavors and improve the health of those in the communities which it serves, through the following activities, among others:
1. Creating and maintaining community awareness of HCA;
 2. Supporting the endeavors and projects of HCA;
 3. Educating the public regarding the importance and activities of HCA;
 4. Conducting such public forums and other educational activities as HCFVC shall, from time to time, deem appropriate.

- C. To have and exercise all rights and powers granted to nonprofit corporations by law.

Section 3 Organization

- A. Limitation on Corporate Activities. HCFVC is organized and operated exclusively for charitable purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as amended (Code). HCFVC shall not, except to an insubstantial degree, engage in any activities or exercise any powers that do not further the purposes of Corporation, and HCFVC shall not carry on any other

activities not permitted to be carried on by (1) a corporation exempt from federal income tax under section 501(c)(3) of the Code, or (2) a corporation, contributions to which are deductible under section 170(c)(2) of the Code. No substantial part of the activities of HCFVC shall consist of lobbying or carrying on propaganda, or otherwise attempting to influence legislation, and HCFVC shall not participate or intervene in (including the publication or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office.

B. Dedication of Assets. The property of HCFVC is irrevocably dedicated to charitable purposes meeting the requirements for exemption under section 214 of the California Revenue and Taxation Code, and no part of the net income or assets of HCFVC shall ever inure to the benefit of any Director, or officer or to the benefit of any private persons. Upon dissolution of this corporation, all of its business, properties and assets shall go and be set over to and used for the objects and purposes set forth in Article VI of the Articles of Incorporation of HCFVC.

Section 4 Principal Office

The principal office of HCFVC shall be in the County of Ventura. The Board of Directors (Board) is hereby granted full power and authority to change the principal office from one location to another in the County of Ventura. Other business offices may at any time be established by the Board at any place or places where HCFVC is qualified to do business.

ARTICLE II

Members

This corporation shall have no members. All rights given to members by law shall be exercised by the Board.

ARTICLE III

Board of Directors

Section 1 Powers

Subject to the limitations of the Articles of Incorporation, the Bylaws and the laws of the State of California, all corporate powers shall be exercised by or under authority of, and the business and affairs of this corporation shall be controlled by the Board.

Section 2 Number of Directors

The number of Directors shall be no more than twenty-five (25) and no less than three (3), the number to be set from time to time by resolution of the Board. Any authorized but unfilled Director positions shall be considered vacant positions.

Section 3 Election of Directors

Directors shall be elected by a majority of Directors then in office. A majority of a quorum at a meeting, if less than a majority of Directors then in office, is insufficient.

Section 4 Term of Office

The term of office of each Director and of each authorized but unfilled Director position, shall be three (3) years.

New Directors shall assume office immediately following their election. A Director who is elected to fill a vacancy shall assume office immediately and shall serve for the unexpired term of the Director being replaced or the previously vacant position being filled.

Section 5 Removal from Office

- A. Any member of the Board may be removed from office by the affirmative vote of a majority of the Directors of HCFVC. Any member of the Board shall be deemed removed from office if such Director has been declared of unsound mind by order of court or convicted of a felony. Any member of the Board missing three (3) consecutive Board meetings during a calendar year, without just cause, will be deemed inactive and may be removed from office.
- B. Board members are expected to raise or donate a minimum of \$3,000 annually to the HCFVC, and should they raise that minimum from outside sources, Board members are expected to make an additional personal contribution of a minimum of \$1,000. Board members who fail to meet this expectation may be removed from office by majority vote of the Board.

Section 6 Vacancies

A vacancy in the Board shall be deemed to exist in the case of the death, resignation, or removal of any Director, or if the authorized number of Directors is increased, or if an authorized Director position has not been filled. Vacancies shall be filled by the Board after review of the list of candidates submitted by the Nominating Committee.

Any Director may resign effective upon giving written notice to the Chair of the Board, the Executive Committee or the Secretary. The written notice may specify a later time for the effectiveness of such resignation.

Section 7 Relationship of County of Ventura

No Director of HCFVC shall be appointed or elected by the County of Ventura, and no officer of the County of Ventura shall, in his or her official capacity, serve as a Director of HCFVC.

