



**PACIFIC  
INSTITUTE**

## Governance Review Documents

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PI's Board of Directors on June 6, 2018

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# Governance Overview

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### Board Composition and Nomination Policy

## Introduction

This document provides an overview of Pacific Institute’s governance arrangements and expectations. It serves as a reference, as an orientation and education tool, and as a vehicle for capturing certain governance policies and practices not otherwise reflected in separate documents.

## Mission

### Mission

Our mission is to create and advance solutions to the world’s most pressing water challenges.

### Vision

We envision a world in which society, the economy, and the environment have the water they need to thrive now and in the future.

## Charitable status

We are organized and operated for charitable purposes under section 501(c)(3) of the Internal Revenue Code. We understand that, as a tax-exempt charitable organization, we must operate for public benefit, and not for that of our directors, management, substantial donors, or other related or private persons or interests. We understand that our assets are and must be irrevocably dedicated to charitable purposes, that we are limited in our legislative activities, and that we cannot participate in campaign activities on behalf of any political candidate. A number of the policies and practices set out in this Governance Overview reflect these central principles.

## Board responsibilities

### Core responsibilities

Under state law, Pacific Institute’s activities and affairs are conducted and all corporate powers are exercised by or under the direction of our Board. The Board’s responsibilities include:

- determining and understanding our mission and vision
- overseeing strategy development and execution
- monitoring program, Board, and staff performance
- reviewing budgets and budget performance
- selecting and evaluating the President
- selecting, orienting, and integrating new members of the Board
- providing risk management, legal, and tax oversight
- reviewing branding and outreach strategies
- reviewing governance structure, policies, and practices
- setting fundraising strategy and engaging in development activities

### Fiduciary duties

Board members have two basic state law duties to a corporation: a duty of care and a duty of loyalty.

- The duty of care requires that directors be informed about organizational activities, participate in decisions, and do so in good faith, in a manner that the director believes to be in the best interest of the organization, and with such care, including reasonable inquiry, of an ordinarily prudent person in similar circumstances.
- The duty of loyalty requires that directors act in the interest of the organization and not in their own interest or in the interest of another entity.

In carrying out their duties, directors are generally entitled to rely upon information, including financial data, provided by officers and employees, counsel, independent accountants and other experts, and Board committees, so long as they in good faith believe such

## Board composition

reliance to be warranted.

### **Expectations of individual directors**

We expect each individual director to fulfill core Board responsibilities by:

- learning about our strategy and programs
- building an understanding of our budgeting processes, key performance measures, and financial statements
- preparing for Board and committee meetings, including reviewing agendas, draft minutes, and background materials
- attending at least 75% of Board and committee meetings, retreats, and other supplementary Board activities
- identifying ways to contribute to the Board's functioning, such as assuming leadership positions and suggesting agenda items
- participating in fundraising activities, including making personal financial contributions that are meaningful to the director
- complying with Pacific Institute's policies, including its Conflict of Interest Policy, and providing Pacific Institute with the information it needs for its external reporting

### **Indemnification and insurance**

California law includes various statutory protections for directors of nonprofit corporations who act in accordance with their fiduciary duties of care and loyalty. In addition, the law permits nonprofits to indemnify directors in respect of claims against them by reason of their status as directors, and to procure director and officer liability insurance. Our bylaws contain indemnification provisions reflecting these statutory powers and limitations and we maintain such D&O insurance.

### **Day-to-day management**

The Board selects, oversees, and monitors the performance of the senior management team. The management team is charged with the day-to-day conduct of Pacific Institute's operations. The bylaws provide that our President is the general manager of the corporation and that he or she is responsible for the day-to-day management of Pacific Institute's activities and affairs.

### **Size**

Our bylaws provide that the number of authorized directors on our Board will be not less than five or more than [4820](#). The Board fixes the exact number of authorized directors within this range from time to time.

### **Composition and nominations**

Our Board composition goals and nominating process are set out in the Board Composition and Nomination Policy attached as Appendix A. The policy sets out our diversity, skills, and other objectives and our assessment, outreach, and recruitment protocols.

### **Independence**

As provided by state law and as stated in our bylaws, no more than 49% of the directors of Pacific Institute may be individuals who have been compensated, or who have family members who have been compensated, by Pacific Institute for services rendered to it within the previous twelve months. In addition, we are required to report the number of independent directors on our Form 990 return filed with the IRS, which has a similar, but separate, definition of "independent." Each year, we ask directors for relevant information in

order to enable us to meet this reporting requirement.

## **Board terms**

### **Term [and term limits]**

Our bylaws provide that directors serve three-year terms [and may not serve more than three consecutive terms, unless otherwise determined by the Board. A former director, having reached the term limit, may be reelected after having been off the board for one year.] Our bylaws also provide for staggered terms, with approximately one-third of the Board elected each year. This arrangement promotes an appropriate balance of experience and fresh perspectives on the Board.

### **Removal and resignation**

Under our bylaws, directors may be removed without cause by a vote of a majority of the directors then in office, provided that a quorum is present. Directors should understand that continued failure to attend Board and Board committee meetings may give rise to removal. Directors who believe they are unable to carry out their responsibilities as directors are expected to discuss the situation with the Board Chair. Directors who wish to resign should provide notice in accordance with the bylaws.

## **Board committees and advisory committees**

### **Committee structure**

Our Board establishes committees to help it effectively and efficiently meet its responsibilities. The Board may create two types of committees:

- Board committees are composed entirely of elected directors. They may exercise the full authority of the Board, subject to statutory limitations and the Board's decisions about their respective responsibilities.
- Advisory committees may be composed of directors and non-directors, including staff members, consumers, clients, policy advocates, and community members. They make recommendations to the Board and help carry out Pacific Institute programs and initiatives. Under state law, they cannot exercise the authority of the Board.

The Board formally creates all Board and advisory committees.

### **Committee charters and composition**

We establish and maintain our Board and advisory committees as follows:

- The Board approves charters for each Board and advisory committee, setting out its responsibilities, limitations, and administrative features.
- Our Board Chair makes recommendations to the Board about committee members and designates committee chairs for all committees except the Finance Committee.
- The Board appoints members to committees by a majority vote of directors then in office.
- The Board may fill vacancies on all committees. The Board may remove a committee member from a committee at any time, with or without cause.

The Board may change Board and advisory committee structure,

responsibilities, and composition in its sole discretion, in line with its authority and oversight role, except as required by law.

### **Current Board and advisory committees**

We currently have four Board committees:

- The Executive Committee assists the Board by having the authority to act on behalf of the Board between Board meetings, and by overseeing key management and compensation matters.
- The Governance Committee assists the Board by overseeing our Board composition and governance arrangements, recommending candidates for Board membership, and overseeing Board self-evaluation and orientation processes.
- The Audit Committee assists the Board in its oversight of the quality and integrity of our accounting, reporting, auditing, and compliance policies and practices.
- The Finance Committee assists the Board in its oversight of our financial planning, strategy, policies, relationships, investments, financing needs, and transactions.

We currently have one advisory committee:

- The Fundraising Advisory Committee assists the Board on matters relating to fundraising strategy and execution.

The Board may form ad hoc committees, task forces, working groups, or Advisory Councils (as defined in our bylaws) from time to time.

## **Board meetings**

### **Meeting schedule**

Our Board generally holds regular meetings four times per year, ~~in~~ in addition to one in conjunction with an annual retreat. Our Board may hold special meetings as provided in the bylaws.

### **Meeting agendas**

Our Board Chair and President, with occasional input from the Governance Committee, collaborate to develop the specific agendas for Board meetings, with the understanding that certain items necessary for Board oversight will be brought to the Board periodically for review, discussion, and decision-making. Any director may request that an item be included on a meeting agenda.

### **Advance materials**

We provide our directors with regular financial and performance updates and with agendas and other written materials that are important to the Board's understanding of the items to be discussed at Board and committee meetings. We try to provide those materials sufficiently in advance of the meetings to allow time for review and for efficient use of directors' time. We generally transmit materials electronically with directors' consent.

### **Meetings and executive sessions**

Directors are expected to attend Board meetings and meetings of the committees on which they serve, to spend the time needed, and to meet as frequently as necessary to properly discharge their responsibilities. Meetings generally involve management presentations, committee reports, and Board discussions. Our Board and each committee may meet at their discretion in executive

session without any members of management present.

**Other attendees**

Our President ~~(if not a director)~~, as a Board director, may attend all Board and Board committee meetings, except as may be directed by the Board. The Board and each Board committee may request that any officer or employee, or outside consultants, counsel or other advisors, attend and participate in its meetings, subject as appropriate to customary confidentiality undertakings.

**Actions by written consent**

The bylaws provide that our Board may take action without a meeting by unanimous written consent. These consents may be obtained via e-mail, scanned PDF, fax, or transmittal of hard copy.

**Actions via e-mail**

In circumstances in which it may be difficult to obtain the unanimous written consent of the Board, and as deemed appropriate by both the Board Chair and President, the Board may approve corporate action via e-mail communications so long as (i) each Board member is provided with relevant data and an opportunity to respond; (ii) Board members are given at least three days to respond; (iii) the proposal receives explicit, affirmative approval through a specific response from a majority of the directors then in office; and (iv) the action is subsequently expressly ratified at a Board meeting.

**Board access to information**

**Access to information**

At any reasonable time, every director has the right to inspect Pacific Institute’s books, records, documents, and physical properties. A director may conduct such inspection directly or through agents and may make copies of Pacific Institute records in accordance with applicable federal and state law, including, without limitation, laws related to privacy and confidentiality.

**Confidentiality and public communication**

We expect directors to maintain the confidentiality of the Board’s non-public deliberations, and of the information Pacific Institute provides to them in writing and at meetings. We encourage directors to be advocates for the organization but not to engage in legislative activities, communicate with the media or make other public communications about Pacific Institute except as coordinated with management.

**Outside advisors**

The Board and each Board committee have the authority to engage independent legal, financial or other advisors as they see fit. Management will cooperate with any such engagement. We expect directors to disclose any relationships with outside advisors that may affect, or could be perceived to affect, the advisors’ ability to provide independent and impartial advice to the Board or committee.

**Board orientation and evaluation**

**Orientation and education**

We have an orientation process for newly-elected directors. New directors receive written materials about our mission, operations, and governance arrangements, and meet with the President to discuss strategic, programmatic, financial, and compliance matters. We are committed to ongoing education of our directors so they are knowledgeable about programs and can carry out their oversight responsibilities effectively.

## Officers

### **Periodic self-evaluation**

The Board conducts an annual self-evaluation. These self-evaluations are intended to facilitate examination and discussion by the Board and each committee of its effectiveness as a group. Our Governance Committee oversees our self-evaluation processes.

### **Officer positions**

The bylaws set out our officer positions. The Board appoints the officers. Under California law, officer positions may be held by directors, employees, or others; there is no requirement that officers must also be directors. Our bylaws provide that our Board Chair must be a director and that our President serves as our chief executive officer.

### **Officer responsibilities**

We currently have six standing officer positions:

- The **Chair** presides over all Board meetings, if present.
- The **Vice-Chair** presides over all Board meetings, in the absence of the Chair.
- The **Treasurer** leads the Board's oversight of Pacific Institute's budgeting and planning processes, financial performance, and financial condition, and serves as Chair of the Finance Committee.
- The **Secretary** supervises the maintenance of Pacific Institute's Articles of Incorporation, bylaws, and corporate records, including Board and committee minutes.
- The **President** is responsible for the day-to-day management of Pacific Institute's activities and affairs, and serves as the chief executive officer of Pacific Institute.
- The **Chief Operating Officer** is responsible for the day-to-day administrative and financial operations of Pacific Institute, and serves as the chief financial officer of Pacific Institute.

### **President Emeritus**

Our bylaws provide that Peter Gleick will serve as President Emeritus. The position of President Emeritus will cease when vacated by Mr. Gleick.

## Certain transactions

### **Transactions with directors, officers, and key employees**

Pacific Institute will not engage in transactions with its directors, officers, and key employees except as contemplated in its Conflict of Interest Policy and as permitted by applicable federal and state law. The policy addresses, among other things, the treatment of "self-dealing" transactions under California law and reflects IRS principles regarding private inurement and excess benefit transactions.

### **Loans to directors**

Except as permitted by California nonprofit law, Pacific Institute will not make any loan or other advance of money or property to, or guarantee the obligation of, any director or officer.

