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Date: Mon, 2 Sep 2002 23:50:07 -0700
To: wbw@Stanford.EDU
From: William Byron Webster <wbw@Stanford.EDU>
Subject: Community Legal Services in East Palo Alto meeting on Thursday, 5
September 2002, and 22 August 2002 meeting notes

Dear Fellow CLSinEPA Board Members:

I have put together a set of meeting minutes for the board meeting of Thursday, 22 August 2002, of the recently renamed Community Legal Services in East Palo Alto, Inc. I am attaching the meeting minutes to this email. If any of you are unable to read the attachment, please contact me and I will send you an email with the minutes embedded in the main body of the email. Due to the excessive length of these minutes (like those I prepared of the 8 August meeting), essentially a transcription of everything said in the meeting, in the future I plan to reduce the meeting minutes to action minutes. That is to say, I plan to record only decisions made by the board rather than the entire discussion that surrounded the handful of actual actions. This should ensure that the minutes are not only more manageable for me to prepare (I spent four days preparing the 22 August minutes), but more likely to be read if reduced from 19 pages to 1 or 2 at the most.


Our next board meeting takes place this coming Thursday, 22 August, not at 6:00 p.m., but starting at 7:00 p.m. This was necessary to accommodate Co-Chair Gerry Steinberg, who is attending a memorial service at Stanford University. We will be meeting not at CDI as we had originally planned, but in the California Room at the South County Community Resource Center, located at 1798-B Bay Road, near the intersection of Clarke Avenue and Bay Road.

In addition to the 22 August meeting minutes, I am attaching three documents from Brad Caftel: resolutions to be adopted at the 5 September meeting, the latest draft By-Laws of Community Legal Services in East Palo Alto, Inc., and a draft list of the initial Board of Directors of the new legal entity. If you are unable to read any of the attachments, please let me know. I will send you individually the text of the attachments embedded in the main body of an email.

We look forward to seeing you on Thursday.


Best wishes,

William Byron Webster
Secretary
Community Legal Services in
East Palo Alto, Inc.

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Community Legal Services in East Palo Alto, Inc.
Board of Directors Meeting
Thursday, 22 August 2002

Meeting Minutes

Location: Community Development Institute, 321 Bell Street, East Palo Alto, CA 94303

Time: 6:12 p.m.- 8:00 p.m. (approximate ending time)

Meeting Chairperson: Elizabeth Jackson

Meeting Secretary: William Byron Webster, Co-Secretary

Next Meeting: Thursday, 5 September 2002 at 7:00 p.m. at South County Community Resource Center, 1798-B Bay Road, East Palo Alto

Present: John Bostic, Brad Caftel, Paul Cohen, Catherine Crump, Sandra Curry, Elizabeth Jackson, Robert Jones, Goro Mitchell, Barbara Mouton, Marty Myers, Cecil Reeves, Marilu Serrano, Gerry Steinberg, Adassa Walker, William Byron Webster, Nozipo Wobogo

Elizabeth Jackson called the meeting to order at 6:12 p.m. The people introduce themselves.

Catherine Crump introduces herself. Marty Myers introduces himself. We do introductions of the attendees.

Gerry Steinberg says she is interested in the future of legal services in East Palo Alto.

Elizabeth Jackson says she is a member of the old Board of Directors of the East Palo Alto Community Law Project and hopes that it continues.

Catherine Crump moves to approve the agenda. Robert Jones seconds the motion. The agenda is unanimously approved.

Elizabeth Jackson mentions changes to the minutes of the meeting of 8 August.

The word "Law" is misspelled on page 7.

Elizabeth Jackson refers to page 2.

On page 5 in paragraph 5 Elizabeth wanted to nominate Dr. Reeves for Chair and also Gerry Steinberg for Co-Chair. Elizabeth was the one who nominated Cecil Reeves. Mrs. Mouton made the nomination for Elizabeth to be Chair, but Elizabeth wanted to be Co-Chair.

Gerry Steinberg moves to accept the minutes with those changes. Robert Jones seconds the motion. The minutes are approved by all present with no no votes, but two abstentions, Marty Myers and Catherine Crump.

Robert Jones wondered if the minutes had been emailed. William Byron Webster said they had been emailed to all board members with email.

Brad Caftel summarizes the previous meeting. The decision was made, he says, to form a new nonprofit corporation rather than take over the previous Law Project. Chairs and secretaries were selected and four committees were formed.

The first committee on the list is Internal Operations Committee, which is involved in reviewing the articles of incorporation and the by-laws and insurance and tax exemption and other legal matters.

Brad Caftel drafted a set of articles of incorporation and by-laws. The only change in the draft was the name, which was decided to be Community Law Center in East Palo Alto, Inc.

Geraldine Steinberg signed the articles as the incorporator and is named as the agent of the process.

Brad Caftel filed the name in San Francisco. There is a Community Law Center, Inc., in Los Angeles. They have not done a tax filing, which means they are under \$25,000 a year in income.

They have not returned Brad's phone calls. He cannot reach them. He tried to file the articles of incorporation anyway. The Secretary of State rejected the articles because of the conflict with the name. So we can either change the name or wait to see if there is no objection from the Los Angeles organization.

The money is starting to roll in.

Marty Myers: There are other community law centers. With the reversal of the name it would work. You could say East Palo Alto Community Law Center.

Brad would have to get a waiver from the East Palo Alto Community Law Project, because the name is pretty close.

He suggests a name. Community Legal Services is available. There was a Community Legal Services in San Jose, but they have been merged out. There is a Community Legal Services in Richmond. Community Legal Services in East Palo Alto should work. He is open to other names.

Cecil Reeves says Community Law Center does not suggest legal services. It makes him think of Stanford or the Law Center [Project?]. It doesn't suggest the mission.

Nozipo Wobogo arrives.

Elizabeth Jackson: We want to offer the different legal services.

Cecil: Legal Services seems more indicative of what we proposed to do—The name in itself conveys what you do.

Robert Jones: The emphasis is on providing legal services practically. Since we can't get Community Law Center—It is practical to look at Legal Services. Community Legal Services in East Palo Alto seems really what we are trying to accomplish.

Marty Myers: How about Community Legal Assistance in East Palo Alto?

Gerry Steinberg: Brad thinks the name is available. It is very important we incorporate right away.

Elizabeth Jackson: What about Community Public Interest Law Center?

Robert Jones: Let us look at what people here today want to focus on. We need to make the decision now.

Nozipo Wobogo: They said Legal Services—The name is used a lot among many other groups. This is what was said at the last meeting. I thought it had to do with something legal—like somebody else using the name.

Elizabeth agrees with Robert Jones.

Cecil Reeves: Is the Law Center out?

Gerry Steinberg: It is out.

Elizabeth Jackson: Brad, what do you think of East Palo Alto Community Public Interest Law Center?

Brad: It has the word community, which is an asset people wanted.

Brad Caftel: Public interest in a legal sense has a different connotation than legal services. It is a different classification of law firm than legal service law firm. To some people it connotes an organization that litigates on behalf of the broad public rather than on behalf of low-income people.

[Cecil Reeves:] I have heard 3 options:

- Public Interest Law Center
- Legal Services Center
- Community Legal Assistance

Marilu Serrano and Barbara Mouton arrive.

Cecil Reeves writes down on the easel:

- Community Law Center
- Public Interest Law Center
- Legal Service Center
- Community Legal Services

- East Palo Alto Law, Inc. - EPAL
- Community Legal Assistance

Paul Cohen says his organization [La Raza Centro Legal] has a definition under its name. "I suggest East Palo Alto Law, Inc. EPAL would be the acronym. One of the things that [concerned] me was EPACLP. Here you have EPA Law and this is not the subname."

Barbara Mouton: When we incorporated we used EPACCI [for East Palo Alto Citizens Committee for Incorporation].

East Palo Alto Law, Inc. – EPAL

A poll is taken of which name the people favor.