Section 8 Honorary Directors

The designation "honorary director" shall be awarded to any past Board member or prominent citizen who has contributed significantly to HCFVC's successes or who has shown extraordinary dedication to its mission. Honorary directors shall be chosen by act of the Board upon recommendation by at least one current Board member in good standing. The position of honorary director is ceremonial/commemorative, and has no voting or other authoritative powers or corporation responsibilities. Honorary directors will be recognized on HCFVC letterhead, reports and other appropriate documents where Board members are commonly listed.

ARTICLE IV

Advisory Board

Section 1 Board

HCFVC shall have an Advisory Board comprised of persons currently working for the County of Ventura who have knowledge and expertise that may be valuable to HCFVC in the conduct of its charitable efforts. The primary purpose of the Advisory Board is to advise the Directors as to the wants and needs of the HCA.

Section 2 Composition:

The Advisory Board is comprised of the HCA Director, HCA Chief Deputy Director, VCMC/SPH Chief Executive Officer, Deputy Director of Ambulatory Care Administrator, VCMC/SPH Medical Director, Ambulatory Care Medical Director, Behavioral Health Director, Public Health Director, VCMC/SPH Chief Nursing Executive, and Ventura County CEO Representative, and such other members as the Board may elect, but no more than eleven (11) total members.

Section 3 Activities

Advisory Board members may and are encouraged to attend all meetings of the Board of Directors. Advisory Board members may participate fully in the Directors' meetings, but they may not vote. Advisory Board members may be invited to serve on HCFVC committees for which membership is not restricted to Directors only.

ARTICLE V

Meetings of the Board of Directors

Section 1 Place of Meeting

The annual meeting, regular meetings and special meetings of the Board shall be held at any place designated from time to time by resolution of the Board or by written consent of all members of the Board. In the absence of such designation, such meetings shall be held at the principal office of HCFVC.

Section 2 Annual Meeting

The annual meeting of the Board shall be held in November of each year, on a date determined by the Board. The purpose of the annual meeting shall be to elect Directors and officers of HCFVC and to conduct other proper business. Nominations for Directors and officers of HCFVC shall be received no later than October 31 of each year. Written notice of the annual meeting shall be given no less than thirty (30) days prior to the meeting in a fashion consistent with Section 11 of this Article V.

Section 3 Regular Meetings

The Board shall meet at least three (3) times per fiscal year, at the principal office of HCFVC, or any other place within or without the State of California which has been designated by the Board. Written notice of regular meetings shall be given at least (30) days prior to such meetings, in a fashion consistent with Section 11 of this Article V.

Section 4 Special Meetings

Special meetings of the Board for any purpose or purposes may be called at any time by the Chair of the Board, the Executive Committee, the Secretary, or by one-third (1/3) of the Directors then in office. Special meetings of the Board shall be held upon four (4) days mailed notice or forty-eight (48) hours notice given in person, by telephone, or by electronic transmission. Any such notice shall be given in a manner consistent with Section 11 of this Article V.

Section 5 Action Without Meeting

Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such consent or consents shall be filed with the minutes of the proceedings of the Board and shall have the same force and effect as a unanimous vote of the Directors.

Section 6 Action at a Meeting: Quorum and Required Vote

Presence of one-third (1/3) of the current authorized number of Directors at a meeting of the Board constitutes a quorum for the transaction of business, except that at least two (2) Directors must be present in any event to constitute a quorum. Members of the Board may participate in a meeting through use of a conference telephone or similar communications equipment as set forth in Section 10. Participation in a meeting as permitted in the preceding sentence constitutes presence in person at such meeting. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, unless a greater number, or the same number after disqualifying one or more Directors from voting, is required by law, by the Articles of Incorporation, or by these Bylaws. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, provided that any action taken is approved by at least a majority of the required quorum for that meeting. Each Director present at a meeting shall have one vote. No Director may vote by proxy.

Section 7 Validity of a Defectively Called or Noticed Meeting

The transactions of any meeting of the Board, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the Directors not present, or who, though present, has prior to the meeting or at its commencement protested the lack of proper notice to him or her, signs a written waiver of notice or consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 8 Adjournment

A quorum of the Directors may adjourn any Directors' meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the Directors present at any Directors' meeting, either regular or special, may adjourn the meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of adjournment.