### **Director compensation and expense reimbursement**

We do not compensate our directors for services as members of the Board or any Board or advisory committee. We do reimburse directors for reasonable expenses incurred in their activities as directors in accordance with our reimbursement policy. As permitted

by California law, we may also advance money to a director for expenses reasonably anticipated to be incurred in the performance of the duties of the director, so long as the individual would be entitled to be reimbursed for such expenses absent that advance.

## **Fundraising and gift acceptance**

### **Fundraising**

We are committed to carrying out responsible fundraising activities, including ensuring that solicitation materials are accurate, that contributions and grants are used in accordance with donor intent, that we provide donors with appropriate acknowledgments, disclosures about our organization and use of funds, and other documentation, that we respect our donors' privacy, and that we comply with laws relating to fundraising practices.

### **Gift acceptance**

We will not accept any gift that may violate our organizational documents, risk our tax-exempt status, be difficult to administer, create undue liability, is given for a purpose inconsistent with our mission or values, or could damage our reputation. We accept unrestricted gifts of cash and public company securities without review by our Board, ~~it being understood that, for gifts of \$50,000 or more, management has first reviewed the identity of the donor for reputational, policy, and related concerns.~~ Contributions of other assets must be reviewed by our Board or an appropriate Board committee prior to acceptance. These non-standard contributions may include tangible personal property, real estate, private company securities, and trust interests. We expect our management to review proposed restricted gifts of cash or public company securities and to consult with the Board as appropriate before accepting such gifts. The Board may adopt more detailed policies and consult with counsel as it finds appropriate.

## **Organizational compliance**

### **Ethical practices**

We are committed to pursue our mission; manage our resources responsibly and prudently; review the effectiveness of our programs; maintain complete and accurate financial records; encourage our employees and officers to bring forward concerns; cooperate with governmental authorities; carry out our confidentiality obligations; and maintain a working environment that reflects our values.

### **Legal compliance**

We are committed to compliance with applicable federal, state and local laws and regulations, including the laws relating to tax-exempt organizations and recipients of charitable contributions, and to carrying out our contractual obligations.

### **Whistleblower policy**

We maintain a Whistleblower Policy intended to facilitate open and honest communications by employees, directors, officers, and volunteers concerning our governance practices, finances and compliance with law, policy, and ethical principles. Depending on the circumstances, issues arising under the policy may be addressed by the Audit Committee, President, Chair, or other board member.

### **Conflict of interest policy**

We maintain a Conflict of Interest Policy intended to facilitate compliance with federal and state laws relating to our interactions with directors, officers, employees, and other persons, the independence of our Board and its members' duty of loyalty, and to disclosure about those interactions and individuals. The policy sets

## **Financial reporting and disclosure**

out procedures for addressing situations that involve, or may appear to involve, conflicts of interest. The policy also addresses loans to directors and officers, personal use of Pacific Institute's name and assets, receipt of gifts, transactions with organizations that have common directors, and corporate opportunities. We require disclosure by our directors, officers and key employees, including completion of annual questionnaires signed by those individuals.

### **Records retention policy**

We maintain a Records Retention Policy designed to help us manage our records efficiently, report our performance accurately, comply with applicable laws relating to preservation and confidentiality of such records, and take appropriate actions, including litigation holds, in situations involving legal proceedings.

### **Compensation review policy**

We maintain a Compensation Review Policy document intended to facilitate compliance with California and federal law relating to compensation of senior management of nonprofit organizations and in accordance with best practices. The policy sets out how our Board reviews and approves senior management compensation, including the use of external benchmarking information.

### **Financial reporting and internal controls**

We are committed to recording transactions and reporting our financial position and results of operations accurately and in accordance with generally accepted accounting principles and applicable legal requirements. We are committed to maintaining an appropriate system of internal controls designed to provide reasonable assurances that we efficiently carry out our operations, safeguard our assets, produce reliable financial statements, and comply with applicable legal and contractual requirements.

### **Audit committee**

The charter for our Audit Committee reflects the requirements of the California Nonprofit Integrity Act, including its requirements relating to appointment, performance review, and termination of the independent accounting firm, review of financial statements and audit, and approval of performance of non-audit services by the accounting firm.

### **Annual audit**

We engage an independent accounting firm to conduct an annual examination of our financial statements. The auditors examine our financial statements and internal controls. They report on their examination and make recommendations for changes in the financial statements, reporting practices, and controls. The auditor provides its report directly to our Audit Committee and Board.

### **Financial reporting**

We make our annual financial statements and audit report available to the public on request as contemplated by the California Nonprofit Integrity Act, as well as on our website. We also make financial information available through our Form 990 filing.

### **Form 990 preparation, review, and access**

Our Finance Committee, Audit Committee, and Treasurer oversee our Form 990 preparation and review process. The process includes extensive interactions between staff and the public accounting firm that prepares our return. The form is reviewed by our management

before being signed and submitted by our President. The full Board receives a copy of the Form 990 after filing. Our Form 990s are available on Guidestar and our website.

**Governance documents**

We make our governance documents, including our articles of incorporation, bylaws, committee charters, and governance policies, available to the public upon request.

**Relationship to other documents**

This document states guiding principles for our governance arrangements and practices and summarizes statutory provisions and provisions of our bylaws, Board committee charters, and specific policies regarding a number of topics. Nothing here limits, qualifies, or otherwise affects those materials; if there is any conflict between this overview and those documents, the documents will control. Similarly, summaries of legal obligations are not intended to limit, qualify, or otherwise modify those duties under applicable law.

**Review**

The Board will periodically review this Governance Overview, and may amend it at any time.

Adopted \_\_\_\_\_

# Board Composition and Nomination Policy

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This Board Composition and Nomination Policy provides guidance about composition goals and processes for appointing new directors to the Pacific Institute Board of Directors.

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## Composition

### Mission

Pacific Institute's mission is to create and advance solutions to the world's most pressing water challenges.

### Composition goals

Pacific Institute seeks directors who share its mission. Specifically, we aim to have:

- ~~a Board of which at least 50% of the directors have engaged in governance roles related to environmental sustainability~~
- individuals who possess fundraising, finance, education, legal, ~~and other relevant skills and~~ such other skills, experience, and attributes as the board may deem appropriate from time to time
- individuals with wide-ranging community connections, given that we seek to influence policies at local, national, and international levels
- individuals who would bring a diversity of race, ethnicity, gender, age, and experiences to the Board
- individuals with proven leadership and management ability, community presence, and reputation

## Nomination Process

### Leadership

The Governance Committee ("Committee") will lead the nomination process.

### Composition assessment

The Committee will review the Board's current composition and needs, and will seek the Board's input in identifying potential nominees. The Committee may also seek guidance from collaborators, funders, other nonprofits, outside counsel, executive search firms, and others in the community.

### Outreach and vetting

The Committee will reach out to potential nominees to determine their interest in potential Board membership. In vetting them, the Committee may obtain information regarding skills, experience, motivations, giving capacity, and other qualifications as may be relevant in determining if the individual meets the identified needs of the Board. The Committee will review the gathered information and interview potential nominees, as well as contacting references and conducting informal background checks as appropriate. Following completion of the vetting process, the Committee will identify nominees.

### Recruitment

Once the Committee identifies nominees, the Committee will engage in recruiting activities as appropriate. The Committee may invite a nominee to meet with Pacific Institute executives and other Board members to discuss Pacific Institute, Board member roles and responsibilities, and fundraising or other outreach expectations. The Committee may also invite a nominee to attend a Board meeting.

### Voting

The Committee will vote on each nominee once that nominee has been seen and interviewed by at least two directors. Those nominees receiving a majority vote will be presented to the Board. The Board will consider the nominees forwarded by the Committee in conducting its selection of directors.

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The Board may amend this Policy at any time.

# Amended and Restated Bylaws

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## 1. Name

The name of this corporation is Pacific Institute for Studies in Development, Environment, and Security ("Pacific Institute").

## 2. Membership

Pacific Institute shall have no members, as defined in Section 5056 of the California Nonprofit Public Benefit Corporation Law, as amended (the "Nonprofit Corporation Law"). Pacific Institute may from time to time use the term "members" to refer to persons associated with it, but such persons shall not be members within the meaning of Section 5056 of the Nonprofit Corporation Law.

## 3. Board of Directors

### 3.1 Powers

Subject to the provisions of the Nonprofit Corporation Law, Articles of Incorporation, and these Bylaws, Pacific Institute's activities and affairs shall be conducted, and all corporate powers shall be exercised, by or under the direction of the Board of Directors of Pacific Institute (the "Board").

### 3.2 Number of Directors

The number of authorized directors of Pacific Institute shall be not be less than five (5) nor more than ~~eighteen (18)~~twenty (20), with the exact number of authorized directors to be fixed by resolution of the Board from time to time.

### 3.3 Qualification of Directors

No more than forty-nine percent (49%) of the directors serving on the Board may be interested persons, as defined in Section 5227 of the Nonprofit Corporation Law. An interested person, as defined in Section 5227 of the Nonprofit Corporation Law, includes: (a) any person currently being compensated by Pacific Institute for services rendered to it within the previous 12 months, whether as a full-or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; or (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person. However, any violation of this Section 3.3 shall not affect the validity or enforceability of any transaction entered into by Pacific Institute.

### 3.4 Election and Term of Office

The Board shall elect directors to serve for three-year terms, except that the initial terms of some directors may be less than three-year terms so that terms are staggered and only a portion of the Board is elected at each annual meeting. Election requires approval of the Board. [A director may not serve for more than three (3) consecutive terms, unless otherwise determined by the Board. However, a director may be elected to the Board to serve for any number of additional terms so long as there is at least a one-year break between sets of three (3) consecutive terms.] An in-office director shall hold office until a successor has been elected and duly qualified or until that director's earlier resignation or removal in accordance with these Bylaws.

### 3.5 Vacancies

A vacancy or vacancies on the Board shall exist in the event that the actual number of directors is less than the authorized number for any reason. In addition, the Board may declare by resolution a vacancy in the office of any director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the Nonprofit Corporation Law.

### **3.6 Resignation**

Except as provided below, any director may resign at any time by giving written notice to the Chair, the President, or the Secretary (as each is defined in Section 7.1). The resignation shall take effect upon receipt of notice or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. If a director's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective. Except on notice to the Attorney General of California, no director may resign if Pacific Institute would be left without a duly elected director or directors.

### **3.7 Removal**

A director may be removed from office at any time, with or without cause, by a vote of a majority of directors then in office, provided that a quorum is present. No reduction in the authorized number of directors shall have the effect of removing any director before that director's term of office expires unless the reduction also provides for the removal of that specified director in accordance with these Bylaws and the Nonprofit Corporation Law.

### **3.8 Filling Vacancies**

Vacancies on the Board may be filled, at a regular or special meeting of the Board, by approval of the Board or, if the number of directors then in office is less than a quorum, by (a) the unanimous written consent of the directors then in office, (b) the affirmative vote of a majority of directors then in office at a meeting held with notice in accordance with Section 4.4 or waiver of notice in accordance with Section 4.6, or (c) a sole remaining director. A director elected to fill an existing vacancy shall hold office until the next annual election, or until his or her death, resignation, or removal from office. A director's service filling an unexpired term shall not count as a term for purposes of the term limits set out in Section 3.4.

### **3.9 Compensation and Reimbursement**

Directors shall not receive any compensation for their services as directors. The Board may authorize the advancement or reimbursement to a director of actual reasonable expenses incurred in carrying out his or her duties as a director.

### **3.10 Conflict of Interest Policy**

The Board shall adopt a policy that (a) requires directors, officers, and key employees to disclose any interest that constitutes or could result in a conflict of interest and (b) sets out procedures for reviewing and resolving such matters in accordance with law.

## **4. Board Meetings**

### **4.1 Regular Meetings**

Regular meetings of the Board shall be held at such dates, times, and places as determined by the Board. Each year, the Board shall hold at least one meeting, and shall hold at least one meeting at which the agenda includes filling vacancies on the Board, if any, arising from expiration of terms.

### **4.2 Special Meetings**

Special meetings of the Board, for any purpose, may be called at any time by the Chair, the President, the Secretary, or any two directors. The meeting shall be held at a place within California as designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of Pacific Institute.

### **4.3 Telephone and Electronic Meetings**

Any meeting may be held by conference telephone, electronic video screen, or similar communication equipment, as long as all directors participating in the meeting can hear

one another. All such directors shall be deemed to be present in person at such a meeting.