East Palo Alto Community Law, Inc., has the highest number of votes.

There is no interest in the last name [Community Legal Assistance].

Gerry Steinberg: I will vote with the seven [who voted for East Palo Alto Law]. So there are eight for East Palo Alto Law, Inc. – EPAL.

Marilu Serrano says East Palo Alto has its own name recognition.

Legal Service Center had three votes. Legal Assistance had three. Three were interested in Community Legal Assistance.

Paul Cohen: You could call it either.

Robert Jones: What do you put on the letterhead?

Marty Myers moves that we adopt and authorize Brad to pursue East Palo Alto Law, Inc., and then we can use lines and other short function like the mission—Community Legal Services. If that is not acceptable to the Secretary of State, we authorize Brad to use one of the other three that are acceptable.

Gerry Steinberg makes the motion. The vote is unanimous except for one no vote from Nozipo Wobogo.

Brad prepared a fiscal sponsor agreement between the National Economic Development Law Center and EPAL. So that for those donors who want to be sure that by giving to a 501(c)(3) they can give their money to us. "The money will come to you, but be run through my organization. I have also prepared a contract for my legal services which Gerry Steinberg has signed on behalf of EPAL."

One of the issues on the agenda is the board composition. The list of board names will have to be squared with the draft by-laws, which calls for 21 maximum board members and one third need to be lawyers. "Your quorum requirement is hard to reach."

Cecil Reeves: Can't you set your quorum as low or high as you want?

Brad Caftel: The standard is a majority, which means getting 11 people together. You may have 22 names on the list and are not done with finding people. I will recommend that we find people and move [people] on [the advisory board] without being a board member with its responsibilities.

Elizabeth Jackson: He is asking us to come up with a list of people for the board. The Internal Operations Committee will come up with a core list.

Marilu Serrano: Let me make a comment about the core list. There are certain strategic people who do not show up. We don't have everyone present. Duane, Ida Berk, -- people who should be a part of the board. My concern is the attendance. I am very afraid of having more than 21 since we will not always show up.

Sandra Curry arrives.

Robert Jones: We can rule out the public officials from the board. Duane is one of them. I don't think any public officials sit on boards while elected officials.

Cecil Reeves points out that City Councilmember Sharifa Wilson is on the South County Health Clinic board and Marilu Serrano points out another exception.

Cecil Reeves: Some people may have to serve in an advisory capacity. Do we want citizen participation or people from the faith community? You may have to drop some numbers to get a particular consequence such as Pacific Islanders and Latinos so people see it as a place that serves the whole community by virtue of the ethnic balance.

Robert Jones: Are there any funding agencies that will have certain requirements as to who will serve on the board?

Marty Myers: It is true that qualifying for some funds you must have a certain number of employees be lawyers, but not on the board.

Robert Jones: I thought there were certain funds that came to the Law Project only because there were a certain number of lawyers on the board.

Elizabeth Jackson: I believe this was true. Except for the community people, most of the people on the EPACLP Board were lawyers. The State Bar looks at whether the director is a lawyer to give funding.

Cecil Reeves: You want to look at long-term strategic [goals]. So you need lawyers and people from business companies. I would think strategically and some of the client base to keep us honest. The subcommittee should deal with the notion of balance. Maybe Brad could give them input.

Catherine Crump: Isn't 21 people on the large size? I wonder [if] it will make it unmanageable.

Gerry Steinberg shares that concern" It gets unwieldy. If people want to participate, they can participate on committees and on the advisory committee. It should be similar."

Robert Jones: There are two ways of looking at it. To me especially as a person who has sat on a startup organization where you have energetic people at the beginning, it eventually burns off to a core. You have a quorum with 51%. It becomes a problem. It is important to set the quorum at a lower number than 51%. It is a problem and you cannot get business done.

Elizabeth Jackson: It says it can be up to 21.

Cecil Reeves: The issue is what is the quorum. It could be set at nine people.

Brad Caftel: Let us make it one third. It is reasonable.

Gerry Steinberg: I met with Mike Armstrong from the Palo Alto Area Bar Association. He would like to serve on the board.

Elizabeth Jackson: When I tried to get a group of people, I didn't want to turn anyone down so I – Most people said they want to be on the board, but most will understand if we have to drop people off. The committee will go back and ask people if they want to be on the board or advisory board. Those who were here can make that decision in four months.

Cecil Reeves says that if people miss three consecutive meetings you are no longer on the board.

Marilu Serrano: There is a person who wants to be on the advisory board, but doesn't have time to attend.

Elizabeth Jackson: We will let the committee work on this.

Cecil Reeves: I find it [appropriate to make a] change in the by-laws. [Change the] words low-income and disadvantaged to another word. Such as underserved.

Cecil Reeves: This would work.

Elizabeth Jackson threw out the word underserved.

There is consensus that underserved will work.

Gerry Steinberg: Mrs. Mouton went to the bank to get cards. Brad says we need our name to get the ID number to open a bank account.

Barbara Mouton: I went to the bank and I had the by-laws and said I am uncertain of what the name is. Nelson Santiago [of California Bank and Trust in the Ravenswood 101 Retail Center] said when you come back I will put the name down.

Brad Caftel: You don't have a bank account until you have an ID number and name.

Gerry Steinberg: I am walking around with our check for \$50,000 because we cannot deposit it until our name is cleared by our Secretary of State.

Nozipo Wobogo: Where did the check come from?

Gerry Steinberg: The check came from the law firm of Alexander Hause and Audet [?].

Elizabeth Jackson and Victor Ramirez will handle the records. Victor will set up some files and all our paperwork will go there and William Byron Webster is keeping records on the Internet.

Gerry Steinberg: We have a problem, since we don't have a lease yet with Startup, who have leased the building the former Law Project is in. We have talked to Faye [McNair-Knox] and given her our requirements. She has not responded yet. If she could give us a lease for one room we can get a telephone. We can't get a telephone without a legal place to operate from.

Barbara Mouton: Faye is open to that.

Elizabeth Jackson: We reviewed questions from Faye and—

Gerry Steinberg: We just gave Faye our responses yesterday.

Sandra Curry: Do you know what terms you are talking about?

Mrs. Mouton: Faye is flexible.

Gerry Steinberg: Since Catherine has to leave, can we move [Item] d) up to b) regarding the VAP Program Committee.

Elizabeth Jackson: Since Catherine has to leave, we will go to d).

Nozipo Wobogo: One of the things we were working on is getting space so we could have Student VAP as well as Attorney VAP. From talking with her about the space we don't know how much space we will have. We would have to have at least 2 offices to conduct the Student VAP interviews, which go on twice a week. We want to have space also for Attorney VAP – If we cannot work it out with Faye—She is either not there or is at a meeting—to see if we can get space at the old Law Project or in Startup HQ to have the space in the evening for the Attorney VAP. The Student VAP is more difficult, because they have to have space for the interview. The Student VAP is two times a week and the Attorney VAP is once a week. Since the Law Project has closed the issue is our approach. We want to approach the VAP firms to get them on board with the new law center. We have our own way of doing it. We don't know if it is appropriate to do it that

way. One way is to meet with each of the VAP attorneys and discuss what we are doing with the new legal organization in East Palo Alto and see how their firm is viewing our starting up a new organization and ask them if they would be willing to work with us.

Gerry Steinberg: I thought Peggy said she had sent the information.

Catherine Crump: She did. Peggy sent an email to all the VAP firms explaining the Law Project is closing and there are possibly other organizations that could be housing the VAP next year and gave my name and Jonathan Seilor's as the student names. We were looking for a place where it could be housed.

Nozipo Wobogo: I heard from Gerry Steinberg there was an email and Peggy said it wouldn't be, but she did send out an email. If this is the case we would want to [speak with] each of the firms and—

Catherine Crump: If we send an email from the new organization and said we can house the VAP and the students working with the people, the VAP firms would accept it.