Section 9 Fees and Compensation

Directors shall not receive any salary for their services as Directors; provided, however, that Directors may be reimbursed for any expenses actually incurred in connection with the performance of their duties as Directors.

Section 10 Participation in Meetings by Electronic Means

Directors may participate in a meeting through use of conference telephone, electronic video screen or similar communications equipment, so long as all persons participating in such meeting can hear one another, and all Directors participating by electronic means can fully participate in all matters before the Board. All Directors participating by electronic means shall be deemed to be present in person at the meeting.

Section 11 Notices of Meetings

- A. Notice of each annual, regular or special meeting of the Board shall be consistent with the time frames set forth in Sections 2, 3 and 4 of this Article V. Written notice, where applicable, shall be given to each Director in person or at his or her last known address shown on HCFVC's records. At least four (4) days before the meeting, except those called on twenty-four (24) hours notice, an agenda describing the general nature of the business to be transacted, and available information relevant to such business, shall be sent to the Directors. Nevertheless, subject to the provisions of applicable law, any matter may be presented for action at a meeting.
- B. Mailed notice shall be deemed to have been given at the time a notice is deposited in the United States mail, first-class, postage prepaid. Other forms of notice are deemed to have been given at the time notice is transmitted to the recipient.
- C. For those meetings called on forty-eight (48) hour's notice, an agenda with date, place, and time of meeting along with relevant documents must be provided to each Director as soon as possible.
- D. Where telephonic notice is given for special meetings, such notice shall be deemed to have been given at the time it is communicated to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient.

ARTICLE VI

Officers

Section 1 Officers

The officers of HCFVC shall be a Chair, a Vice-Chair, a Secretary, and a Treasurer. One person may hold two or more offices, except that neither the Secretary nor the Treasurer may serve concurrently as Chair of the Board. The removal or resignation of a Director who is an officer of HCFVC shall be deemed a resignation by such person from all offices held.

Section 2 Election

The officers of HCFVC, other than those appointed in accordance with the provisions of Section 3 of this Article, shall be chosen by the Board from among its members after considering the recommendations of the Nominating Committee, and each shall hold office for a term of one year or until disqualified to serve, or until a successor shall be elected and qualified. At any regular or special meeting of the Board, the Board may fill a vacancy in any office caused by the death, resignation, removal or disqualification of any officer or by any other cause. The officers of HCFVC shall assume office immediately following their election. An officer elected to fill a vacancy shall assume office immediately and shall serve for the unexpired term of the officer being replaced, in accordance with the Bylaws.

Section 3 Subordinate Officers

- A. The Board shall elect a Chief Executive Officer (CEO) who shall not be a member of the Board. The CEO shall report to and serve at the pleasure of the Board of Directors. The CEO shall have general supervision, direction and control of the business and affairs of HCFVC subject to the policies of the Board. The CEO shall have the necessary authority and responsibility to operate HCFVC and all of its activities and departments on a day-to-day basis, subject only to the direction of the Board of Directors and to such policies as may be issued by the Board or any of its committees to which it has delegated powers for such action.
- B. The Board may authorize and elect such other officers as the business of HCFVC may require. Each subordinate officer shall hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as the Board may determine.

Section 4 Removal and Resignation

Any officer may be removed, either with or without cause, by the Board, at any regular or special meeting thereof. Any officer may resign at any time by giving written notice to the Chair of the Board, the Executive Committee, or the Secretary of HCFVC. Any such resignation shall take effect at the date of the receipt of such notice or at any later date specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5 Chair

The Chair of the Board shall, if present, preside at all meetings of the Board and exercise and perform such other powers and duties as may be assigned to him or her by the Board or prescribed by the Bylaws. A Director may serve as Chair for not more than two consecutive years, though this limitation may be waived by a majority vote of the Board.

Section 6 Vice-Chair

In the absence or disability of the Chair of the Board, the Vice-Chair shall perform all of the duties of the Chair, and when so acting shall have all the powers of, and be subject to all of the restrictions upon the Chair. The Vice-Chair shall automatically become Chair upon the expiration of the duly-elected term of his or her predecessor.