#### **4.4 Notice**

Regular meetings may be held without notice if the date, time, and place of the regular meetings are fixed by action of the Board. Notice of the date, time, and place of a special meeting, or of a regular meeting if not designated by the Board, shall be given to each director by one of the following methods: (a) upon four (4) days' notice if by first-class mail; or (b) forty-eight (48) hours before the meeting if (i) by personal delivery of written notice; (ii) by telephone, whether directly to the director, to a person at the director's office who would reasonably be expected to communicate that notice promptly to the director, or by voice-messaging system; (iii) by facsimile transmission; or (iv) by e-mail. All such notices shall be given or sent to the director's address, e-mail address, or telephone number as shown on the records of Pacific Institute. The notice shall state the date and time of the meeting, and the place if other than the principal office of Pacific Institute. It need not specify the purpose of the meeting.

#### **4.5 Voting**

Each director present and voting at a meeting shall have one vote on each matter presented to the Board for action at that meeting. No director may vote at any meeting by proxy.

#### **4.6 Waiver of Notice**

Notice of a meeting need not be given to any director who signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting, whether before or after the meeting, or attends the meeting without protesting the lack of notice, either before or at the commencement of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

#### **4.7 Quorum**

A majority of the total number of directors then in office (but no fewer than two directors or one-fifth of the authorized number of directors, whichever is greater) shall constitute a quorum. An action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board, except as provided by Section 5211 of the Nonprofit Corporation Law or as elsewhere provided in these Bylaws. The Board shall transact no business at any meeting at which a quorum is not present. The directors at a duly held meeting at which a quorum is initially present may continue to transact business, despite the departure of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

#### **4.8 Adjournment**

A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of adjournment to another time or place need not be given unless the original meeting is adjourned for more than twenty-four (24) hours, in which case notice shall be given, before the time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

#### **4.9 Minutes**

The Board shall keep minutes of each meeting, which shall be kept and filed with the corporate records.

#### **4.10 Action Without a Meeting**

Any action that the Board is required or permitted to take may be taken without a meeting if all directors, individually or collectively, consent in writing to the action; provided that

the consent of any “interested director” as defined in Section 5233 of the Nonprofit Corporation Law shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as a unanimous vote of the directors. All such consents shall be filed with the minutes of the proceedings of the Board.

## **5. Committees**

### **5.1 Board Committees**

The Board may, by resolution of a majority of directors then in office, provided that a quorum is present, create, and appoint members to, one (1) or more committees (“Board Committees”), each consisting of two (2) or more directors, to serve at the pleasure of the Board. The Board shall create an audit committee if required by the California Nonprofit Integrity Act of 2004 (the “Nonprofit Integrity Act”). Only directors may serve on any Board Committee. The Board may appoint one (1) or more directors as alternate members of any such Board Committee, who may replace any absent Board Committee member at any meeting of the Board Committee. Any such Board Committee, to the extent provided in the Board resolution, shall have all the authority of the Board, subject to the limitations set out in Section 5212 of the Nonprofit Corporation Law. The Board may, at any time, revoke or modify any or all of the authority so delegated to a Board Committee.

### **5.2 Action of Board Committees**

Except as may be contemplated by resolution of the Board or as the situation may require, meetings and actions of Board Committees shall be governed by, held, and taken in accordance with the provisions of these Bylaws concerning meetings and other Board actions, except that the time for regular meetings of committees may be fixed by resolution of the Board or by the committee. The time for special meetings of committees may also be fixed by the Board. Each Board Committee shall keep minutes of each meeting, which shall be kept and filed with the corporate records.

### **5.3 Advisory Committees**

The Board may create and appoint individuals to one (1) or more advisory committees (“Advisory Committees”), each consisting of two (2) or more directors, non-directors, or a combination of directors and non-directors. Advisory Committees may not exercise the authority of the Board to make decisions on behalf of Pacific Institute. Advisory Committees shall be restricted to making recommendations to the Board or Board Committees and implementing Board or Board Committee decisions and policies under the supervision and control of the Board or Board Committee. The Board may, at any time, revoke or modify any or all of the responsibilities assigned to the Advisory Committee.

### **5.4 Advisory Council**

The Board may create and appoint individuals to one or more advisory councils or similar bodies (each, an “Advisory Council”), consisting of persons who are not officers or directors of Pacific Institute, with such responsibilities as determined by the Board. Any such Advisory Council shall act only in an advisory capacity to the Board, shall have no legal authority to act for Pacific Institute, and shall clearly be held out as an “advisory council” or similar name. The Board may, at any time, revoke or modify any or all of the responsibilities assigned to the Advisory Council.

## **6. Emeritus Directors and President Emeritus**

### **6.1 Emeritus Directors**

Emeritus Directors may be appointed by approval of the Board. The Board may give the title of Emeritus Director to a former director who has completed his or her term on the

Board and who has, in the judgement of the Board, either (a) served the Board with distinction; or (b) held an important leadership role, and made or continues to make significant contributions to Pacific Institute. Emeritus Directors shall not be considered “directors” as defined in Section 5047 of the Nonprofit Corporation Law. Emeritus Directors are not members of the Board and have no voting rights. Emeritus Directors are entitled, however, to receive notice of, attend, and participate in all Board meetings, and to receive materials provided to the Board in advance of meetings, in each case subject to customary understandings regarding confidentiality. The Board may, at any time and for any reason, remove, or modify the title of any Emeritus Director.

## **6.2 President Emeritus**

Dr. Peter Gleick co-founded Pacific Institute in 1987, and led as president until mid-2016. Dr. Gleick serves as President Emeritus ~~and Chief Scientist~~ of Pacific Institute. As President Emeritus, he shall have such powers and duties as the Board or these Bylaws may prescribe. The position of President Emeritus will cease when vacated by Mr. Gleick, but the board retains the option of awarding this emeritus status to someone else at a future date if deemed appropriate.

## **7. Officers**

### **7.1 Officers**

The officers of Pacific Institute shall be a chair of the Board (the “Chair”), a President (the “President”), a secretary (the “Secretary”), a chief operating officer (the “COO”), a treasurer (the “Treasurer”), any number of vice-chairs (each a “Vice-Chair”), and such other officers as the Board may determine. The Chair must be a director. The same individual may hold any number of offices, except that neither the Secretary nor the Treasurer may serve concurrently as either the President or the Chair.

### **7.2 Election and Term**

The President and COO shall serve in such office for as long as he or she is employed by Pacific Institute as President and COO. The other officers of Pacific Institute shall be elected by the Board at any time for a ~~one~~<sup>three</sup>-year term and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment.

### **7.3 Resignation**

Any officer may resign at any time by giving written notice to the Chair, the President, or the Secretary. The resignation shall take effect upon receipt of notice or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of Pacific Institute under any contract to which the officer is a party.

### **7.4 Removal**

Any officer may be removed with or without cause by the Board or by any officer on whom the Board may confer that power of removal, without prejudice to any rights of an officer under any contract of employment.

### **7.5 Vacancies**

A vacancy in any office for any reason shall be filled in the manner prescribed in these Bylaws for regular appointments to that office.

### **7.6 Chair**

The Chair shall preside at all meetings of the Board, if present, and shall have such other powers and duties as the Board or these Bylaws may prescribe.

### **7.7 Vice-Chair**

The Vice-Chair shall have such powers and perform such duties as the Board or these Bylaws may prescribe. In the absence of the Chair, a Vice-Chair selected by the Board shall preside at Board meetings.

### **7.8 President**

The President shall be the general manager and chief executive officer of Pacific Institute as contemplated by Section 5213 of the Nonprofit Corporation Law and shall be responsible for the day-to-day management of Pacific Institute's activities and affairs. The President shall have such other powers and duties as the Board or these Bylaws may prescribe. Unless otherwise directed by the Board or relevant Board Committee, or unless the Board determines to meet in an executive session, the President, if not a director, may attend all Board and Board Committee meetings.

### **7.9 Chief Operating Officer**

The COO shall have responsibility for the day-to-day administrative and financial operations of Pacific Institute, and shall be the chief financial officer of Pacific Institute as contemplated by Section 5213 of the Nonprofit Corporation Law. The COO shall have such other powers and duties as the Board, these Bylaws, or the President may prescribe.

### **7.10 Secretary**

The Secretary shall supervise the maintenance of Pacific Institute's Articles of Incorporation, Bylaws, and minutes and records of the proceedings of the Board and its committees, and the giving of notices as may be proper or necessary. The Secretary shall have such other powers and duties as the Board or these Bylaws may prescribe.

### **7.11 Treasurer**

The Treasurer shall lead the Board's oversight of Pacific Institute's budgeting and planning processes, financial performance, and financial condition. The Treasurer shall have such other powers and duties as the Board or as these Bylaws may prescribe.

### **7.12 Compensation Review**

The Board shall take such actions to review, approve, and document the approval process for officer and key employee compensation as may be required under the Nonprofit Integrity Act and other applicable law, which may include adoption of a written policy setting forth guidelines for such actions.

## **8. Indemnification and Insurance**

### **8.1 Definitions**

For purposes of this Section 8, "Agent" means any person who is or was a director, officer, employee, or other agent of Pacific Institute, or is or was serving at the request of Pacific Institute as a director, officer, employee, or other agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a predecessor corporation of Pacific Institute or another enterprise at the request of such predecessor corporation; "Proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "Expenses" includes, without limitation, attorneys' fees and any expenses incurred in establishing a right to indemnification under Section 8.2.

## **8.2 Right of Indemnity**

To the fullest extent permitted by law and subject to Section 8.3 and the other provisions of these Bylaws, Pacific Institute shall indemnify any person who was or is a party or is threatened to be made a party by reason of the fact that such person is or was an Agent of Pacific Institute, against all eExpenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the Proceeding.

## **8.3 Approval of Indemnity**

On written request to the Board by any Agent seeking indemnification, to the extent that the Agent has been successful on the merits, the Board shall promptly authorize indemnification in accordance with Section 5238(d) of the Nonprofit Corporation Law. Otherwise, the Board shall promptly determine, by a majority vote of a quorum consisting of directors who are not parties to the Proceeding, whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) of the Nonprofit Corporation Law has been met and, if so, may authorize indemnification.

## **8.4 Advancement of Expenses**

The Board may authorize the advance of eExpenses incurred by or on behalf of an Agent in defending any Proceeding, before final disposition of the Proceeding, if (a) the Board finds that the requested advances are reasonable in amount under the circumstances, and (b) the Agent submits a written undertaking to repay the advance, unless it is ultimately determined that the Agent is entitled to be indemnified by Pacific Institute for those Expenses.

## **8.5 Insurance**

Pacific Institute shall have the right to purchase and maintain insurance on behalf of any Agent against any liability asserted against or incurred by the Agent in such capacity or arising out of the Agent's status as such, whether or not Pacific Institute would have the power to indemnify the Agent against such liability under this Section 8, provided, that Pacific Institute shall not have the power to purchase and maintain such insurance to indemnify any Agent of Pacific Institute for a violation of Section 5233 of the Nonprofit Corporation Law.

# **9. Records, Reports and Communications**

## **9.1 Inspection by Directors**

Every director shall have the right at any reasonable time to inspect Pacific Institute's books, records, documents, and physical properties. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts.

## **9.2 Financial Reporting**

Pacific Institute shall produce and distribute the financial and other reports required by the Nonprofit Corporation Law, including, without limitation, the annual report required by Section 6321 and the statement of transactions or indemnification required by Section 6322, and if required, shall produce and make publicly available the financial statements required by the Nonprofit Integrity Act.

## **9.3 Fiscal Year**

The fiscal year of Pacific Institute shall begin on the first day of January and end on the last day of December each year, unless otherwise determined by the Board.

## **9.4 Electronic Transmissions**

Unless otherwise provided in these Bylaws, and subject to any guidelines and procedures that the Board may adopt from time to time, the terms "written" and "in writing" as used in these Bylaws (including, without limitation, the written consents

contemplated by Section 4.10) include any form of recorded message in the English language capable of comprehension by ordinary visual means, and may include electronic transmissions, such as facsimile or e-mail; provided that (a) Pacific Institute has obtained a valid written consent from the recipient to the use of such means of communication; (b) for electronic transmissions to Pacific Institute, Pacific Institute has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (c) the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible, tangible form.

## **10. Gifts, Grants and Contracts**

### **10.1 Gifts**

The Board or its designee may accept on behalf of Pacific Institute any contribution, gift, bequest, or devise for the charitable purposes of Pacific Institute.