Marty Myers: This is a golden opportunity to make VAP work. In a committee we can talk about restructuring it. That is number one. Number two: A new approach to everybody who is a future VAP coordinator, to future VAP firms, and also new firms-- approach them for 1) participation for sending attorneys and 2) to get seed funding for the organization from them to really bring them in and in this, furnish the opportunity to do something that comes out of an organization you have historically supported.

Catherine Crump: The school year starts in three weeks. We will lose momentum if we are not ready and students will find other outlets for public service.

Gerry Steinberg: We will get space some other place if not from Faye. But next week we will have space.

Marty Myers: After a month we should have a well coordinated approach between Student VAP and Attorney VAP. In the past they did not interface well at all. That should be resolved in committee.

Elizabeth Jackson: We have Nozipo, Sandra, and Marty on the VAP committee last meeting.

Marty Myers: We can just meet as a group.

Nozipo is not wedded to being Chair. Marty Myers has no objection to Nozipo being Chair.

Catherine: There are two students who are in charge of coordinating Student VAP. Between now and September I can contact them. They are not here now.

Paul Cohen: I am not clear as to what the legal model is going to be short-term and who will be supervising the services? The kind of things IOLTA and the State Bar want to know right away. VAP is part of it. Also on a day to day basis.

Elizabeth Jackson: That will be discussed tonight in the Tenants Rights Committee.

Gerry Steinberg: It is important that the VAP Committee meet next week. When could you meet?

Marty Myers: We can meet by telephone. I can conference 6 people on my [phone]. I will set up that meeting with the people on the list and conduct it.

Elizabeth Jackson: Could you let Gerry or me know about the meeting?

Marty Myers: Yes.

Elizabeth Jackson: We go back to Item d) Long-Term Planning. We can [include] Larry Klein.

Cecil Reeves is elected Chair.

Cecil Reeves: We had a meeting set up on the 19th that didn't happen because of logistical issues.

Gerry Steinberg: The charge of the committee is after the four months, Where are we going? We have to start sending out proposals and getting some money.

John Bostic arrives.

Brad Caftel: There are items in the agenda [from] the last meeting—for determining the relationship with Stanford University and other legal providers during – What are real legal needs and vote of the Stanford students [?]. Different service models. How best to determine services? Developing fund-raising program to be able to replace services and develop an operating budget.

Cecil Reeves: Isn't an attorney on this?

Elizabeth Jackson: Larry Klein is on that one.

They will report next time.

Goro Mitchell is on that committee. On page 9 is a list of the committee members.

Gerry Steinberg: Victor has a bad back, which is why he is not here. Larry Klein had another meeting set before this meeting and if he was not here by 6:30 p.m. we would tell him what to do. Victor will be supervised by Jeanne Merino. He is in charge of the Tenants Rights Program. Catie will do immigration Jeanne Merino will supervise Victor and there will be supervision for the VAP program. I cannot tell you who it will be until next week when Stanley Hackler [?] comes back. They are committed for four months.

Gerry Steinberg: We should have an employment agreement with Brad and National Economic Development Law Center.

Brad will do a first draft.

Barbara Mouton: Some people have said there should be a few more Latinos on the board. Someone said I voted against Refugio Huizar. That is not true. Refugio told me that someone said I had shot him down for the board.

Elizabeth Jackson: We will work on the composition of the board.

Cecil Reeves: When we make a revision of the by-laws you can have the balance in the by-laws.

Cecil Reeves: You have put X number of Latinos, African Americans, and Pacific Islanders. You will only achieve balance if you state you want the balance.

Elizabeth Jackson: We will work on this at the committee level.

Gerry Steinberg: Victor was working on the relationship with La Raza Centro Legal and Legal Aid Society of San Mateo County and Bay Area Legal Aid. Victor went through the Law Project for furniture we could use. He put the furniture in the basement of the old Law Project. That brings us to insurance.

Goro Mitchell: Patrick Brock of University Palms said he has raw space at Drew. I don't know if it is free or low cost.

Gerry Steinberg: That would be good.

Nozipo: We need low cost space.

Gerry Steinberg: That was not a firm promise from Faye. We just asked for a ballpark figure to put in our budget.

Elizabeth Jackson: Faye wanted \$1200 - \$1500 for two rooms for a month. We suggested \$800. There is one large room and one small room. We budgeted \$800 total. Will we be able to come up with that kind of money? We offered \$800.

Gerry Steinberg: We also asked about four rooms and a conference room.

Elizabeth Jackson: We only have \$50,000, but our budget calls for \$85,000 for four months and pending our getting \$40,000 additional next Tuesday, I wanted to work with what we actually have.

Sandra Curry: Are we talking about the kind of cases we are taking? Have we looked at what we do if we don't have enough money for the supervising attorney for four months?

Gerry Steinberg: We have every hope it will go on for more than four months. That is up to the Long-Term Planning Committee. Elizabeth wants us to be very conservative for what we don't have money for.

Sandra Curry: Once you take a case you are responsible for it. You must have time to go to court for five months rather than four months. The financial situation would inform the type of cases you could take in a 4-month period.

Marty Myers: It is actually up to whoever the lawyer represents. It is that person's responsibility to see the cases through or withdraw if required at the time. Victor and whoever he is working with needs to understand the possibility of nothing happening after four months.

Brad Castel: Victor is just doing referrals. It is the other attorneys understanding this. That is the person who is at issue.

Paul Cohen: Victor needs a supervising attorney to be sure he is doing the referrals right. There is legal exposure once you give legal advice. That is why someone like Jeanne Merino has to be supervising.

Paul Cohen: What is the model? Is it some in propria persona model where you are not the attorney of record in anything? That is to be asked.

Brad Castel: That is the situation for tenants. But with immigration it is a different matter.

Marty Myers: With immigration cases there is a form where you state that you may not exist as an organization after four months. It is entirely legal to do this in the retention agreement with the client. An immigration lawyer has a big job if money does not come through.

Cecil Reeves: All parties should be informed of the limitation of money and its impact on providing legal services.

Saundra Curry: Could someone serve as Interim Executive Director? If you have money to pay a supervising attorney—

Gerry Steinberg: We are only paying Jeanne Merino one-half time to supervise Victor.

Saundra: It is a matter of where you put your money and how the position will be funded. If you have a staff person who is a lawyer. I wondered if alternatives have been discussed.

Elizabeth Jackson: Alternatives have not been discussed.

Sandra Curry: I think that you should have a lawyer on your committee to discuss from the perspective of providing legal services. How you would take a case, etc.

Elizabeth Jackson: I raised the issue of the director.

Nozipo Wobogo: Is there money?

Elizabeth Jackson: In the future we could ask for funding for a director. Could that be contributed with an attorney position?

Gerry Steinberg: Maybe Jeanne Merino could do that. We just haven't discussed it.

Gerry Steenberg: It is \$14,000. It is \$3,500 a month for Jeanne.

Gerry Steinberg: I will make copies of the budget so you will all have it for the next meeting.

Paul Cohen: I would like to make two points: 1) I understand you will make a 4-month lease with Startup and there could be other possibilities to be used as leverage with Startup. If Tenants Rights needs one room, we could say for four months you could donate one room you are not using during the daytime. Use options that will be cost-effective. It may take having negotiations: 1) Money [for] a lease and 2) I am one of the legal service providers—a staff attorney with La Raza Centro Legal. Two months ago we went over to the Family Support Center after spending more than a year at the Law Project. Victor continued to refer people to [us]. I understand [Bay Area] Legal Aid is contemplating coming to the Family Support Center. I will work with Legal Aid to coordinate so we don't compete for services. And Legal Aid Society of San Mateo County is interested in coming to East Palo Alto at least two times a month. Each of our agencies offers legal referral services. Bay Area Legal Aid only represents a limited number and takes the stronger cases in agency terms. We basically help people to help themselves. I am the only one who goes to court every Thursday afternoon to help people to settle. I settle over 90% of the cases I take. Beyond that people have to find another attorney if their case is not settled. Victor knows how to do the referrals. Jeanne knows what agencies do and how they do it.