Section 7 Secretary

The Secretary, with the assistance of the CEO, shall record or cause to be recorded, and shall keep or cause to be kept, at the principal executive office or such other place as the Board may order, a Book of Minutes of actions taken at all meetings of the Board, with the time and place of the meeting, whether regular or special, and if special, how authorized, the notice thereof given, and the names of those present at all meetings of the Board. The Secretary shall give, or cause to be given, notice of all the meetings of the Board required by the Bylaws or by law to be given, shall keep the seal (if any) of HCFVC in safe custody, and shall have such other powers to perform such other duties as may be prescribed by the Board or by the Bylaws.

Section 8 Treasurer

The Treasurer, with the assistance of the CEO, shall act as treasurer of HCFVC and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of properties and business transactions of HCFVC, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The Treasurer shall submit a statement of accounts at each regular meeting of the Board and shall make such reports as the Board may require, and shall make an annual report to the Board on all monies and other valuables in the name and to the credit of HCFVC with such depositories as may be designated by the Board. The Treasurer shall disburse funds of HCFVC as may be ordered by the Board, shall render to the Board and the Chair of the Executive Committee, whenever they request, an account of all transactions and of the financial condition of HCFVC, and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

ARTICLE VII

Committees

Section 1 Committees

Except as limited by Section 11 of this Article, the Board may create standing or special committees for any purposes and delegate to such committees any of the powers and authorities of the Board. Such committees shall have the power to act only in intervals between meetings of the Board and shall at all times be subject to the control of the Board. Except as otherwise provided in these Bylaws, the chair and members of each standing and special committee shall be selected by the Chair of the Board, with the approval of the Board, and may be removed by majority vote of the Directors then in office.

Section 2 Limitation on Delegation

In accordance with the California Corporations Code, the Board may not delegate to any committee the following powers:

- A. The filling of vacancies on the Board or in any committee which has the authority of the Board.
- B. The fixing of compensation of the Directors for serving on the Board or on any committee.
- C. The amendment or repeal of bylaws or the adoption of new bylaws.
- D. The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable.
- E. The appointment of committees of the Board or the members thereof.
- F. The approval of any self-dealing transaction except as provided by law.

Section 3 Term Of Office

The chair and each member of each standing committee shall serve until the next annual election of members of the Board and until his or her successor is appointed, or until such committee is sooner terminated, or until such person is removed, resigns, or otherwise ceases to qualify as a chair or member of the committee. Chairs and members of special committees shall serve for the life of the committee unless they are sooner removed, resign, or cease to qualify as a chair or member of such committee.

Section 4 Executive Committee

There shall be an Executive Committee consisting of the following persons, so long as and to the extent that such persons are also members of the Board. Such persons shall be the Chair of the Board, the Vice-Chair, the Secretary, the Treasurer, the Chair of the Nominating Committee, and the Chair of the Allocations and Priorities Committee. Except as otherwise stated in these Bylaws, the Executive Committee shall have all the power and authority to act for HCFVC permitted by California law.

The Executive Committee, however, shall have power to act only in intervals between meetings of the Board.

Section 5 Nominating Committee

There shall be a Nominating Committee consisting of not less than three (3), nor more than nine (9) members. The Nominating Committee shall be charged with proposing nominees for election to the Board, and to serve as officers and committee chairs of HCFVC, at the annual meeting of the Board, and proposing nominees to fill vacancies of authorized Director positions as they may occur. The Committee shall recommend to the Board the number of Directors to serve on the Board for the ensuing year; recommend members of the community to fill vacancies on the Board and as officers and committee chairs; and maintain a current list of community members who are qualified and willing to so serve, keeping in mind the desirability of having broad community representation and the potential to serve actively and effectively as officers, committee chairs and Directors. The Board shall not be bound to accept the recommendations so made, and Directors may nominate additional candidates to fill officer and committee chair positions.

In preparing its recommendation the Nominating Committee shall also consider:

- A. The potential nominee's commitment and support for the mission and goals of HCA; and
- B. The willingness of the potential nominee to provide leadership and time to generate financial support for HCFVC.