### **10.2 Grants**

The Board shall exercise itself, or delegate, subject to its supervision, control over grants, contributions, and other financial assistance provided by Pacific Institute, including, without limitation, those made in connection with fiscal sponsorship relationships.

### **10.3 Deposits**

All funds of Pacific Institute shall be deposited to the credit of Pacific Institute in such banks, trust companies, or other depositories or agency organizations as the Board may authorize.

### **10.4 Contracts**

The Board may authorize any officer(s) or ~~Agent(s)~~, in the name of and on behalf of Pacific Institute, to enter into any contract or execute any instrument. Any such authority may be general or confined to specific instances, or otherwise limited. In the absence of any action by the Board to the contrary, the Chair, the President, the COO, and the Treasurer are each authorized to execute such instruments on behalf of the corporation.

### **10.5 Payment of Money**

Except as otherwise specifically determined by resolution of the Board, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of Pacific Institute may be signed by the ~~Chair, the President, the COO, or the Treasurer.~~ President or the COO. If neither is available/able to issue payment, the Chair or Treasurer are authorized to do so.

## **11. Office**

### **11.1 Principal Office**

The principal office of Pacific Institute for the transaction of its business shall be located in Alameda County, California, or in such other place as may be specified by resolution of the Board.

### **11.2 Other Offices**

Pacific Institute may also have branch or subordinate offices at other places, within or outside California, as the Board may determine.

## **12. Emergency Provisions**

In anticipation of or during an emergency, as defined in Section 5140(n)(5) of the Nonprofit Corporation Law, Pacific Institute may take any of the actions set out in Section 5140(n) of the Nonprofit Corporation Law.

**13. Amendment**

Except as otherwise provided by law, these Bylaws may be amended or repealed and new bylaws adopted by approval of at least two-thirds of the directors then in office.

**Amended and restated on:** \_\_\_\_\_

# Executive Committee

## Authority

1. The Committee is a committee of the Board established under Section 5.1 of the Bylaws.

## Membership

1. The Committee shall be comprised of at least three directors recommended by the Chair of the Board and appointed by a simple majority vote of the directors ~~then in office~~. The Chair of the Board shall designate a member of the Committee to serve as Chair of the Committee.
2. The Board may fill vacancies on the Committee. The Board may remove a Committee member from the Committee at any time, with or without cause.

## Operations

1. The Committee will meet with such frequency as it may determine. The Chair of the Committee will preside over Committee meetings. A majority of Committee members will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
2. The Committee will report its activities to the Board on a regular basis and will keep minutes of its meetings.
3. The Committee may invite any director, officer, employee, outside advisor or other individual who is not a Committee member to attend Committee meetings or meet with Committee members, but such persons will not have voting power and will not be held out as Committee members.
4. The      President will serve as the Committee's staff liaison.
5. The Committee will review this charter periodically and recommend any proposed changes to the Governance Committee for review.

## Responsibilities

1. Act with full authority of the Board between Board meetings, subject to statutory and Board-imposed limitations on committee action.
2. Conduct the President's annual performance review and make recommendations to the Board regarding the President's performance goals for the subsequent year.
3. Obtain and evaluate relevant compensation information and make a recommendation to the Board regarding the President's compensation (including all benefits).
4. Provide a sounding board to the President and serve as a source of ready advice on operating and personnel matters.

# Governance Committee

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## Authority

1. The Committee is a committee of the Board established under Section 5.1 of the Bylaws.

## Membership

1. The Committee shall be comprised of at least three directors recommended by the Chair of the Board and appointed by a [simple](#) majority vote of the directors ~~then in office~~. The Chair of the Board shall designate a member of the Committee to serve as Chair of the Committee.
2. The Board may fill vacancies on the Committee. The Board may also remove a Committee member from the Committee at any time, with or without cause.

## Operations

1. The Committee shall meet at least three times annually. The Chair of the Committee will preside over Committee meetings. A majority of Committee members will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
2. The Committee will report its activities to the Board on a regular basis and will keep minutes of its meetings.
3. The Committee may invite any director, officer, employee, outside advisor or other individual who is not a Committee member to attend Committee meetings or meet with Committee members, but such persons will not have voting power and will not be held out as Committee members.
4. The [Chief Operating Officer](#) will serve as the Committee's staff liaison.
5. The Committee will review this charter periodically and recommend any proposed changes to the Board for review.

## Responsibilities

1. Review periodically the Board's composition and identify, recruit and recommend candidates for Board membership.
2. Oversee the orientation process for Board members.
3. Review periodically and make recommendations to the Board regarding the size, structure, charters, processes and practices of the Board and Board committees.
4. Conduct annual reviews of overall Board performance, and make recommendations to the Board regarding its performance goals for the subsequent year.
5. Review periodically and make recommendations to the board regarding the selection of, and succession process for, the President and other executives.
6. Review periodically Pacific Institute's bylaws, conflicts of interest policy, record retention policy, and other governance policies and practices and make recommendations to the Board as appropriate.

# Audit Committee

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## Authority

1. The Committee is a committee of the Board established under Section 5.1 of the Bylaws.

## Membership

1. The Committee shall be comprised of at least three directors recommended by the Chair of the Board and appointed by a [simple](#) majority vote of the directors ~~then in office~~. The Chair of the Board shall designate a member of the Committee to serve as Chair of the Committee.
2. The Committee may not include staff members, including the President of Pacific Institute. Members of the Finance Committee may serve on the Committee, with the limitations that the Chair of the Committee may not serve on the Finance Committee and that Finance Committee members cannot comprise fifty percent or more of the Committee.
3. No person may serve on the Committee who has a material financial interest in Pacific Institute or in any entity doing business with Pacific Institute. Committee members may not receive any compensation from Pacific Institute in excess of the compensation, if any, received by Board members for Board service.
4. The Board may fill vacancies on the Committee and remove a Committee member from the Committee at any time, with or without cause.

## Operations

1. The Committee will meet with such frequency as it may determine. The Chair of the Committee will preside over Committee meetings. A majority of Committee members will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
2. The Committee will report its activities to the Board on a regular basis and will keep minutes of its meetings.
3. The Committee may invite any director, officer, employee, outside advisor or other individual who is not a Committee member to attend Committee meetings or meet with Committee

members, but such persons will not have voting power and will not be held out as Committee members.

4. The Chief Operating Officer will serve as the Committee's staff liaison.
5. The Committee will review this charter periodically and recommend any proposed changes to the Governance Committee for review.

## Responsibilities

1. Review the performance and make recommendations to the Board on the retention and, when appropriate, termination of the independent auditor, and negotiate the terms of engagement subject to Board approval.
2. Meet with the auditor and staff to discuss the audit plan, the annual financial statements and the completed audit.
3. Review the audit and determine whether to accept the audit.
4. Review the auditor's observations and comments including any management letter and confer with the auditor to satisfy Committee members that Pacific Institute's financial affairs are in order.
5. Recommend to the full Board any engagement of the auditor for non-audit services and verify that such services conform to standards in the Yellow Book issued by the U.S. Comptroller General.
6. Review Pacific Institute's annual IRS Form 990 filing.
7. Review periodically Pacific Institute's risk management profile and policies, litigation matters, insurance coverage, and complaints or other communications made under Pacific Institute's Whistleblower Policy.
8. Comply in all respects with the requirements of the California Nonprofit Integrity Act and all other applicable laws relating to audit committees.

# Finance Committee

## Authority

1. The Committee is a committee of the Board established under Section 5.1 of the Bylaws.

## Membership

- ~~1.~~—The Committee shall be comprised of at least three directors recommended by the Chair of the Board and appointed by a simple majority vote of the directors ~~then in office. The Chair of the Board shall designate a member of the Committee to serve as Chair of the Committee~~ The Treasurer serves as the Chair of the Committee.
- ~~2.~~1. Except as otherwise directed by the Board, the Chair of the Board will serve on the Committee. The Chair of the Audit Committee may not serve on the Committee.
- ~~3.~~2. The Board may fill vacancies on the Committee. The Board may remove a Committee member from the Committee at any time, with or without cause.
- ~~4.~~3. Committee members will ideally possess strong financial, investment, accounting, and business acumen ~~and community influence.~~

## Operations

1. The Committee shall meet at least four times annually. The Chair of the Committee will preside over Committee meetings. A majority of Committee members will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
2. The Committee will report its activities to the Board on a regular basis and will keep minutes of its meetings.
3. The Committee may invite any director, officer, employee, outside advisor or other individual who is not a Committee member to attend Committee meetings or meet with Committee members, but such persons will not have voting power and will not be held out as Committee members.
4. The Chief Operating Officer will serve as the Committee's staff liaison.
5. The Committee will review this charter periodically and recommend any proposed

changes to the Governance Committee for review.

## Responsibilities

1. Lead Board review of Pacific Institute's strategy for long-term financial stability and make recommendations to the Board.
2. Review and make recommendations to the Board regarding Pacific Institute's budget, including the process used in developing the budget.
3. Review periodically operating cash flows, liquidity position, and performance against budget and projections and make recommendations to the Board.
4. Review with Pacific Institute's management, at least annually, Pacific Institute's investments, health care costs, financial risk management policies, and compliance with requirements related to tax-exempt status.
5. Oversee Board education on Pacific Institute financial and financial reporting matters.
6. Review and make recommendations to the Board regarding the establishment and termination of banking and similar relationships.

# Fundraising Advisory Committee

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## Authority

1. The Committee is an advisory committee established under Section 5.3 of the Bylaws.

## Membership

1. Directors and non-directors may be members of the Committee. The Board will appoint members of the Committee and a Chair, each to serve for renewable, two-year terms.
2. The Board may fill vacancies on the Committee. The Board may remove a Committee member from the Committee at any time, with or without cause.

## Operations

1. The Committee will meet with such frequency as it may determine. The Chair of the Committee will preside over Committee meetings. A majority of the members of the Committee will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
2. The Committee will report its activities to the Board on a regular basis.
3. The Committee may invite any director, officer, employee, outside advisor or other individual who is not a Committee member to attend Committee meetings or meet with Committee members, but such persons will not have voting power and will not be held out as Committee members.
4. The Committee will review this charter periodically and recommend any proposed changes to the Governance Committee for review.

## Responsibilities

1. Work with staff to develop fundraising strategies and plans.
2. Monitor execution of fundraising plans, including performance against plans, cost-effectiveness, and compliance with legal and ethical standards.
3. Facilitate individual director participation in fundraising, including director interactions with existing and potential government, foundation, corporate, and individual donors.
4. Engage directly with existing and potential donors.

# [Type] Advisory Committee

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## Authority

1. The Committee is an advisory committee established under Section 5.3 of the Bylaws.

## Responsibilities

1. [insert]

## Membership

1. Directors and non-directors may be members of the Committee. The Board will appoint members of the Committee and a Chair, each to serve for renewable, two-year terms.
2. The Board may fill vacancies on the Committee. The Board may remove a Committee member from the Committee at any time, with or without cause.

## Operations

1. The Committee will meet with such frequency as it may determine. The Chair of the Committee will preside over Committee meetings. A majority of Committee members will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
2. The Committee will report its activities to the Board on a regular basis.
3. The Committee may invite any director, officer, employee, outside advisor or other individual who is not a Committee member to attend Committee meetings or meet with Committee members, but such persons will not have voting power and will not be held out as Committee members.
4. The Committee will review this charter periodically and recommend any proposed changes to the Governance Committee for review.

# Conflict of Interest Policy

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## Introduction

Pacific Institute and its leadership and staff are subject to legal requirements relating to conflicts of interest. For example:

- The California Nonprofit Public Benefit Corporation Law (the “Nonprofit Corporation Law”) limits transactions between Pacific Institute and its directors, and provides that a majority of the board of directors must meet a specified independence standard.
- California corporation law principles provide that directors owe Pacific Institute a duty of loyalty, which requires a director to act in the interest of the organization rather than in the personal interest of the director.
- Federal tax law and Pacific Institute’s Articles of Incorporation provide that no part of the net earnings or assets of Pacific Institute may inure to (benefit) its directors, officers, and other private persons.
- Federal tax law requires public disclosure regarding, among other things, relationships between Pacific Institute and its leaders, the independence of Pacific Institute’s board of directors (the “Board”), and the compensation of Pacific Institute’s leadership.

Pacific Institute adopted this Conflict of Interest Policy (this “Policy”) to facilitate compliance with these laws and provide procedures for addressing situations that involve, or may appear to involve, conflicts of interest.