Gerry Steinberg: The three agencies are giving 10 hours a week.

Paul Cohen: I have not consented to doing more than what I have already been doing.

Gerry Steinberg: Let us look.

Cecil Reeves: Would Paul be advisory to the Long-Term Planning Committee?

Paul Cohen: I would feel more comfortable as advisory to the Tenants Rights Committee. I am a housing attorney. I cannot commit to attending all the meetings because I have many other organizations.

Catherine Crump: Last summer Peggy and Ellen started to put together a needs assessment, but I don't know where that went. You might ask them if it was completed.

Nozipo Wobogo: It was not completed.

Barbara Mouton: There was an organization not legally represented.

Nozipo Wobogo: Is it true that Legal Aid represents people County-wide?

Cecil Reeves: I just don't want to reinvent the wheel if someone else has done a needs assessment in the past decade—It doesn't sound [like it].

William Byron Webster summarizes his contact with the National Legal Aid and Defense Association for the insurance packet. It includes several kinds of policies, including directors errors and omissions insurance.

Brad says we will need to get a general liability insurance policy. We will need to find another agency for that.

Marty Myers volunteered to handle the insurance. He practices insurance law.

We had asked Faye to add us to her liability policy as an additional insured when we negotiated the lease. He will handle errors and omissions insurance and the OEP [?] insurance.

Marty Myers: There are a number of brokers who handle nonprofit corporations for all [insurance needs]. I would seek authorization to talk with brokers who provide competitive rates who can get the applications done for us.

Barbara Mouton moves this and Cecil Reeves seconds the motion. The motion passes unanimously.

Elizabeth Jackson: We didn't talk about creating a fundraising committee. We talked about fundraising. We have volunteered in the Internal Operations Committee. Do we want to create a fundraising committee? I recommend that we have one person from each committee.

Gerry Steinberg: Long-term funding is part of long-term planning.

Elizabeth Jackson: If we have this committee, it could work with you to try to do fundraising. This is an interim thing. We are looking for grantwriters.

Gerry Steinberg: That would be long-term.

Cecil Reeves: This would be more strategic, but here you are talking about a short-term fundraising committee. We have only four months of funding.

Marilu Serrano: Working to find ways to raise money.

Cecil Reeves: I suggest you have the Internal Operations Subcommittee with others raise the additional \$35,000 and let the Long-Term Planning Committee develop a strategic fundraising plan. You could just authorize the Internal Operations Committee.

Gerry Steinberg: We have several proposals out right now and we have the letter that went out to the community.

Elizabeth Jackson: We don't need a motion. We will leave it under Internal Operations right now and we can work with you.

Gerry Steinberg: I have copies of the letter signed but [no addresses]. I will have the fundraising letter when I talk with Mike Armstrong. I asked what he thought of a letter going out to the Palo Alto Area Bar Association. He would be quite happy to send out the letter. The golf tournament is not till November this year. So we will also send out the letter to lawyers in Palo Alto. There is no conflict with the golf tournament.

Sandra Curry: The VAP program and the Palo Alto Area Bar Association are the same lawyers. The Law Project was faced with the question of how many times you hit the

same attorneys up. They would be hit through the Palo Alto Area Bar Association and through the VAP. It needs to be coordinated.

Nozipo Wobogo: We looked at all who participated in each of the things we did. I broke them out. There were 2-3 you would solicit and I looked at who didn't participate and sent out to one law firm how would you like to participate and would you want to do so once or both times or on an individual basis. I made a list of those who didn't participate in the golf game, but only in VAP.

Elizabeth Jackson: We will not send out the letter until we talk to Marty.

Marty Myers: It is very different when you approach firms versus individual attorneys, so it is not really a concern. For the VAP program you target [firms]. For the golf tournament [you target individuals].

Cecil Reeves: Are we meeting two times a month?

Barbara Mouton: The subcommittees meet on Friday.

Gerry Steinberg: Our problem is that unless there is an executive group of the board of some three people, if the board would delegate that the three co-chairs have the authority to make the lease that would help. The lease is the reason we have to meet. We could meet in two weeks.

Barbara Mouton: I move that we move that the co-chairs act on the lease.

Sandra Curry seconds the motion.

The three co-chairs are authorized to meet on the lease without further board authorization.

Elizabeth Jackson: We will need to talk to Nozipo to find out what unused space there is at Startup.

Nozipo Wobogo: If we had two offices, the Student VAP could go on. If we could negotiate to use some space for the evening VAP rooms.

Elizabeth Jackson: We will also check Drew. Item 8: On 13 September the California Bar Association meets. Elizabeth is the representative from the Law Project. At the last meeting they were concerned about the East Palo Alto Law Project closing. I gave a brief update. They have always liked the Law Project, because we serve so many clients. I will give them a fact sheet about what we are doing and maybe we could ask them for in-kind services. We have not been in existence long enough [to receive funding from them].

Cecil Reeves moves and Barbara Mouton seconds the idea of a fact sheet for the 13 September meeting of the California Bar Association. All are in favor of the motion.

Cecil Reeves: There is nothing about an executive committee in the by-laws. That would reduce the number and amount of time the board would meet.

Elizabeth Jackson: We should not have the executive committee not come back to the board and explain what they are doing.

Cecil Reeves: When I was working on the South County Health, people always were talking about Drew. I said the past is the past. We don't know anything about the old Law Project. Don't bring the overlay from that.

Saundra Curry: When you say the executive committee should be put in the bylaws, also the function should be included.

Next meeting: Thursday, 5 September, 6:00 p.m. – 7:30 p.m. [This time is revised to begin at 7:00 p.m. following the meeting.]

Goro Mitchell will contact William Byron Webster regarding Community Development Institute (CDI) as the possibly location.

Cecil Reeves: It seems we reserve the first Thursday of each month for meetings.

Elizabeth Jackson asks Dr. Reeves to chair the 5 September meeting.

Barbara Mouton moved that we adjourn and Elizabeth Jackson seconded the motion. The motion passed unanimously.

Minutes prepared by William Byron Webster

DRAFT Community Legal Services in East Palo Alto, Inc. **DRAFT**
Resolutions for Adoption at the Meeting of the
Board of Directors on September 5, 2002

1. ARTICLES OF INCORPORATION

WHEREAS, the Articles of Incorporation of the corporation were filed in the office of the Secretary of State on August 26, 2002; and

WHEREAS, legal counsel presented to the meeting the certified copies of the Articles of Incorporation, showing the filing as stated:

THEREFORE, BE IT RESOLVED, that the Secretary of this corporation is authorized and directed to insert the certified copies of the Articles of Incorporation in the book of minutes of this corporation and to see that a copy of the Articles of Incorporation, similarly certified, is kept at the principal office for the transaction of business of this corporation.

2. BYLAWS

WHEREAS, the directors of this corporation have not as yet adopted any Bylaws for the corporation; and

WHEREAS, the best interests of this corporation will be served by the adoption of Bylaws:

THEREFORE, BE IT RESOLVED, that the Bylaws presented to this meeting and discussed are hereby adopted as the Bylaws of this corporation.

RESOLVED FURTHER, that the Secretary of this corporation is authorized and directed to execute a certificate of the adoption of these Bylaws and to insert these Bylaws as so certified in the book of minutes of this corporation and to see that a copy of the Bylaws, similarly certified, is kept at the principal office for the transaction of business of this corporation.

RESOLVED FURTHER, that in accordance with the Bylaws, the directors hereby designate _____, East Palo Alto, CA 94303, as the initial principal office of this corporation.