Thirty to sixty days before the annual meeting of the Board, the Chair of the Nominating Committee shall call the members of the Nominating Committee to a special meeting. Their charge shall be to propose nominees to serve as officers, Board members and committee chairs of HCFVC to be elected at the annual meeting of the Board.

Section 6 Allocations and Priorities Committee

There shall be an Allocations and Priorities Committee consisting of not less than five (5), nor more than nine (9) members. A majority of the members must be Directors. The Committee shall periodically meet and confer with representatives of HCA to ascertain the projects viewed as priorities. The Allocations and Priorities Committee shall report to the Board and recommend projects to support.

Section 7 Compensation Committee

The Board may appoint a Compensation Committee, to be comprised entirely of Directors, and delegate the following duties to the committee:

- A. to meet periodically in private session outside the presence of any senior executive officer;
- B. to develop a recommendation to the Board for the compensation and benefit arrangements
- C. to be provided to the senior executive management;
- D. to engage outside independent compensation and legal advisors, when deemed necessary and advisable by the Compensation Committee;

- E. to take any other actions necessary to comply with the “Rebuttable Presumption of Reasonableness” standard for executive compensation under Section 4958 of the Internal Revenue Code of 1986, as amended, and the “Just and Reasonable” standard for executive compensation under the California Nonprofit Integrity Act; and
- F. to annually prepare for the Board, a review of the CEO’s performance.

Section 8 Audit Committee

As mandated by the California Nonprofit Integrity Act of 2004 (CNI), there shall be an Audit Committee consisting of at least one member. HCFVC staff, the Treasurer, and the CEO may not be members. This committee will recommend to the Board:

- A. the adoption of a regular schedule of independent audits of the financial statements of the HCFVC; and
- B. the hiring and/or firing of HCFVC’s independent auditor. When independent audits are performed, the committee will confer with the auditor to satisfy committee members that the financial affairs of the HCFVC are in order, will review the audit prior to acceptance, and will recommend to the Board appropriate action on the audit. The Audit Committee will meet at least semi-annually and act as needed to fully comply with the CNI.

Section 9 Vacancies

Vacancies on any committee may be filled by appointment by the Chair.

Section 10 Meetings-Quorum

Each committee shall meet as often as necessary to perform its duties, at such times and places as directed by its chair, by the Executive Committee or by the Board. A majority of the members of a committee shall constitute a quorum of such committee and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee. Each committee shall keep accurate minutes of its meetings, the chair of the committee designating a secretary of the committee for this purpose, and shall make periodic reports and recommendations to the Board.

Section 11 Expenditures

Any expenditure of corporation funds by a committee shall require prior approval by the Chair of the Board, by the Executive Committee or by the Board.

ARTICLE VIII

Constituent Guilds

Section 1 Guilds

The Board of Directors may create one or more guilds as subdivisions of the corporation to carry out and advance specified charitable activities of the corporation.

Section 2 Boards of Trustees

The Board of Directors shall establish a Board of Trustees for each constituent guild of the corporation and elect its members. Each Board of Trustees shall, subject to the directions and control of the Board of Directors and in a manner not inconsistent with these by-laws, exercise the authority of the Board of Directors with respect to the operation of its constituent guild.

Section 3 Budgets

The Board of Trustees of each constituent guild shall present to the Board of Directors for approval a budget for the operation of its constituent guild on or before January 15 of each year. Upon approval of its budget by the Board of Directors, the Board of Trustees shall exercise the authority of the Board of Directors as set forth in Section 2 of this Article to the extent of its budget unless otherwise rescinded by the Board of Directors.

Section 4 Rules

The Board of Trustees of each constituent guild shall adopt rules for its own governance that are consistent with these by-laws and with the policies and procedures established by the Board of Directors. The rules adopted by each constituent guild, and any amendments to the rules which are inconsistent with these by-laws, other than a rule which provides a term of office for the Board of Trustees of the constituent guild that exceeds the term set out in these by-laws, are subject to the approval by a majority vote of the Directors at a meeting at which a quorum is present.