## Policy

### Core principles

It is the policy of Pacific Institute that its associates promptly and fully disclose any actual, apparent, or potential conflicts of interest (as defined below), that no associate participate in any decision by Pacific Institute in any matters in which he or she has a conflict of interest, that Pacific Institute follow a disciplined, documented process in making decisions about such matters, and that Pacific Institute comply with all applicable legal requirements relating to such matters.

### Definitions

For the purposes of this Policy, the following terms have the following definitions:

- **Associates** are Pacific Institute’s directors, officers, and key employees.
- A **conflict of interest** exists if an associate (a) is in a position to make or influence Pacific Institute’s decisions about a transaction or relationship with a vendor, supplier, lender, lessor, consultant, grantee or other person and (b) has an affiliation with the other party to the transaction.
- An associate is considered to have an **affiliation** if (a) the associate is the other party; (b) the other party is a family member; (c) the other party is an entity in which the associate or a family member is a director, officer or employee; or (d) the other party is an entity in which the associate or a family member has a substantial financial

interest as an owner or investor in the entity.

- **Family member** means 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.
- A **key employee** is any Pacific Institute employee who receives more than \$150,000 in annual compensation and has management responsibility over a substantial segment (10%+) of Pacific Institute's assets, income, expenses or budget, or is otherwise considered a key employee under Pacific Institute's compensation review policy.

## Disclosure

### Annual disclosure

Upon election, hiring, or appointment, and annually thereafter, associates must complete an annual affirmation and disclosure questionnaire in the form provided by Pacific Institute. On this document, the associate must disclose all affiliations or other matters that could give rise to a conflict of interest and confirm his or her commitment to compliance with the Policy. The associate should update this disclosure as appropriate. Associates have a continuing responsibility to review their business, personal, and philanthropic interests, and their family and other close relationships, for actual, apparent, or potential conflicts of interest.

### Conflicts of interest as they arise

Associates should promptly disclose to Pacific Institute any affiliations or other matters that constitute or could result in a conflict of interest in connection with any transaction or other decision under consideration by Pacific Institute. Associates should disclose such matters to other participants in the decision-making process whenever there is any doubt about whether disclosure is required.

### Failure to disclose

If the Board has reasonable cause to believe that an associate has failed to disclose actual or possible conflicts of interest, including those arising from a transaction with a related interested person (as defined below), the Board will inform the associate of the basis for this belief and afford the associate an opportunity to explain the alleged failure to disclose. If, after hearing the associate's response and making further investigation as warranted by the circumstances, the Board determines that the associate has failed to disclose an actual or possible conflict of interest, the Board will take appropriate disciplinary and corrective action.

## Procedures

### Abstention from decision-making

In all situations calling for disclosure, the interested associate should abstain from voting or otherwise participating in the decision other than by making the required disclosure and providing any other information requested by the decision makers.

### Review

With regard to an **employee**, the President will determine the appropriate response by Pacific Institute in line with the principles set out in this policy including, without limitation, review by the Board. With regard to a **director or officer**, or on employee matters referred to it by the President, the Board will determine the appropriate response by Pacific Institute in light of the nature of the conflict.

### **Action by the Board**

The Board will take such actions as it believes are appropriate in the circumstances and as may be required under federal tax or state law principles and this policy. These actions may include limiting review to specified directors, obtaining information from the interested associate, reviewing information about comparable transactions, tasking a committee to review, and obtaining advice from advisors. As a general matter, the Board may approve a decision or transaction where an associate has a conflict of interest if the following steps are taken:

- The interested associate leaves the room during the Board's consideration of the decision or transaction.
- The disinterested Board members compile and review all material facts regarding the decision or transaction and the interest.
- The disinterested Board members determine after reasonable investigation that Pacific Institute cannot obtain with reasonable efforts a more advantageous arrangement with a person or entity that would not give rise to a conflict of interest, and that the decision or transaction is fair and reasonable to Pacific Institute and for its benefit and not for the benefit of the interested associate.
- The disinterested Board members vote to approve the decision or transaction by a majority of the directors then in office, not counting the votes of any interested Board members.
- The Secretary (or some other Board member or officer in the Secretary's absence) prepares complete minutes of the Board's consideration of the decision or transaction. The minutes should note: a description of the decision or transaction and the date the action was taken; Board members who were present during the meeting and those members who voted; and data obtained and relied upon and how the data were obtained.

### **Self-dealing transactions**

Pacific Institute will not engage in any self-dealing transaction as defined in Section 5233 of the Nonprofit Corporation Law without taking the actions set out in "Action by the Board" above and such other actions as may be appropriate under Section 5233. A self-dealing transaction is a transaction in which Pacific Institute is a party and in which one or more of its directors has a material financial interest.

### **Related matters**

#### **Common directors**

No contract or other transaction between Pacific Institute and any other corporation of which one or more Pacific Institute directors are directors is void or voidable because such director(s) are present at the Board meeting which approves the contract or transaction, if: (a) the material facts as to the transaction and as to such director's other directorship are fully disclosed to the Board, and the Board approves the contract or transaction in good faith by a vote sufficient without counting the vote of the common director(s); or (b) the contract or transaction is just and reasonable as to Pacific Institute at the time it is approved.

#### **Board composition**

At all times, not more than 49% of the directors of Pacific Institute may be "interested persons." An interested person means either: (a) any

person currently being compensated by Pacific Institute for services rendered to it within the previous twelve months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director in his or her capacity as director; or (b) any family member (as defined above) of any such person.

**Loans to directors and officers**

Except as permitted by Section 5236 of the Nonprofit Corporation Law, Pacific Institute will not make any loan or other advance of money or property to, or guarantee the obligation of, any director or officer.

**Personal use; gifts**

Associates may not use or authorize the use of the name, logo, or other property of Pacific Institute for the benefit of the associate or any other person or entity, except as approved by Pacific Institute. Associates may not accept or give any payments, gifts, loans, or other favors from or to anyone who is doing, or wishes to do, business with Pacific Institute, except for items of nominal value or as otherwise approved by Pacific Institute.

**Corporate opportunities**

Associates may not take personal advantage of opportunities that are discovered through the use of corporate property, information, or one's position, except as approved by Pacific Institute.

**Relationship to other laws**

This Policy is intended to supplement and not supersede any applicable federal or state laws including laws prohibiting or otherwise relating to self-dealing, private inurement, private benefit or transactions with interested persons. Nothing in this policy authorizes Pacific Institute to engage in any act of self-dealing, inurement or any other act prohibited by law.

**Annual Board review**

The Board each year will review this Policy and the questionnaires received under this Policy, and consider appropriate actions to promote compliance with this Policy.

# Compensation Review Policy

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## Introduction

Pacific Institute adopted this Compensation Review Policy (this “Policy”) to facilitate compliance with California and federal law relating to compensation of senior management of nonprofit organizations and in accordance with best practices. Pacific Institute’s Board of Directors (the “Board”) will follow the requirements set out in this Policy with respect to review and approval of senior management compensation.

## Covered individuals

Individuals subject to this Policy (the “Covered Individuals”) are:

### Top management official

The person who has ultimate responsibility for implementing Board decisions or for supervising Pacific Institute’s management, administration or operations, such as the President.

### Officers

Persons elected or appointed to manage Pacific Institute’s daily operations at any time during the tax year, such as the chair, vice-chair, president, vice-president, secretary, treasurer (including the top management official) and the chief financial official with the ultimate responsibility for managing Pacific Institute’s finances, even if those persons are not elected officers under Pacific Institute’s Bylaws.

### Key employees

Other persons, if any, who are considered “key employees” for purposes of Form 990 reporting.

## Procedures

### Standards

The Board will approve the compensation of Covered Individuals only if the compensation is just and reasonable.

### Delegation

The Board may delegate its review and approval authority, generally or in specific cases, to a committee of the Board composed entirely of individuals who do not have a conflict of interest with respect to the relevant compensation arrangement. The Board and any such committee may consult with and obtain recommendations from the Board Chair, other directors, and management in making its decisions.

### Impartial decision makers

The compensation arrangement must be approved by the Board, or a committee of the Board so delegated in accordance with this Policy, before Pacific Institute makes any payments. A member of the Board or a committee of the Board is considered impartial, and does not have a conflict of interest, if he or she:

- is not benefitting from or participating in the compensation arrangement, and is not a family member of the Covered Individual;
- is not in an employment relationship subject to the direction or control of any person benefitting from or participating in the compensation arrangement;
- does not receive compensation or other payments subject to the approval of any person benefitting from or participating in the compensation arrangement;

- has no material financial interest affected by the compensation arrangement; and
- does not approve a transaction providing economic benefits to any person participating in the compensation arrangement, who in turn has approved or will approve a transaction providing economic benefits to the member of the Board or committee.

**Comparability data**

The Board ~~will~~ may consider comparability data that demonstrate the fair market value of the compensation in question. These data may include the following:

- compensation paid by similarly situated nonprofit and for-profit organizations for comparable positions;
- availability of similar services in Pacific Institute’s geographic area;
- current compensation surveys compiled by independent firms; and
- written offers from similar organizations competing for the Covered Individual’s services.

The Board may take such other review actions as it believes appropriate under then-applicable federal tax, state law, and best practice principles.

**Documentation**

The Board will document how it reached its decisions, including the data on which it relied. Documentation such as meeting minutes should note:

- terms of the compensation and the date it was approved;
- Board members who were present during the meeting and those members who voted;
- comparability data obtained and relied upon and how the data were obtained;
- any actions taken with respect to consideration of the compensation by anyone who is otherwise a Board member but who had a conflict of interest with respect to the decision; and,
- if the compensation is higher or lower than the range of the comparability data, the basis for the decision.

**President and CFO**

In addition to the requirements of this Policy applicable to all Covered Individuals, the Board will review the compensation of the President and CFO (or of individuals with equivalent powers, duties and responsibilities) upon (a) hiring; (b) whenever the term of employment, if any, is renewed or extended; or (c) whenever the compensation is modified, unless the modification extends to substantially all of Pacific Institute’s employees, as required by California law.

**Amendment**

The Board may amend this Policy at any time.

# Whistleblower Policy

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<b>Introduction</b>	Pacific Institute adopted this Whistleblower Policy (this “Policy”) to facilitate open and honest communication concerning its governances, finances, and compliance with law, policy and ethical principles. This Policy applies to all directors, officers, employees and volunteers of Pacific Institute (collectively, “Pacific Institute associates”).
<b>Policy</b>	Every Pacific Institute associate is encouraged to report under this Policy any concerns about any Pacific Institute activities that he or she believes, in good faith, to be illegal, unethical, questionable or contrary to Pacific Institute policies. These matters include, without limitation, violations or suspected violations of law; suspected fraud, theft or embezzlement; improper financial transactions or use of Pacific Institute assets; accounting, internal controls or auditing irregularities such as undocumented transactions or misleading financial reporting; kickbacks; improper concealment or destruction of Pacific Institute records; harassment or discrimination; and violations of Pacific Institute’s conflicts of interest policy.
<b>Reporting a concern internally</b>	<p>If at any time a Pacific Institute associate has such a concern, the Pacific Institute associate may raise the concern directly by speaking with the President.</p> <p>Alternatively, if he or she is not comfortable speaking with the President or does not believe the concern has been properly addressed, the Pacific Institute associate may report the concern to the Chair of the Board of Directors or the Chair of the Audit Committee. If the subject of a report involves both Chairs, the Pacific Institute associate may report such concern to any other Board member.</p> <p>Pacific Institute encourages Pacific Institute associates making a report to identify themselves in order to facilitate the investigation, but Pacific Institute associates may make reports anonymously.</p>
<b>Confidentiality</b>	Pacific Institute will treat a report under this Policy as confidential, subject to and limited by the need to investigate, obtain legal advice and act in consultation with counsel, prevent or correct the action, and comply with applicable laws. Reporting individuals are expected to act in good faith, cooperate in internal investigations, and provide truthful information in connection with any governmental, law enforcement or other inquiry or investigation.
<b>Non-retaliation</b>	<p>Pacific Institute will not discharge, demote, discipline, harass, or discriminate against any Pacific Institute associate, or any family member who is also a Pacific Institute associate, if the Pacific Institute associate has:</p> <ul style="list-style-type: none"> <li>• in good faith disclosed information under this Policy, or to another Pacific Institute associate who has authority to investigate or correct the problem, where the Pacific Institute associate has a reasonable belief that the information demonstrates a violation or possible violation of law or Pacific Institute policy, or involves conduct that is otherwise unethical or questionable; or</li> <li>• provided information to any government agency or law enforcement agency regarding conduct that the Pacific Institute associate</li> </ul>

reasonably believes involves a violation or possible violation of law, or who otherwise assists in a governmental or law enforcement investigation concerning such a violation or possible violation of law.