RESOLVED FURTHER, that in accordance with the Bylaws, the directors hereby establish an Executive Committee consisting of the Chairperson, the Co-Chairpersons, the Secretary, and the Treasurer. The Executive Committee shall have the authority of the board, except for those matters specifically enumerated in the Bylaws or a subsequent resolution of the board.

RESOLVED FURTHER, that in accordance with the Bylaws, the directors hereby establish a community advisory committee, and authorize the Chairperson or a Co-Chairperson to convene meetings of this committee as appropriate and report to the directors the recommendations made.

RESOLVED FURTHER, that in accordance with the Bylaws, the authorized number of directors of this corporation is hereby fixed at ___ until changed by the directors or by amendment of the Articles of Incorporation or the Bylaws.

RESOLVED FURTHER, that in accordance with the Bylaws, all checks and drafts drawn on banks or other depositories on funds to the credit of this corporation, or in special accounts of this corporation, shall be signed by the Chairperson or any Co-Chairperson and by one of the following: the Treasurer, any Co-Treasurer, the Secretary, or any Co-Secretary.

3. ELECTION OF OFFICERS

WHEREAS, the directors of this corporation have not as yet elected officers for this corporation; and

WHEREAS, the best interests of this corporation will be served by the election of officers:

THEREFORE, BE IT RESOLVED, that the following persons, having accepted their office, are hereby elected to the office indicated before their names, to serve at the pleasure of the Board:

Chairperson: Geraldine Steinberg

Co-Chairperson: Elizabeth Jackson

Co-Chairperson: Dr. Cecil Reeves

Treasurer: Barbara Mouton

Co-Treasurer: Robert Jones

Co-Treasurer: Sandra Curry

Secretary: William Byron Webster

Co-Secretary: Adassa Walker

Co-Secretary: Marilu Serrano

4. INCORPORATION EXPENSES

WHEREAS, on behalf of this corporation, directors and officers have incurred out-of-pocket expenses for filing fees and similar expenses of incorporation and organization of this corporation; and

WHEREAS, this corporation may incur additional expenses of organization, such as the purchase of a corporate book of minutes and other corporate record books:

THEREFORE, BE IT RESOLVED, that the officers of this corporation are authorized and directed to make reimbursement of the expenses of incorporation and organization of this corporation, and to pay other reasonable expenses of organization.

5. ESTABLISHMENT OF BANK ACCOUNT

WHEREAS, this corporation needs a bank account in which to deposit funds and from which to pay expenses; and

WHEREAS, this corporation desires to do business with institutions that are located in and serve East Palo Alto:

THEREFORE, BE IT RESOLVED, that the Chairperson is authorized and directed to execute and file all necessary applications for a corporate Employer Identification Number.

RESOLVED FURTHER, that the corporate bank account shall be opened at the California Bank and Trust office at _____.

6. AUTHORIZATION TO FILE WITH GOVERNMENTAL AGENCIES

WHEREAS, this corporation has not yet filed the Statement by Domestic Nonprofit Corporation, and has not filed other reports and statements that may be required by law for new California corporations; and

WHEREAS, federal and state income tax exemptions must be secured in order for this corporation to receive certain grants and tax-deductible contributions, and this corporation may be entitled to state property tax exemption:

THEREFORE, BE IT RESOLVED, that the Chairperson is authorized and directed to execute and file with the office of the Secretary of State the Statement by Domestic Nonprofit Corporation, setting forth the names and addresses of the corporation, its officers, and registered agent for service of process, and to pay the filing fee.

RESOLVED FURTHER, that Geraldine Steinberg, having so agreed, shall serve as the Agent for Service of Process until her resignation or removal as such by the Board.

RESOLVED FURTHER, that the Chairperson is authorized and directed to execute and file all necessary applications for federal and state income tax exemption, and to pay necessary filing fees, and to file all necessary applications for state property tax exemption.

RESOLVED FURTHER, that the Chairperson or any Co-Chairperson are authorized and directed to make all necessary filings and obtain all necessary permits for the conduct of this corporation's activities, including Employment Development Department filings, a seller's permit (for sales subject to state sales tax), a business license, and any permits required for this corporation to make public solicitations in East Palo Alto for contributions for this corporation's charitable purposes.

7. GRANTS AND CONTRIBUTIONS

WHEREAS, this corporation has solicited funds and contributions for initial organization and operations; and

WHEREAS, certain foundations and other donors will only provide funds to organizations that have secured federal income tax exempt status:

THEREFORE, BE IT RESOLVED, that this corporation hereby accepts a contribution in the amount of \$50,000 from the law firm of _____, and shall provide written acknowledgment to the donor.

RESOLVED FURTHER, that the officers of this corporation are hereby authorized and directed to expend said contribution on expenses for initial organization and operations.

RESOLVED FURTHER, that this corporation hereby accepts a contribution of office furniture, equipment, and supplies from the East Palo Alto Community Law Project.

RESOLVED FURTHER, that the Chairperson is authorized and directed to execute a Fiscal Sponsor Agreement, a copy of which is attached hereto, with the National Economic Development & Law Center, a California nonprofit corporation that has secured its federal income tax exempt status ("Fiscal Sponsor"), for the receipt of funds from foundations and other donors that require such tax status.

RESOLVED FURTHER, that the Chairperson is authorized and directed to accept funds from the Fiscal Sponsor, if offered, as follows: \$40,000 from a grant made by the Dave House Family Foundation; \$10,000 from a grant made by the Atkinson Foundation; \$10,000 from a grant made by the Peninsula Community Foundation; and funds from any other grants sought by this corporation and received by the Fiscal Sponsor before this corporation has secured its federal income tax exempt status.

8. CONTRACTS

WHEREAS, in order to carry out its initial operations, this corporation needs space, staff, and insurance; and

WHEREAS, this corporation needs legal, bookkeeping, and fundraising assistance in order to complete its initial organization and carry out its initial operations:

THEREFORE, BE IT RESOLVED, that the Chairperson or any Co-Chairperson are authorized and directed to negotiate and execute a sublease for office space for this corporation at 1395 Bay Road, East Palo Alto, or any other suitable location in East Palo Alto, for up to six months, in a rental amount not to exceed \$1,350 per month, plus this corporation's payment of its share of utilities, photocopying, telephone and facsimile charges, postage, and office supplies, to the extent provided to this corporation by the sublessor.

RESOLVED FURTHER, that the Chairperson or any Co-Chairperson are authorized and directed to negotiate and execute employment or consultant contracts with the following persons, for up to six months, at gross monthly compensation not to exceed the amounts specified herein:

<u>Title</u>	<u>Name</u>	<u>Monthly Compensation</u>
Paralegal	Victor Ramirez	\$3,750.00
Supervising Attorney	_____	\$3,542.00 (half time)
Immigration Attorney	_____	\$4,167.00
Administrative Assistant	_____	\$ 600.00 (10 hours/week)

RESOLVED FURTHER, that the Chairperson or any Co-Chairperson are authorized and directed to enroll this corporation in the State unemployment compensation and workers' compensation systems, and to negotiate and execute contracts for the provision of medical insurance and other employee benefits to the extent that funds are available, such that the total cost of payroll taxes and employee benefits does not exceed an amount equal to 20% of employee gross monthly compensation, excluding overtime.

RESOLVED FURTHER, that the Chairperson or any Co-Chairperson are authorized and directed to negotiate and execute contracts for the provision of malpractice, directors and officers liability, general liability, and such other liability insurance and fidelity bonding as is necessary and prudent for the conduct of this corporation's operations.

RESOLVED FURTHER, that the Chairperson is authorized and directed to negotiate and execute a consultant contract for legal assistance to this corporation with the National Economic Development and Law Center, for up to six months, in a total amount not to exceed \$10,000.

RESOLVED FURTHER, that the Chairperson or any Co-Chairperson are authorized and directed to negotiate and execute a consultant contract or contracts for bookkeeping and payroll services, for up to six months, in an amount not to exceed \$500.00 per month.