Section 4 Trustees

The Board of Directors may nominate Trustees to any constituent guild of the corporation. The Board of Trustees of each constituent guild may also nominate Trustees to its Board of Trustees. The Board of Directors shall elect the Board of Trustees of the constituent guilds from among those candidates nominated by the Board of Directors and/or by the Board of Trustees of each constituent guild by a majority vote of the Directors present at a meeting at which a quorum is present. A Board of Trustees may request the Board of Directors to remove or replace any Trustee. The Board of Directors may also remove or replace any Trustee on its own initiative, with or without cause, by majority vote of the Directors at a meeting at which a quorum is present.

Section 5 Committees

The rules of each constituent guild shall provide for the designation of such committees as the Board of Trustees of that guild deems necessary for the proper functioning of such constituent guild.

Section 6 Officers

The rules of each constituent guild shall provide for the election by the Board of Trustees of such officers as the Board of Trustees deems necessary for the proper function of such guild. The election of officers to the Board of Trustees of each constituent guild shall be subject to confirmation by a majority vote of the Directors at a meeting at which a quorum is present. The Board of Trustees may remove or replace any officer so elected, or may request the Board of Directors to remove or replace such officer. The Board of Directors may also remove or replace any officer of a constituent guild on its own initiative, with or without cause, by majority vote of the Directors at a meeting at which a quorum is present.

Section 7 Terms of Office

The rules of each constituent guild shall provide for terms, not to exceed three years, of the trustees elected to the guild's Board of Trustees and may provide that trustees may be elected to the Board of Trustees for a maximum of six years, unless specifically exempted by the Board of Trustees and approved by the Board of Directors. Trustees may rejoin the constituent guild's Board of Trustees after a minimum of a one-year hiatus.

Section 8 Vacancies

Vacancies on any Board of Trustees may be filled by elections in the same manner as provided in the case of the original elections.

Section 9 Quorum

A majority of a Board of Trustees shall constitute a quorum and the act of a majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees.

ARTICLE IX

Indemnification and Insurance

To the full extent permitted by law and in the manner provided by law, HCFVC may indemnify against liability and hold harmless any person who was or is a party to or is threatened to be a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative or investigative, by reason of the fact that such person is or was a Director, officer, employee or agent of HCFVC when serving in an official capacity on behalf of HCFVC, or is or was serving at the request of HCFVC as a member, director, officer, employee, or agent of another corporation, domestic or foreign, nonprofit or for-profit, partnership, joint venture, trust, or other enterprise. The foregoing rights of indemnification shall not be deemed to be exclusive of any other rights to which such person may be entitled under applicable law, and shall continue as to a person who has ceased to be a Director, officer, employee, or agent of HCFVC and shall inure to the benefit of the estate, executors, administrators, heirs, legatees or devisees of any such person.

HCFVC may pay expenses, including attorneys' fees, incurred in defending any action, suit or proceeding referred to in this Article in advance of the final disposition of such action, suit or proceeding as authorized by the Board in the specific case and as permitted by law.

HCFVC may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, or agent of HCFVC when serving in an official capacity on behalf of HCFVC, or is or was serving at the request of HCFVC as a member, director, officer, employee or agent of another corporation, domestic or foreign, nonprofit or for-profit, partnership, joint venture, trust, or other enterprise, against any liability asserted against such person and incurred in any such capacity, or arising out of such person's status as such, whether or not HCFVC would be required or would have the power to indemnify such person against such liability under this Article or otherwise.

ARTICLE X

Conflict of Interest

Section 1 Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of HCFVC or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2 Definitions

A. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

B. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- i. An ownership or investment interest in any entity with which HCFVC has a transaction or arrangement.
- ii. A compensation agreement with HCFVC or with any entity or individual with which HCFVC has entered a transaction or arrangement.
- iii. A potential ownership or investment interest in, or compensation agreement with, an entity or individual with which HCFVC is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest, under 3B of this article, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3 Procedures

A. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

B. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

C. Procedures for Addressing the Conflict of Interest

- i. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- ii. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

- iii. After exercising due diligence, the governing board or committee shall determine whether HCFVC can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- iv. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in HCFVC's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

D. Violations of the Conflicts of Interest Policy

- i. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- ii. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4 Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- A. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- B. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5 Compensation

- A. A voting member of the governing board who receives compensation, directly or indirectly, from HCFVC for services is precluded from voting on matters pertaining to that member's compensation.
- B. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from HCFVC for services is precluded from voting on matters pertaining to that member's compensation.