If a Pacific Institute associate believes that he or she has been subject to any such retaliation, discrimination or other adverse action by Pacific Institute, the Pacific Institute associate should report such action to the President. Any Pacific Institute associate who engages in such retaliation may be subject to disciplinary action, up to and including termination of employment.

**Investigation and action**

Pacific Institute will investigate reports under this Policy, and any reports of related retaliation or discrimination, and take such corrective and other actions, including consulting with counsel and follow-up communication with the reporting Pacific Institute associate, as it believes is appropriate under the circumstances.

**No impact on employment status**

This Policy is not an employment contract and does not modify the employment relationship between Pacific Institute and its employees. It does not change the fact that employees of Pacific Institute are employees at will.

**Other laws and policies**

This Policy is intended to supplement and not supersede federal and state laws, including, without limitation, Sections 98.6 or 1102.5 of the California Labor Code and Section 1107 of the Sarbanes-Oxley Act, or Pacific Institute policies including, without limitation, those relating to harassment, discrimination, or personnel matters.

**Amendment**

The Board may amend this Policy at any time.

# Records Retention Policy

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<b>Introduction</b>	Pacific Institute has adopted this Records Retention Policy (this “Policy”) to help it manage its records efficiently, report its performance accurately, substantiate its disclosures, and comply with applicable laws relating to preservation and confidentiality of such records. These laws include the Internal Revenue Code, the Sarbanes-Oxley Act, other statutes, and court rules of procedure.
<b>General policy</b>	Pacific Institute is committed to compliance with legal requirements relating to document integrity, document retention, and privacy. Pacific Institute will retain documents as necessary to comply with law and as needed for operations, but will seek to retain them no longer than as needed for such purposes. Pacific Institute may establish retention schedules for specific categories of records; several such schedules are set out in the table below. While the table reflects minimum retention schedules for certain categories of records, retention of a document, whether or not identified in the table, and of documents not identified in the table, should be determined primarily by application of the general principles of this policy and the specific requirements below relating to litigation-relevant materials.
<b>Legal proceedings</b>	Pacific Institute will not alter, destroy, mutilate, conceal, cover up, falsify, or make a false entry in a record, or attempt to do so, with the intent to impair the record’s integrity or availability for use in a legal proceeding (defined below) or impede, obstruct, or influence a legal proceeding. If Pacific Institute learns of, or reasonably anticipates, a claim that may give rise to a legal proceeding, Pacific Institute will take appropriate actions, including cessation of destruction of records, to ensure safeguarding of records relevant to the legal proceeding. “Legal proceeding” means any investigation, civil or criminal litigation, official proceeding or any proper administration of any matter within the jurisdiction of any department or agency of the United States or of any state or local government.
<b>Coverage</b>	This Policy covers documents in electronic as well as hard copy format. This Policy covers Pacific Institute’s directors, officers, employees, volunteers and, as appropriate, vendors and other outside providers.
<b>Administration</b>	The Chief Operating Officer is responsible for administering this Policy in a manner that is reasonably attainable given Pacific Institute’s resources and administrative capacity. Those responsibilities include: (a) setting standards for data collection and security; (b) overseeing protocols for compliance with privacy laws and Pacific Institute’s own privacy policies; (c) setting standards for document integrity, such as guidelines for backup and archiving procedures, document retention in case of an emergency, and checkups of system reliability; (d) consulting with Pacific Institute associates about storage and destruction of specific categories of documents; (e) issuing instructions with respect to litigation matters; and (f) reviewing arrangements with volunteers and outside providers. The Board of Directors may amend this Policy at any time.
<b>Noncompliance</b>	Failure to comply with this Policy, including, particularly, disobeying any destruction halt order, could result in possible civil or criminal penalties including fines and imprisonment, contempt orders, litigation sanctions, disciplinary action for individual employees, and increased costs and inefficiencies.
<b>Relationship to laws and contracts</b>	This Policy is intended to supplement and not supersede any applicable federal and state laws, or any contracts to which Pacific Institute is party, relating to retention and confidentiality of specific documents and information.

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**Retain permanently:**

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**Nonprofit Tax Exemption Documents**

Federal and state income tax exemption applications	State and local sales tax exemption documents
Determination letters from the IRS and CA Franchise Tax Board	Correspondence with the IRS or CA Franchise Tax Board during the determination process
<b>Contribution records</b>	<b>Documents evidencing terms of gifts</b>

**Corporate Governance Documents**

Articles of Incorporation (and all amendments)	Bylaws (and all amendments)
Minutes of the Board and committees	Resolutions and written consents
Director resignations	Records of relationships with affiliated organizations

**Tax Returns**

Federal and state tax returns and schedules	Filings with the Attorney General
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**Financial Records**

Audited and unaudited financial statements	Annual reports
Special canceled checks, such as loan repayment	General ledger

**Other**

Property, D&O, workers' compensation and general liability insurance policies, and insurance claim records	Records supporting ownership of assets (e.g. deeds, patent and trademark records, capital stock records)
Licenses and permits	Legal correspondence

**Retain for active period, plus ten years:**

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**Financial Records**

Revenue and expense records	Budget and expense reports
Accounts payable and receivable records	Bank statements, reconciliations, and deposit slips
Purchase, procurement, and sale agreements and contracts and real property leases	Any other records relating to preparation of financial statements
<b>Contribution records</b>	<b>Documents evidencing terms of gifts</b>

**Other**

Governance and other corporate policies	Litigation records
Grant records, applications, and contracts	Records relating to loans
Inventory management records	Contracts (including employment/contractor), MOUs
Tax records	Fundraising records and materials

**Retain for active period, plus six years:**

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Employee benefits records (e.g., 401(k) plans, pensions, group insurance records, benefit claims, COBRA records)

**Retain for active period, plus 30 years:**

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Employee medical records (relating to workers' compensation, FMLA, ADA, leaves of absences)

**Retain for active period, plus three years:**

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Employment records (e.g., payroll, applications, evaluations, and travel and expense reports)  
Credit card receipts

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Records supporting federal and state tax return income, deductions, and credits  
Correspondence or internal memos re routine matters

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# Annual Disclosure Questionnaire

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Pacific Institute’s Conflict of Interest Policy (the “Policy”) provides that Pacific Institute will obtain information each year from its directors, officers, and key employees in order to facilitate compliance with federal and California law as summarized in the Policy. This process helps Pacific Institute and the Board to carry out those obligations, including identifying and resolving potential conflicts and monitoring compliance with the Policy. In addition, the IRS recognizes the use of questionnaires in the diligence required of nonprofit corporations in preparing Form 990 disclosure about its leadership. This Questionnaire is the tool we use for these purposes.

We greatly appreciate your assistance.

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## Instructions:

- Please answer the questions on pages 2 and 3 as they relate to the \_\_\_\_ fiscal year, which ended on \_\_\_\_\_, \_\_\_\_\_. Please note that we ask you to identify your director positions on other organizations, if any.
- Please review the Policy.
- Please sign below once you’ve completed the Questionnaire.
- Please return this Questionnaire to \_\_\_\_\_ by \_\_\_\_\_.

## Additional information:

- The questions, including those relating to family and business relationships, reflect both California law relating to director independence and technical Form 990 disclosure requirements, as well as general conflict of interest principles.
  - Certain terms, identified in bold, are defined in Exhibit A. These terms reflect specific requirements under California law and Form 990.
  - We may follow up with you if we have questions about any of your responses.
  - Please contact \_\_\_\_\_ should you have any questions.
- 

## Affirmation and signature:

By signing below, you confirm that:

- you have received, read in full, and understood the Policy and agree to comply with the Policy;
- you understand that Pacific Institute is a charitable organization, and that in order to maintain its federal tax exemption, Pacific Institute must engage primarily in activities that accomplish one or more of its tax-exempt purposes; and
- your disclosure below is accurate and complete, and you will notify Pacific Institute if you become aware of any error or material change in the information you have provided in this Questionnaire.

If you are a director, you agree to receive e-mail and other electronic transmissions from Pacific Institute, including notices of Board and committee meetings and advance reading materials for those meetings, and acknowledge that Pacific Institute can rely on e-mail and other electronic communications from you.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

Annual Disclosure Questions	Yes	No
1. Did you receive any <b>compensation</b> from Pacific Institute for service as an employee, director or officer of Pacific Institute?	<input type="checkbox"/>	<input type="checkbox"/>
2. Are you aware of any <b>compensation</b> paid by Pacific Institute to a <b>family member</b> for service as an employee, director or officer of Pacific Institute?	<input type="checkbox"/>	<input type="checkbox"/>
3. Did you receive any payments from Pacific Institute as an independent contractor?	<input type="checkbox"/>	<input type="checkbox"/>
4. Are you aware of any payments made by Pacific Institute to a <b>family member</b> as an independent contractor?	<input type="checkbox"/>	<input type="checkbox"/>
5. Are you aware of any <b>transactions</b> between Pacific Institute and any <b>entity</b> in which you are a director, officer, <b>key employee</b> , general partner, LLC manager or an <b>owner</b> of more than 35% of the equity interests in the <b>entity</b> ?	<input type="checkbox"/>	<input type="checkbox"/>
6. Are you aware of any <b>transactions</b> between Pacific Institute and an <b>entity</b> in which a <b>family member</b> is a director, officer, <b>key employee</b> , general partner, LLC manager or an <b>owner</b> of more than 35% of the equity interests in the <b>entity</b> ?	<input type="checkbox"/>	<input type="checkbox"/>
7. Do you have any outstanding loans to or from Pacific Institute?	<input type="checkbox"/>	<input type="checkbox"/>
8. Are you aware of any outstanding loan to or from Pacific Institute and a <b>family member</b> ?	<input type="checkbox"/>	<input type="checkbox"/>
9. Are you aware of any outstanding loans to or from Pacific Institute and any <b>entity</b> in which you are a director, officer, <b>key employee</b> , general partner, LLC manager or <b>owner</b> of more than 35% of the equity interests in the <b>entity</b> ?	<input type="checkbox"/>	<input type="checkbox"/>
10. Are you aware of any outstanding loans to or from Pacific Institute and any <b>entity</b> in which a <b>family member</b> is a director, officer, <b>key employee</b> , general partner, LLC manager or <b>owner</b> of more than 35% of the equity interests in the <b>entity</b> ?	<input type="checkbox"/>	<input type="checkbox"/>
11. Did Pacific Institute provide any <b>grant, scholarship, stipend or other assistance</b> to you?	<input type="checkbox"/>	<input type="checkbox"/>
12. Are you aware of any <b>grant, scholarship, stipend or other assistance</b> provided by Pacific Institute to any of your <b>family members</b> ?	<input type="checkbox"/>	<input type="checkbox"/>
13. Are you aware of any <b>grant, scholarship, stipend or other assistance</b> provided by Pacific Institute to any <b>entity</b> in which you are director, officer, <b>key employee</b> , general partner, LLC manager or an <b>owner</b> of more than 35% of the equity interests?	<input type="checkbox"/>	<input type="checkbox"/>
14. Are you aware of any <b>grant, scholarship, stipend or other assistance</b> provided by Pacific Institute to any <b>entity</b> in which a <b>family member</b> is a director, officer, <b>key employee</b> , general partner, LLC manager or <b>owner</b> of more than 35% of the equity interests in the <b>entity</b> ?	<input type="checkbox"/>	<input type="checkbox"/>
15. Are you a <b>family member</b> of, or do you have any <b>business relationship</b> with, any current or former directors, officers, or <b>key employees</b> of PI?	<input type="checkbox"/>	<input type="checkbox"/>
16. Do you have a material financial interest in any <b>entity</b> doing business with PI not otherwise disclosed in response to the prior questions?	<input type="checkbox"/>	<input type="checkbox"/>
<b>Please answer Question 17 below only if you are a director of PI.</b>		
17. Are you aware of any relationship or transaction not otherwise disclosed that constitutes or could constitute an actual or apparent conflict of interest between you and Pacific Institute or that could impair or appear to impair your <b>independence</b> ?	<input type="checkbox"/>	<input type="checkbox"/>
<b>If you answered yes to any of these questions, please explain in the space provided on the next page. In addition, whether or not you answered yes to any questions, please identify on the next page where indicated all corporations or other entities, for-profit or nonprofit, of which you are a director or officer.</b>		

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**Explanations of questions (if you answered “yes”). Please add additional pages if necessary.**

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**Please identify all corporations and other entities, for-profit or nonprofit, of which you are a director or officer. Please add additional pages if necessary.**

## Exhibit A Certain Definitions

### Business relationship

any of the following:

- Person A is employed by Person B (i.e., in a sole proprietorship or by an organization with which Person B is associated as a trustee, director, officer, or greater-than-35% owner).
- Person A is transacting business with Person B (other than in the ordinary course of either party's business on the same terms as are generally offered to the public), directly or indirectly, in one or more contracts of sale, lease, license, loan, performance of services, or other transaction involving transfers of cash or property valued in excess of \$10,000 in the aggregate during the organization's tax year. (Indirect transactions are transactions with an organization with which Person B is associated as a trustee, director, officer, or greater-than-35% owner).
- Person A and Person B are each a director, trustee, officer, or greater-than-10% owner in the same business or investment entity.
- Please note that ownership is measured by stock ownership (either voting power or value) of an **entity** and includes indirect ownership. A "business relationship" does not include a relationship between an attorney and client, a medical professional (including psychologist) and patient, or a priest/clergy and penitent/communicant.