RESOLVED FURTHER, that the Chairperson or any Co-Chairperson are authorized and directed to negotiate and execute a consultant contract for grant writing and fundraising services, for up to six months, in a total amount not to exceed \$10,000.

DRAFT BYLAWS DRAFT

OF

COMMUNITY LEGAL SERVICES IN EAST PALO ALTO, INC.

(a California Nonprofit Public Benefit Corporation)

ARTICLE 1: NAME

The name of this corporation is Community Legal Services in East Palo Alto, Inc.

ARTICLE 2: PURPOSES

This corporation has been formed for charitable purposes, to provide free or low-cost civil legal services to persons who live or work in, or are otherwise associated with, the community of East Palo Alto, California and the surrounding community, especially those who are low income or underserved, including organizations composed of or that assist such persons, as stated in greater detail in Article II of this corporation's Articles of Incorporation.

In addition, this corporation is formed for the purposes of performing all things incidental to, or appropriate in, the achievement of the foregoing specific and primary purposes. However, the corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of its primary charitable purposes.

This corporation shall hold and may exercise all such powers as may be conferred upon a nonprofit corporation by the laws of the State of California and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the corporation, provided, however, that in no event shall the corporation engage in activities which are not permitted to be carried on by a corporation exempt under Section 501(c)(3) of the Internal Revenue Code.

ARTICLE 3: PRINCIPAL OFFICE

The initial principal office of the corporation shall be located in the City of East Palo Alto, County of San Mateo, State of California. The Board of Directors may at any time, or from time to time, change the location of the principal office from one location to another within said city and county.

The Board of Directors may at any time establish branch offices at any place where the corporation is qualified to do business.

ARTICLE 4: NONPARTISAN ACTIVITIES

This corporation has been formed under the California Nonprofit Public Benefit Corporation Law (the "Law") for the charitable purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the corporation shall consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE 5: DEDICATION OF ASSETS

The properties and assets of this nonprofit corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member, director or officer of this corporation. On liquidation or dissolution, all remaining properties and assets of the corporation shall be distributed and paid over to an organization dedicated to charitable purposes that has established its tax-exempt status under Internal Revenue Code Section 501(c)(3).

ARTICLE 6: MEMBERSHIP

The corporation shall not have any members within the meaning of Section 5056 of the California Corporations Code. Upon designation of criteria for advisory membership by the Board of Directors, the corporation may have advisory members who are not members within the meaning of Section 5056 of the California Corporations Code.

ARTICLE 7: BOARD OF DIRECTORS

Section 1. Powers. Subject to the provisions and limitations of the Law and any other applicable laws, the business and affairs of the corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors. The Board of Directors may delegate the management of the day-to-day operation of the business of the corporation to a management company, committee (however composed), or other person, provided that the activities and affairs of the corporation shall be managed and

all corporate powers shall be exercised under the ultimate direction of the Board of Directors.

Section 2. Number of Directors. The authorized number of directors of the corporation shall not be less than nine (9) nor more than twenty-one (21), until changed by amendment of the Articles of Incorporation or these Bylaws. The Board of Directors shall fix the exact number of directors from time to time within these limits.

Section 3. Election, Designation, and Term of Office of Directors. The initial Board of Directors shall be chosen by the incorporator to serve until their successors have been elected and seated at the first annual meeting of the directors. Except for the initial directors, the Board of Directors shall elect the directors.

At the first annual meeting, the directors shall be divided into three (3) approximately equal groups and designated to serve one (1), two (2), or three (3) year terms by a random method determined by the Board of Directors. Thereafter, the term of office of each director shall be three (3) years. If any annual meeting is not held or the directors are not appointed at the annual meeting, the directors may be appointed at any meeting of the board.

Each director, including a director elected to fill a vacancy, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified. Directors may not serve more than three (3) consecutive terms.

The corporation intends that the Board of Directors shall collectively represent a diversity of relevant backgrounds and skills to enable the Board of Directors to make informed, well-balanced decisions. At least one-third (1/3) of the directors shall be residents of East Palo Alto. At least one-third (1/3) of the directors shall be attorneys licensed to practice law in the State of California. The remaining directors shall be representative of the community, and may include representatives of community or faith-based organizations composed of or that serve persons who live or work in the community, law students, representatives of businesses or foundations, representatives of government or Stanford University, and other persons who are interested in promoting the corporation's mission and purposes.

Section 4. Vacancies. A vacancy on the board shall exist on the occurrence of the following: (a) the death, resignation, or removal of any director; (b) the declaration by resolution of the board of a vacancy in the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Sections 5230-5239 of the Law dealing with standards of conduct for a director, or has missed three (3) consecutive meetings of the Board of Directors or a total of four (4) meetings of the board during any one calendar

year; (c) an increase in the authorized number of directors; or (d) the failure of the directors, at any annual or other meeting of directors at which any director or directors are to be elected, to elect the full authorized number of directors.

The Board of Directors, by affirmative vote of a majority of the directors then in office, may remove any director without cause at any regular or special meeting; provided that the director to be removed has been notified in writing in the manner set forth in Article 7, Section 5 that such action would be considered at the meeting.

Except as provided in this paragraph, any director may resign effective upon giving written notice to the Chairperson of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be designated to take office when the resignation becomes effective. Unless the California Attorney General is first notified, no director may resign when the corporation would then be left without a duly elected director in charge of its affairs.

Vacancies on the board may be filled by vote of a majority of the directors then in office, whether or not the number of directors then in office is less than a quorum, or by vote of a sole remaining director. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

Section 5. Meetings. The Board of Directors shall hold an annual meeting in January of each year for the purpose of electing directors and officers of the corporation and for the transaction of other business. Other regular meetings shall be held at such times as are fixed by the Board of Directors. Notice of the annual and regular meetings shall be given in the manner set forth below. Meetings may be held at any place designated by resolution of the board, or, if not designated, at the principal office of the corporation. Special meetings shall be held at any place designated in the notice of the meeting or, if not stated in the notice or if there is no notice, at the principal office of the corporation. Notwithstanding the above, any meeting may be held at any place consented to in writing by all the directors, either before or after the meeting. Consents shall be filed with the minutes of the meeting.

Any meeting may be held by conference telephone or other communications equipment permitted by the Law, as long as all directors participating in the meeting can communicate with one another and all other requirements of the Law are satisfied. All such directors shall be deemed to be present in person at such meeting.

Meetings of the board for any purpose may be called at any time by the Chairperson of the Board, the President, the Secretary, or any three (3) directors. Notice of the date, time, and place of meetings shall be delivered

personally to each director or communicated to each director by telephone (including a voice messaging system which records and communicates messages), facsimile, or electronic mail at least forty-eight (48) hours prior to the meeting, or communicated by telegraph, express mail service, first-class mail, or by other means of written communication, charges prepaid, addressed to the director at the director's address as it is shown upon the records of the corporation, deposited in the mails or given to the telegraph company or express mail company or other carrier at least four (4) days before the date of the meeting. The notice need not specify the purpose of the meeting. Notice of a meeting need not be given to any director who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes of the meeting, whether before or after the meeting, or who attends the meeting without protesting, prior to the meeting or at its commencement, the lack of notice to such director. 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 meeting.

Section 6. Action at a Meeting. Presence of one-third of the directors then in office, but not less than five (5) directors, at a meeting of the Board of Directors constitutes a quorum for the transaction of business, except as otherwise provided in these Bylaws. Every act done or decision made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number, or the same number after disqualifying one or more directors from voting, is required by the Articles of Incorporation, these Bylaws, or the Law. Directors may not vote by proxy. A meeting at which a quorum is initially present, including an adjourned meeting, may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a disinterested majority of the required quorum for such meeting, or such greater number as required by the Articles of Incorporation, these Bylaws or the Law.

Section 7. Adjourned Meeting and Notice. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment. Such notice may be waived in the manner provided for in Article 7, Section 5.