- C. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from HCFVC, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6 Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- A. Has received a copy of the conflicts of interest policy,
- B. Has read and understands the policy,
- C. Has agreed to comply with the policy, and
- D. Understands HCFVC is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7 Periodic Reviews

To ensure HCFVC operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic review shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- A. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- B. Whether partnerships, joint ventures, and arrangements with management organizations conform to HCFVC's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 8 Use of Outside Experts

When conducting the periodic reviews as provided for in Section 7, HCFVC may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE XI

Whistle Blower Policy

Section 1 General

HCFVC's Code of Ethics and Conduct ("Code") requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of HCFVC, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Section 2 Reporting Responsibility

It is the responsibility of all directors, officers and employees to comply with the Code and to report violations or suspected violations in accordance with the Whistleblower Policy.

Section 3 No Retaliation

No director, officer or employee who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within HCFVC prior to seeking resolution outside HCFVC.

Section 4 Reporting Violations

The Code addresses HCFVC's open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if a subordinate is not satisfied with a Supervisor's response he/she is encouraged to speak with someone in the Human Resources Department or anyone in management whom he/she is comfortable in approaching. Supervisors and managers are required to report suspected violations of the Code of Conduct to HCFVC's Compliance Officer, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when one is not satisfied or is uncomfortable with following HCFVC's open door policy, he/she should contact HCFVC's Compliance Officer directly.

Section 5 Compliance Officer

HCFVC's Compliance Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code and, at his discretion, shall advise the executive directors and/or the audit committee. The Compliance Officer has direct access to the audit committee of the board of directors and is required to report to the audit committee at least annually on compliance activity. HCFVC's Compliance Officer is the chair of the audit committee.

Section 6 Accounting and Auditing Matters

The audit committee of the board of directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the audit committee of any such complaint and work with the committee until the matter is resolved.

Section 7 Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Making allegations that prove not to be substantiated and which prove to have been made maliciously or with knowledge that they are false will be viewed as a serious disciplinary offense.

Section 8 Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Section 9 Handling of Reported Violations

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

ARTICLE XII

Miscellaneous

Section 1 Inspection of Articles and Bylaws

HCFVC shall keep at its principal office the original or a copy of its Articles of Incorporation and Bylaws as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by any Director at all reasonable times during office hours.

Section 2 Checks, Drafts, Etc.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to HCFVC shall be signed or endorsed by such person or persons and in such manner as shall be determined by a resolution of the Board.

Section 3 Records

HCFVC shall keep adequate and correct books and records of accounts and shall keep minutes of the proceedings of the Board and the committees, if any, of the Board. Such minutes shall be in written form. Such other books and records shall be kept either in written form or in any other form capable of being converted into written form. HCFVC shall conduct an independent, certified audit annually. Copies of the audit will be given to the HCFVC Board of Directors. HCFVC will distribute the audit to members of the community who request it.

Section 4 Rules of Order

Meetings of the Board and HCFVC's committees shall be conducted in a businesslike and fair manner, but shall not be limited to following any technical, formal, or parliamentary rules or principles of procedure.

Section 5 Gifts

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purpose or for any special purpose of the Corporation.

Section 6 Gift Acceptance Policy

The Board of Directors shall have a Gift Acceptance Policy.

ARTICLE XIII

Fiscal Year

The fiscal or business year of HCFVC shall begin on the first day of January and shall end on the last day of December of each year.

ARTICLE XIV

Amendments

Section 1 Amendment by Directors

New bylaws may be adopted, or these Bylaws may be amended or repealed, by a majority vote of the Directors then in office.

Section 2 Record of Amendments

Any amendment or alteration in these Bylaws shall be forthwith filed with the original Bylaws of HCFVC.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that I am the duly elected and acting Secretary of Health Care Foundation for Ventura County, Inc., a California nonprofit public benefit corporation, and that the foregoing Bylaws, comprising fourteen (14) Articles, constitute the Bylaws of said corporation as duly adopted by the Board of Directors on August 10, 2017.

IN WITNESS WHEREOF, I have hereunto subscribed my name this _____

day of _____.



Amy Dilbeck Kieseewetter, Secretary