### Compensation

all forms of cash and non-cash payments or benefits provided in exchange for services, including salary and wages, bonuses, severance payments, deferred payments, retirement benefits, fringe benefits, and other financial arrangements or transactions such as personal vehicles, meals, housing, personal and family educational benefits, below-market loans, payment of personal or family travel, entertainment, and personal use of Pacific Institute property. Compensation includes payments and other benefits provided to both employees and independent contractors in exchange for services.

### Entity

sole proprietorship, for-profit or nonprofit corporation, limited liability company, limited liability partnership, general or limited partnership or other organization.

### Family member

any of your ancestors, descendants, siblings (whole or half-blood), children (natural or adopted), spouse/domestic partner, mother-in-law, father-in-law, grandchildren, great-grandchildren, and spouses/domestic partners of brothers, sisters, children, grandchildren and great-grandchildren.

### Grant, scholarship, stipend or other assistance

awards, prizes, contributions, noncash assistance, program related investments, cash allocations, stipends, scholarships, fellowships, research grants, and similar payments and distributions made by the organization during the tax year. It does not include salaries or other **compensation** to employees or payments to independent contractors if the primary purpose is to serve the direct and immediate needs of the organization; payments of any benefit by an IRC section 501(c)(9) voluntary employees' beneficiary association to employees of a sponsoring organization or contributing employer as described in the instructions to IRS Form 990; or grants or other assistance to affiliates or branch offices that are not organized as legal entities separate from Pacific Institute.

### Independence

means that you, as director, met the following three requirements at all times during the fiscal year to which this Questionnaire relates:

- You were not compensated as an officer or other employee of Pacific Institute or of a related organization.
- You did not receive total **compensation** or other payments exceeding \$10,000 during Pacific Institute's tax year from Pacific Institute or from related organizations as an independent contractor, other than reimbursement of expenses under an accountable plan or reasonable **compensation** for services provided in your capacity as a director.
- Neither you nor any of your **family members** were involved in the following transactions *with Pacific Institute* (whether directly or indirectly through affiliation with another organization):
  - Excess benefit transactions. Excess benefit generally means the excess of the economic benefit received from Pacific Institute over the consideration given (including services) by any person who is or was in a position to exercise substantial influence over the affairs of Pacific Institute at any time during the five year period prior to the date of the transaction (a "**disqualified person**"). **Disqualified persons** include such person's **family members** and any **entity** for which the person is an **owner** of more than 35% of the equity interests.
  - Loan transactions.
  - **Grant, scholarship, stipend or other assistance.**
  - **Business relationships.**
  - Doing business through an organization of which you are an **owner**, director, or officer, **key employee**, LLC manager or general partner.

### Key employee

any employee who receives more than \$150,000 in annual compensation from an entity and its related entities, and has management responsibility over a substantial segment (10%+) of the entity's actions, assets, income, expenses or budget, or compensation for employees, or is otherwise considered a "key employee" for purposes of Form 990 reporting.

### Owner

sole proprietor, stockholder, LLC member or partner. Ownership is measured by stock ownership (either voting power or value) of a corporation, profits or capital interest in a partnership or limited liability company, membership interest in a nonprofit organization, or beneficial interest in a trust. Ownership includes indirect ownership (for example, ownership in an entity that has ownership in the entity in question); there may be ownership through multiple tiers of entities.

### Transaction

includes real estate and equipment leases, provision of services, sale of goods, licenses and joint ventures, partnerships and LLCs in which Pacific Institute is a party or **owner**.

# Annual Board Calendar

## Quarter 1

### Program Evaluation

- review programs, program effectiveness and evaluation methodologies

### Risk Management

- review risk exposures and management
- review data collection, security, and privacy practices
- review insurance coverages in view of current activities and assets
- review status of key operating contracts including revenue, lease, credit, and collaboration agreements

### Fundraising

- review revenue composition
- review fundraising goals, strategies, performance, and solicitation policies
- review board fundraising performance
- confirm with staff that contributions are used in line with solicitation materials and donor intent

### Board Self-Assessment (every 2 – 3 years)

- evaluate board composition
- evaluate board internal functioning including information flows and engagement
- evaluate Board’s understanding of Pacific Institute’s mission, vision, and programs
- review relationship between staff and Board

## Quarter 3

### Annual Budget and Goals

- adopt annual budget and goals

### Strategic Planning

- review mission, strategy, and core program and resource allocation choices
- review strategy for long-term financial sustainability

### Annual Board and Officer Elections

- elect directors in accordance with bylaws
- elect officers in accordance with bylaws

### Board Committees

- appoint directors to committees

### ANNUAL BOARD RETREAT

## Quarter 2

### Governance Review (every 2 – 3 years)

- review bylaws, committee structure, committee charters, and other governance arrangements
- review governance policies
- review director orientation program

### Annual Conflicts Review

- conduct annual conflicts disclosure process

### Financial Review

- review annual financial statements and other financial reports\*
- review internal controls with President, Treasurer, and Finance Committee
- review funds investment policy and practices

### Tax Reports

- review draft of and process for preparing Form 990

\* Note state law requirement to provide board, within 120 days of fiscal year-end, with year-end financial report (balance sheet, income statement) and report re Pacific Institute transactions with officer or director exceeding \$50,000 and any indemnification payments exceeding \$10,000

### Branding and Reputation

- review branding and communications including social media practices
- review key reputation risks

## Quarter 4

### Executive Performance and Compensation Review

- review performance and compensation of President, Treasurer and senior staff as appropriate
- evaluate whether exec comp is fair and reasonable
- document process in accordance with compensation policy and IRS guidance
- consider President succession plan

### Human Resources

- review staffing needs
- review staff performance and employee concerns
- review key personnel policy matters
- review whistleblower reports, if any
- review conflicts of interest

### Public Policy and Advocacy

- review relevant public policy developments and advocacy needs

# Board of Directors Self-Assessment Questionnaire

The following questionnaire is designed to obtain your input about the performance and functioning, during the last twelve months, of our Board of Directors (the "Board"). This inquiry is part of the Board's self-evaluation process as recommended by nonprofit corporate governance best practices principles.

The questionnaire is divided into three sections: structure, information, and dynamics. Each section includes a set of statements for which we ask your response on a standard scale ("Strongly Disagree," "Disagree," etc.). You should not feel bound to these questions; you are invited to provide input on all aspects of Board functioning. Space for written

comments is included at the end of the questionnaire, along with a request for any suggestions you have about the evaluation process.

You may complete this document by adding your responses electronically and e-mailing it or by writing on a hard copy and mailing or faxing it back to President.

We would very much appreciate your completing the questionnaire by [\_\_\_\_\_, 20XX].

Thank you very much for your assistance.

\* \* \* \* \*

Topic	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<b>Structure</b>					
1. Board has the right number of members.	<input type="checkbox"/>				
2. Board has members with diverse backgrounds and experiences	<input type="checkbox"/>				
3. The role and responsibilities of Board members are clear.	<input type="checkbox"/>				
4. Board has the right number of meetings per year.	<input type="checkbox"/>				
5. Board has appropriate input into setting agenda items for the meetings.	<input type="checkbox"/>				
6. There is enough time at Board meetings for presentation and discussion of topics.	<input type="checkbox"/>				
7. Board meetings are well organized and planned, and an effective use of time.	<input type="checkbox"/>				
8. Board's annual retreat is effective in helping the Board focus on strategic issues.	<input type="checkbox"/>				
9. Board has adequate indemnification and D&O liability protection.	<input type="checkbox"/>				
10. Board has the right committees.	<input type="checkbox"/>				
11. Committees have the right number of members.	<input type="checkbox"/>				
12. Board members have adequate input regarding their committee assignments.	<input type="checkbox"/>				
13. Committees have the right number of meetings per year.	<input type="checkbox"/>				

Topic	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<b>Information</b>					
14. Board receives adequate pre-reading materials, including budget and financial reports when appropriate, in advance of Board meetings.	<input type="checkbox"/>				
15. Board receives pre-reading materials far enough in time before Board meetings to permit thorough review.	<input type="checkbox"/>				
16. Board receives relevant and timely information about meeting agendas and logistics.	<input type="checkbox"/>				
17. Minutes of Board meetings accurately and thoroughly reflect the decisions, deliberations, and activities that occur at the meetings.	<input type="checkbox"/>				
18. Board receives appropriate, responsive, and timely follow-up from staff in response to issues raised by Board.	<input type="checkbox"/>				
19. Board has adequate access to external and internal advisors, such as the independent auditor and legal counsel.	<input type="checkbox"/>				
<b>Dynamics</b>					
20. The subjects covered at Board meetings are the right subjects.	<input type="checkbox"/>				
21. Board devotes sufficient time to, understands, and influences appropriately Pacific Institute's mission and strategic direction.	<input type="checkbox"/>				
22. Committees are effective in communicating to and assisting Board with oversight of their respective areas.	<input type="checkbox"/>				
23. Board clearly communicates goals, expectations, and concerns regarding the President's performance.	<input type="checkbox"/>				
24. Board has sufficient input into and effectively oversees President and staff evaluation, compensation, and succession planning.	<input type="checkbox"/>				
25. Board adequately monitors financial performance during the year.	<input type="checkbox"/>				
26. Board members understand that they are responsible for making personal financial contributions to Pacific Institute and for supporting other fundraising.	<input type="checkbox"/>				
27. Board members come to meetings well-prepared and focused on the work and all directors are involved in making Board decisions.	<input type="checkbox"/>				
28. Board deliberations are open and constructive, and Board members effectively name and address the most important issues.	<input type="checkbox"/>				
29. Board effectively identifies skills or expertise needed on the board and recruits new board members with those needs in mind	<input type="checkbox"/>				
30. Board effectively monitors and discusses performance of organization based on predetermined metrics and goals	<input type="checkbox"/>				
31. Board adequately reviews potential sources of risk and identifies strategies or plans to mitigate those risks	<input type="checkbox"/>				
32. Board members effectively reach out in the community to build awareness and excitement about the organization	<input type="checkbox"/>				

**Please provide any additional comments about Board performance and functioning (where appropriate please reference the applicable number):**

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**The best thing about serving on the Pacific Institute Board:**

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**Suggested improvements:**

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**Do you have comments about this questionnaire or self-evaluation process? Are there other questions we should be asking?**

# Matters Requiring Board Approval

## Board Actions

Matters listed in categories A-H require formal Board approval under statutory or bylaw provisions. Matters listed in category I are not referenced in the statute or bylaws but, by reason of Pacific Institute's choice in view of their importance, also require formal Board action. Technical information about voting matters appears at the end of the document.