Section 8. Action Without a Meeting. The Board of Directors may take any required or permitted action without a meeting, if all members of the board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the board. Such action by written consent shall have the same force and effect as the unanimous vote of such directors. For purposes of this section only, "all members of the board" does not include any "interested directors" as defined in Section 5233 of the Law.

Section 9. Fees and Compensation. Directors and members of committees may not receive any compensation for their services as such, but may receive reasonable reimbursement of expenses incurred in the performance of their duties, including advances as provided in Article 8, Section 2, as may be fixed or determined by resolution of the Board of Directors. Directors may not be compensated for rendering services to this corporation in any capacity other than director, unless such compensation is reasonable and (a) approved as provided in Article 8, Section 4, and (b) allowable under Article 8, Section 6.

ARTICLE 8: STANDARD OF CARE

Section 1. General. A 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, in a manner such director believes to be in the best interest of this corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) one or more officers or employees of the corporation whom the director believes to be reliable and competent in the matters presented,
- (b) counsel, independent accountants or other persons as to matters which the director believes to be within such person's professional or expert competence, or
- (c) a committee of the board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence,

so long as in any such case, the director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Except as provided in Article 8, Section 3, a person who performs the duties of a director in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which the corporation, or assets held by it, are dedicated.

Section 2. Loans. This corporation shall not make any loan of money or property to, or guarantee the obligation of, any director or officer, unless approved by the California Attorney General; provided, however, that this corporation may advance money to a director or officer of this corporation or any subsidiary for expenses reasonably anticipated to be incurred in performance of the duties of such officer or director so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

Section 3. Self-Dealing Transactions. Except as approved in Section 4 below, the board shall not approve a self-dealing transaction. A self-dealing transaction is one to which the corporation is a party and in which one or more of the directors has a material financial interest or a transaction between this corporation and any person (other than a California nonprofit public benefit corporation) in which one or more of the directors is a director or between this corporation and any person in which one or more of its directors has a material financial interest. A director shall not be deemed to have a "material financial interest" in a contract or transaction that implements a charitable program of this corporation solely because the contract or transaction results in a benefit to a director or his or her family by virtue of their membership in the class of persons intended to be benefited by the charitable program, as long as the contract or transaction is approved or authorized by the corporation in good faith and without unjustified favoritism.

Section 4. Approval. The Board of Directors may approve a self-dealing transaction if the board determines that the transaction is in the best interests of, and is fair and reasonable to, this corporation and, after reasonable investigation under the circumstances, determines that this corporation could not have obtained a more advantageous arrangement with reasonable effort under the circumstances. Such determinations must be made by the board, in good faith, with knowledge of the material facts concerning the transaction and the director's interest in the transaction, and by a vote of the majority of the directors then in office, provided that a quorum is present, without counting the vote of the interested director or directors.

Section 5. Mutual Directors. No contract or other transaction between the corporation and any California nonprofit public benefit corporation of which one or more of its directors are directors of this corporation is either void or voidable because such director(s) are present at a meeting of the board which authorizes, approves, or ratifies the contract or transaction if the material facts as to the transaction and as to such director's other directorship are fully disclosed or known to the board and the board authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common director(s), or if the contract or transaction is just and reasonable as to the corporation at the time it is authorized, approved or ratified.

Section 6. Restriction on Interested Directors. Not more than forty-nine percent (49%) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (1) any person currently being compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 7. Indemnification. To the fullest extent permitted by law, this corporation shall indemnify its "agents", as described in Section 5238(a) of the Law, including its directors, officers, employees, and volunteers, and including persons formerly occupying any such position, and their heirs, executors, and administrators, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in said Section 5238(a), and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that Section. "Expenses" shall have the same meaning as in said Section. Such right of indemnification shall not be deemed exclusive of any other rights to which such persons may be entitled apart from this Article 8, Section 7.

To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification in defending any "proceeding" shall be advanced by the corporation before final disposition of the proceeding upon receipt by the corporation of an undertaking by or on behalf of that person to repay such amount unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

The corporation shall have power to purchase and maintain insurance to the fullest extent permitted by law on behalf of any agent of the corporation, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, or to give other indemnification to the extent permitted by law.

ARTICLE 9: COMMITTEES

Section 1. Committees of Directors. The Board of Directors may, by resolution adopted by a majority of the directors then in office, provided that a quorum is present, designate one or more committees to exercise all or a portion of the authority of the board, to the extent of the powers specifically delegated in the

resolution of the board or in these Bylaws. Each such committee shall consist of two (2) or more directors, and may also include persons who are not on the board, to serve at the pleasure of the board. The board may designate one or more alternate members of any committee, who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the directors then in office, provided that a quorum is present. The Board of Directors may also designate one or more advisory committees that do not have the authority of the board. However, no committee, regardless of board resolution, may:

- (a) Approve any action that, under the Law, would also require the affirmative vote of the members if this were a membership corporation.
- (b) Fill vacancies on, or remove the members of, the Board of Directors or in any committee that has the authority of the board.
- (c) Fix compensation of the directors for serving on the board or on any committee.
- (d) Amend or repeal the Articles of Incorporation or Bylaws or adopt new Bylaws.
- (e) Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable.
- (f) Appoint any other committees of the Board of Directors or their members.
- (g) Approve a plan of merger; consolidation; voluntary dissolution; bankruptcy or reorganization; or for the sale, lease, or exchange of all or substantially all of the property and assets of the corporation otherwise than in the usual and regular course of its business; or revoke any such plan.
- (h) Approve any self-dealing transaction, except as provided by Section 5233 of the Law.

No committee shall bind the corporation in a contract or agreement or expend corporate funds, unless authorized to do so by the Board of Directors.

Section 2. Meetings and Actions of Committees. Meetings and actions of all committees shall be governed by, and held and taken in accordance with, the provisions of Article 7 of these Bylaws, concerning meetings and actions of directors, with such changes in the context of those Bylaws as are necessary to

substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board of Directors may adopt rules not inconsistent with the provisions of these Bylaws for the government of any committee.

Section 3. Executive Committee. Pursuant to Article 9, Section 1, the board may appoint an Executive Committee composed of three (3) or more directors, one of who shall be the Chairperson of the Board, to serve as the Executive Committee of the board. The Executive Committee, unless limited in a resolution of the board, shall have and may exercise all the authority of the board in the management of the business and affairs of the corporation between meetings of the board; provided, however, that the Executive Committee shall not have the authority of the board in reference to those matters enumerated in Article 9, Section 1. The Secretary of the corporation shall send to each director a summary report of the business conducted at any meeting of the Executive Committee.

ARTICLE 10: OFFICERS

Section 1. Officers. The officers of the corporation shall consist of a Chairperson of the Board, one or more Vice Chairpersons (also called Co-Chairpersons), President (executive director), Secretary, Treasurer (chief financial officer), and such other officers, including one or more assistant secretaries (Co-Secretary) and assistant treasurers (Co-Treasurer) as the board may designate by resolution. The same person may hold any number of offices, except that neither the Secretary nor the Treasurer may serve concurrently as the Chairperson or the President. The Chairperson and Vice Chairperson(s) shall be directors, the President shall not be a director, and the Secretary, Treasurer, and all other officers may, but need not, be directors.

In addition to the duties specified in this Article 10, officers shall perform all other duties customarily incident to their office and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, subject to control of the Board of Directors, and shall perform such additional duties as the Board of Directors shall from time to time assign.

The officers shall be chosen by the board at its annual meeting, and shall serve at the pleasure of the board, subject to the rights, if any, of any officer under any contract of employment. Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without

cause by the board. Any officer may resign at any time by giving written notice to the Board of Directors, the Chairperson of the Board, the President, or the Secretary of the corporation, without prejudice, however, to the rights, if any, of the corporation under any contract to which such officer is a party. Any resignation shall take effect on the date of the receipt of such notice or at any later time specified in the resignation; and, unless otherwise specified in the resignation, the acceptance of the resignation shall not be necessary to make it effective. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office. The compensation, if any, of the officers shall be fixed or determined by resolution of the Board of Directors.

