

CIVIC SAN DIEGO BOARD POLICY

Section: 1.0 – Governance
Sub-section: 1.02 – Powers and Functions of the Board
Effective Date: May 23, 2018

1. PURPOSE

1.1 To clarify the powers, functions and obligations of the BOARD.

2. EFFECTIVE DATE AND AMENDMENTS

2.1 This Policy shall be effective upon the approval of the BOARD of the CORPORATION. This Policy may only be amended by approval of the BOARD, except as provided in Policy 1.01, Section 5.8.

3. DEFINITIONS.

3.1 BOARD – The Board of the CORPORATION.

3.2 BY-LAWS – The Amended and Restated By-Laws of the CORPORATION, adopted July 31, 2012 (Document No. R-307539).

3.3 CORPORATION – Civic San Diego.

4. PROCEDURES

4.1 The President is authorized to establish and disseminate administrative procedures to implement this Policy, as applicable.

5. POLICY

5.1 The BOARD shall have all the powers set forth in Article 3 of the BY-LAWS and as authorized by the Nonprofit Corporation Law. The BOARD shall manage the business and affairs of the CORPORATION and exercise all of its corporate powers to achieve the purposes of the CORPORATION as set forth in the Articles of Incorporation and the BY-LAWS.

5.2 Each director shall perform the duties of a director, including duties as a member of any committee of the BOARD on which the director may serve, in good faith, and in a manner that the director believes to be in the best interest of the CORPORATION and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances. Directors owe both a duty of loyalty and a duty of care to the CORPORATION. Directors must be committed to and focused on the

advancement and achievement of the CORPORATION'S purposes as stated by the City of San Diego in the CORPORATION'S governing documents.

- 5.3 In performing the duties of a director, a director may rely upon information, opinions, reports or statements, including financial statements and other financial data, prepared by officers or employees of the CORPORATION, consultants to the CORPORATION or a committee of the BOARD on which the director does not serve. Such reliance is appropriate as long as the director believes the person providing the information to be reliable and competent in the matters presented.
- 5.4 No director may be an interested person as that term is defined in the BY-LAWS. Directors must also comply with the conflict of interest provisions of the Nonprofit Corporation Law, the Political Reform Act, Government Code section 1090, the California Community Redevelopment Law, the Ethics Ordinance of the City of San Diego and other policies of the CORPORATION related to ethical issues.
- 5.5 No individual director, unless authorized by the BOARD to do so, shall be entitled to provide direction or to control the activities of employees of the CORPORATION who are under the control of the President. Directors shall use reasonable efforts to coordinate any questions or concerns about CORPORATION operations through the President or other appropriate officer of the CORPORATION.
- 5.6 Directors shall use reasonable efforts to attend all meetings of the BOARD and the committees on which the director is a member. Directors shall not be absent from three (3) consecutive meetings of the BOARD or a total of four (4) meetings of the BOARD during any one calendar year.