Proposed Action	Board Vote Required	Bylaws
<b>A. Bylaws, Articles, and Office Location</b>		
Amend, repeal, or adopt Bylaws	Majority	4.7, 13
Amend Articles of Incorporation	Majority	4.7
Change principal office location or designate other offices	Majority	4.7, 11.1, 11.2
<b>B. Directors</b>		
Elect directors	Majority	3.4, 4.1, 4.5, 4.7
Change the number of authorized directors (within the limits set forth in the Bylaws)	Majority	3.2, 4.7
Change the range of authorized directors	Majority (requires amendment to Bylaws)	3.2, 4.7, 13
Fill director vacancy	Majority	3.5, 3.8, 4.5, 4.7
Remove director	Majority in Office	3.7, 7.4
Elect and remove Emeritus Directors	Majority	6.1
<b>C. Officers</b>		
Elect officers	Majority	4.7, 7.2
Fill officer vacancy	Majority	4.7, 7.5
Remove an officer	<del>Majority in Office</del> <a href="#">Majority or by an officer who has been given the Board's power to remove another officer</a>	4.7, 7.4
<b>D. Executive Compensation</b>		
Approve compensation of President and Treasurer	Majority	7.12
<b>E. Board and Advisory Committees</b>		
Create, revoke, or modify authority of Board Committees	Majority in Office	4.7, 5.1
Appoint directors to Board Committees	<del>Majority</del> <a href="#">in Office</a>	4.7, 5.1
Create, revoke, or modify responsibilities of Advisory Committees	Majority	4.7, 5.3
Appoint directors or individuals to Advisory Committees	Majority	4.7, 5.3
<b>F. Board Meetings</b>		
Specify date, time, and place of a regular meeting	Majority	4.1, 4.7
Call a special meeting and designate place of special meeting	Chair, President, Secretary or any two directors	4.2

<b>Proposed Action</b>	<b>Board Vote Required</b>	<b>Bylaws</b>
<b>G. Financial Matters</b>		
Change fiscal year	Majority	4.7, 9.3
Choose depository institutions	Majority	4.7, 10.3
Authorize officers or agents to enter into contracts or to execute checks or other orders for payment of money on behalf of the Board	Majority or, in the absence of Board action to the contrary, Chair, President, COO, and Treasurer have authority to enter into contracts and execute checks on behalf of the Board	4.7, 10.4, 10.5
<b>H. Director and Officer Indemnification</b>		
Approve indemnification when the agent is successful on the merits	Board is required to promptly authorize indemnification	8.3
Approve indemnification in all other circumstances	Majority of disinterested directors must determine that the standard of conduct in Sections 5238(b) or 5238(c) of California Corporations Code is met	4.7, 8.3
Authorize advancement or reimbursement of expenses	Majority of disinterested directors must determine that the requested is reasonable in amount under the circumstances, and the requester submits a written undertaking to repay the advance unless it is ultimately determined that the requester is entitled to be indemnified	4.7, 8.4
<b>I. Other Matters</b>		
Approve policies regarding personnel, compensation and benefits, and governance	Majority	4.7
Approve entry into loans and lines of credit	Majority	4.7
Approve material purchases or entry into material contracts or leases	Majority	4.7
Approve annual budget	Majority	4.7
Approve audit	Majority	4.7
Approve filing of IRS Form 990	Majority	4.7

\*\*\*\*\*

**Voting**

Unless otherwise indicated, Board approval may be obtained by vote at a duly held meeting at which a quorum is present. The number of votes required for approval varies by subject matter, as set out in the table. As used in this document, the following terms have these meanings:

- **Authorized Number:** maximum number of directors as fixed by the Board in accordance with the Bylaws (note that the number of authorized directors may be different from the number of directors then in office if there are vacancies)
- **Quorum:** majority of the number of directors **then in office**
- **Majority:** requires approval by greater than 50% of directors present at a meeting at which a quorum is present
- **Majority in Office:** requires approval by greater than 50% of directors then in office at a meeting at which a quorum is present

**Unanimous Written Consent**

In accordance with Section 4.10 of the Bylaws, any action of the Board, including those listed here, may be taken by the unanimous written consent of all directors, other than interested directors, without a meeting.

**Self-dealing Transactions**

The Board may approve a self-dealing transaction, as defined in Section 5233 of the California Nonprofit Public Benefit Corporation Law, by a vote of the majority of disinterested directors then in office. Such Board decisions must comply with the procedures outlined in Pacific Institute's Conflict of Interest Policy.

<p><b>Minutes</b></p> <p><b>Board of Directors</b></p> <p><b>Pacific Institute</b></p>	<p><b>Date, time, and type:</b></p> <p>Date: _____</p> <p>Start: ____ am/pm</p> <p>Adjourned: ____ am/pm</p> <p>[Regular/Special] Meeting</p> <p>if special: called by ____</p>	<p><b>Location:</b></p> <p>Pacific Institute office</p> <p>654 13<sup>th</sup> Street</p> <p>Oakland, California 94612</p>
<p><b>Directors attending:</b></p>	<p><b>Directors calling in:</b></p>	<p><b>Directors absent:</b></p>
<p><b>Materials distributed before or at meeting:</b></p>	<p><b>Staff present:</b></p>	<p><b>Others present:</b></p>

Agenda item	Discussion, findings, and actions
Call to order; quorum check	
Review prior meeting minutes	

\_\_\_\_\_  
Secretary of the meeting

\_\_\_\_\_  
Date

## **General considerations:**

1. Include a separate section for each agenda item, with high-level coverage of the discussion and a summary of the outcome as appropriate.
2. Minutes should not be a transcript and should not be overly detailed.
3. If a formal vote taken or resolutions adopted, then insert text of resolutions after a sentence such as “The Board adopted the following resolutions:”
4. If the matter requires approval by other than a majority vote of quorum (e.g., X% of entire board, majority of directors then in office), note that such vote was achieved.
5. If a director abstained or absented themselves from the vote, note it.
6. Include additional information about participants, information considered, discussion, and findings if addressing topics that are the subject of the Conflict of Interest Policy or the Compensation Review Policy, as described in those policies.

# Pacific Institute - Board Recruitment Matrix

<p><b>This matrix may be used for different phases of the board recruitment process:</b></p> <ul style="list-style-type: none"> <li>• Complete the matrix for each <i>current</i> board member to map the skills and attributes of the existing board, and to identify any gaps/needs.</li> <li>• Complete the matrix for a list of <i>prospective</i> board members to prioritize recruitment efforts based on the gaps/needs you've identified.</li> <li>• Disclaimer: this matrix should not be the only tool used during the recruiting process; use it in conjunction with a holistic needs analysis</li> </ul>		(name)										
<b>Personal Demographics</b>	Male											
	Female											
	Age 18-34											
	Age 35-50											
	Age 51-65											
	Age 65+											
	African American/Black											
	Asian/Pacific Islander											
	Caucasian											
	Hispanic/Latino											
	Native American/Alaska Native											
LGBTQ												
<b>Community Affiliations</b>	Business/Corporate											
	Media											
	Government/Political											
	Social Services											
	Education											
	Philanthropy											
	Religious											
	Other											
<b>Resources/ Fundraising Involvement</b>	Capacity and willingness to give											
	Access to funders and/or donors											
	Access to other resources (foundations, corporate support)											
	Availability for active participation (cultivation, stewardship, etc.)											

<b>Board Matrix Worksheet, p. 2</b>												
<b>Personal Style</b>	Good communicator											
	Visionary											
	Strategist											
	Consensus builder											
	Team-oriented/Collaborative											
<b>Skills/ Expertise</b>	Institutional Knowledge (environment, water, etc.)											
	Financial Management											
	Research and Analytics											
	Brand Building/Marketing/PR											
	Strategy and business development											
	Governance/Leadership											
	Technology											
	Human Resources											
	Law											
	Advocacy/Policy											

## PACIFIC INSTITUTE STRATEGIC NEEDS TABLE

Use this **Strategic Needs Table** to list strategic goals and the skill sets needed to accomplish those goals. The strategic goals listed here are derived from what [you the Institute](#) identified as high to medium priorities during [your September 2017-2018 strategic planning process](#) [Board Retreat](#).

Strategic Needs Table				
GOAL 1 Clarifying PI's mission and vision	GOAL 2 Advising or Engaging in key strategic and policy issues	GOAL 3 Developing financial resources	GOAL 4 Evaluating performance against mission priorities	GOAL 5 Ensuring adequate risk management
Governance and Leadership	Institutional knowledge	Capacity and willingness to give*	Research and Analytics	Law
Institutional knowledge	Advocacy / Policy	Access to funders, donors, and resources*	Institutional knowledge	Governance and Leadership
Strategy and business development	Governance / Leadership	Availability for active participation*	Governance / Leadership	Strategy and business development
Brand building / marketing / PR	Strategy and business development	Financial Management	Technology	Brand building / marketing / PR
Advocacy / Policy	Law	Strategy and business development	Human Resources	Financial Management

\* listed under "resources/fundraising involvement" in board recruitment matrix, not "skills/expertise."

# Unanimous Written Consent

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The undersigned, being all of the members of the board of directors (the “Board”) of Pacific Institute, a California nonprofit public benefit corporation, acting in accordance with Section 5211(b) of the California Nonprofit Corporation Law and Section 4.10 of Pacific Institute’s bylaws (the “Bylaws”), hereby consent to the approval of the following resolutions, such action to have the same force and effect as a unanimous vote of the Board at a meeting duly called and held:

WHEREAS, the Board deems it appropriate and in the best interest of Pacific Institute to [\_\_\_\_\_];

WHEREAS, [describe current practice or issue];

NOW, THEREFORE, BE IT:

RESOLVED, [insert formal resolutions]

IN WITNESS WHEREOF, the undersigned have executed this written consent as of the dates set forth below.

\_\_\_\_\_  
[Name] Date

# Proposed Resolutions

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## Amendment and Restatement of Bylaws

WHEREAS, the Board of Directors (the “Board”) deems it appropriate and in the best interest of the Corporation to amend and restate the Corporation’s Bylaws;

WHEREAS, Article 10 of the Corporation’s Bylaws requires that any amendment to the Bylaws of the Corporation be approved by at least two-thirds of the directors then in office;

RESOLVED, that, as contemplated by Article 10 of the Corporation’s Bylaws, the Bylaws of the Corporation be, and hereby are, amended and restated in their entirety, in the form presented to the Board at this meeting (the “Amended and Restated Bylaws”);

RESOLVED FURTHER, that, the Secretary of the Corporation is authorized and directed to insert the Amended and Restated Bylaws in the minute book of the Corporation, and to see that a copy of the Amended and Restated Bylaws is kept at the principal office of the Corporation.

## Authorized Number of Directors

WHEREAS, the Board deems it appropriate and in the best interest of the Corporation to fix the number of authorized directors;

RESOLVED, that, as contemplated by Section 3.2 of the Amended and Restated Bylaws, the authorized number of directors of the Corporation shall be 15, until such number is changed by the Board.

## Board Committee Charters

WHEREAS, the Board desires to approve charters for its Board Committees;

RESOLVED, that, in accordance with Section 5.1 of the Amended and Restated Bylaws and Section 5212 of the Nonprofit Corporation Law, the Board hereby approves charters for the following Board Committees, in the forms presented at this meeting;

Governance Committee  
 Executive Committee  
 Audit Committee  
 Finance Committee

## Advisory Committee Charters

WHEREAS, the Board desires to approve charters for its Advisory Committees;

RESOLVED, that, in accordance with Section 5.3 of the Amended and Restated Bylaws and Section 5212 of the Nonprofit Corporation Law, the Board hereby approves charters for the following Advisory Committees, in the forms presented at this meeting;

Fundraising Advisory Committee

## Conflict of Interest Policy

WHEREAS, the Board deems it appropriate and in the best interest of the Corporation to adopt a conflicts of interest policy as contemplated by Section 3.10 of the Amended and Restated Bylaws;

RESOLVED, that the Corporation adopts the Conflict of Interest Policy in the form presented at this meeting.

**Whistleblower Policy**

WHEREAS, the Board deems it appropriate and in the best interest of the Corporation to adopt a whistleblower policy;

RESOLVED, that the Corporation adopts the Whistleblower Policy in the form presented at this meeting.

**Records Retention Policy**

WHEREAS, the Board deems it appropriate and in the best interest of the Corporation to adopt a records retention policy;

RESOLVED, that the Corporation adopts the Records Retention Policy in the form presented at this meeting.

**Compensation Review Policy**

WHEREAS, the Board deems it appropriate and in the best interest of the Corporation to adopt a compensation review policy as contemplated by Section 7.12 of the Amended and Restated Bylaws;

RESOLVED, that the Corporation adopts the Compensation Review Policy in the form presented at this meeting.

**Governance Overview**

WHEREAS, the Board deems it appropriate and in the best interest of the Corporation to adopt a Governance Overview;

RESOLVED, that the Corporation adopts the Governance Overview in the form presented at this meeting.

\* \* \* \* \*