Section 2. Chairperson of the Board. The Chairperson of the Board shall, when present, preside at all meetings of the Board of Directors and Executive Committee. The Chairperson is authorized to execute in the name of the corporation all contracts and other documents authorized either generally or specifically by the board to be executed by the corporation, except when by law the signature of the President is required.

Section 3. Vice Chairperson(s) of the Board. The Vice Chairperson(s) shall, in the absence of the Chairperson, or in the event of his or her inability or refusal to act, perform all the duties of the Chairperson, and when so acting shall have all the powers of, and be subject to all the restrictions on, the Chairperson.

Section 4. President (Executive Director). Subject to the control, advice and consent of the Board of Directors, the President shall, in general, supervise and conduct the activities and operations of the corporation, shall keep the Board of Directors fully informed and shall freely consult with them concerning the activities of the corporation, and shall see that all orders and resolutions of the board are carried into effect. Where appropriate, the Board of Directors shall place the President under a contract of employment. The President shall be empowered to act, speak for, or otherwise represent the corporation between meetings of the board. The President shall be responsible for the hiring and firing of all personnel, and shall be responsible for keeping the board informed at all times of staff performance and for implementing any personnel policies adopted by the board. The President is authorized to contract, receive, deposit, disburse, and account for funds of the corporation; to execute in the name of the corporation all contracts and other documents authorized either generally or specifically by the board to be executed by the corporation; and to negotiate all material business transactions of the corporation.

Section 5. Secretary. The Secretary, or his or her designee, shall be custodian of all records and documents of the corporation which are to be kept at the principal office of the corporation, shall act as secretary of all the meetings of the Board of Directors, and shall keep the minutes of all such meetings in books proposed for that purpose. He or she shall attend to the giving and

serving of all notices of the corporation, and shall see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these Bylaws.

Section 6. Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements.

The Treasurer shall deposit or cause to be deposited all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse or cause to be disbursed the funds of the corporation as may be ordered by the Board of Directors, and shall render to the Chairperson, President and directors, whenever they request it, an account of all of the Treasurer's transactions as Treasurer and of the financial condition of the corporation.

If required by the Board of Directors, the Treasurer shall give the corporation a bond in the amount and with the surety or sureties specified by the board for faithful performance of the duties of the Treasurer's office and for restoration to the corporation of all its books, papers, vouchers, money and other property of every kind in the Treasurer's possession or under the Treasurer's control on the Treasurer's death, resignation, retirement, or removal from office. The corporation shall pay the cost of such bond.

ARTICLE 11: EXECUTION OF CORPORATE INSTRUMENTS

Section 1. Execution of Corporate Instruments. The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except when otherwise provided by law, and such execution or signature shall be binding upon the corporation.

Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts of the corporation, promissory notes, deeds of trust, mortgages, and other evidences of indebtedness of the corporation, and other corporate instruments or documents, memberships in other corporations, and certificates of shares of stock owned by the corporation, shall be executed, signed, or endorsed by the Chairperson of the Board, any Vice Chairperson, or the President and by the Secretary or Treasurer or any assistant secretary or assistant treasurer.

All checks and drafts drawn on banks or other depositories on funds to the credit of the corporation, or in special accounts of the corporation, shall be signed by such person or persons as the Board of Directors shall authorize to do so.

Section 2. Loans and Contracts. No loans or advances shall be contracted on behalf of the corporation and no note or other evidence of indebtedness shall be issued in its name unless and except as the specific transaction is authorized by the Board of Directors. Without the express and specific authorization of the board, no officer or other agent of the corporation may enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation.

ARTICLE 12: RECORDS AND REPORTS

Section 1. Maintenance and Inspection of Articles and Bylaws. The corporation shall keep at its principal office the original or a copy of its Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the directors at all reasonable times during office hours.

Section 2. Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns. The corporation shall keep at its principal office a copy of its federal tax exemption application and its annual information returns for three years from their date of filing, which shall be open to public inspection and copying to the extent required by law.

Section 3. Maintenance and Inspection of Other Corporate Records. The corporation shall keep adequate and correct books and records of accounts, and written minutes of the proceedings of the board and committees of the board. All such records shall be kept at such place or places designated by the Board of Directors, or, in the absence of such designation, at the principal office of the corporation. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the corporation shall turn over to his or her successor or the Chairperson or President, in good order, such corporate monies, books, records, minutes, lists, documents, contracts or other property of the corporation as have been in the custody of such officer, employee, or agent during his or her term of office.

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents.

Section 4. Reports. The board shall cause an annual report to be sent to all directors, within 120 days after the end of the corporation's fiscal year, containing the following information:

- (a) The assets and liabilities, including the trust funds, of this corporation at the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenues or receipts of this corporation, both unrestricted and restricted for particular purposes, for the fiscal year;
- (d) The expenses or disbursements of this corporation for both general and restricted purposes during the fiscal year; and
- (e) The information required by Section 6322 of the Law concerning certain self-dealing transactions involving more than \$50,000 or indemnifications involving more than \$10,000 which took place during the fiscal year.

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

ARTICLE 13: FISCAL YEAR

The fiscal year for this corporation shall begin on January 1 and shall end on December 31 of each year.

ARTICLE 14: AMENDMENTS AND REVISIONS

These Bylaws may be adopted, amended or repealed by the vote of a majority of the directors then in office. Such action is authorized only at a duly called and held meeting of the Board of Directors for which written notice of such meeting, setting forth the proposed Bylaw revisions with explanations therefore, is given in accordance with these Bylaws, unless such notice is waived in accordance with these Bylaws. If any provision of these Bylaws requires the vote of a larger proportion of the board than is otherwise required by law, that provision may not be altered, amended, or repealed except by that greater vote.

ARTICLE 15: CORPORATE SEAL

The Board of Directors may adopt, use, and alter a corporate seal. The seal shall be kept at the principal office of the corporation. Failure to affix the seal to any corporate instrument, however, shall not affect the validity of that instrument.

ARTICLE 16: CONSTRUCTION AND DEFINITIONS

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the California Nonprofit Corporation Law as amended from time to time shall govern the construction of these Bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a corporation as well as a natural person. If any competent court of law shall deem any portion of these Bylaws invalid or inoperative, then so far as is reasonable and possible (i) the remainder of these Bylaws shall be considered valid and operative, and (ii) effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the currently elected and acting Secretary of Community Legal Services in East Palo Alto, Inc., a California nonprofit public benefit corporation, and the above Bylaws, consisting of 15 pages, are the Bylaws of this corporation as adopted by the Board of Directors on _____, 2002, and that they have not been amended or modified since that date.

Executed on _____, 2002, at East Palo Alto, California.

Secretary

DRAFT September 3, 2002 DRAFT

I, Geraldine Steinberg, as Incorporator of Community Legal Services in East Palo Alto, Inc., hereby appoint the following persons to serve as the initial Board of Directors until their successors have been elected and seated at the first annual meeting of the directors in January 2003, and each has agreed to serve:

Michael Armstrong
Catherine Crump
Saundra Curry
Elizabeth Jackson
Robert Jones
Larry Klein
Marty Meyers
Goro Mitchell
Barbara Mouton
Dr. Cecil Reeves
Marilu Serrano
Geraldine Steinberg
Toni Wallace
William Byron Webster
Nozipo Wobogo
Adassa Walker

[There are only 4 attorneys out of 16 persons. I recommend adding 2 attorneys. There is no problem with having an even number of directors.]

Each initial director has been given notice of the holding of the first meeting of the board of directors of the corporation on September 5, 2002 at 6:00 pm at 321 Bell Street, East Palo Alto.

Geraldine Steinberg, Incorporator
Community Legal Services in East Palo Alto, Inc.