

**BYLAWS
SILICON VALLEY GIRLS SOFTBALL LEAGUE (SVGSL)
A CALIFORNIA PUBLIC BENEFITS CORPORATION**

**ARTICLE I
PURPOSE**

Section 1: Purpose

- A. It is the purpose of this organization to achieve the following:
1. To provide the facilities, equipment and supervision necessary for the youth of the Silicon Valley to learn to play fastpitch softball.
 2. To develop softball skills and to gain an appreciation and knowledge of the game.
 3. To develop good sportsmanship and character.
 4. To develop the qualities of citizenship and leadership through the game of softball.
 5. To promote physical fitness for the players.
- B. In addition, it is the intent of this organization to provide an advanced level of softball for players. This advanced level of softball competition will consist of National Softball Association (NSA) or Amateur Softball Association (ASA) tournament level play.

Section 2: Volunteers

All adult volunteers who are involved are to work for the protection, guidance, well being and welfare of all participating players.

Section 3: Propaganda or Influence of Legislation

No substantial part of the activities of this SVGSL shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the SVGSL shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

Section 4: Charitable Purpose

The League is irrevocably dedicated to charitable purposes and no part of the net income or assets of this SVGSL shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of SVGSL, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3), Internal Revenue Code.

Section 5: Prohibition Against Sharing Corporate Profits and Assets

No member, director, officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these bylaws and is fixed by resolution of the board of directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the corporation. All members, if any, of the corporation shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after all debts have been satisfied, shall be distributed as required by the articles of incorporation of this corporation and not otherwise.

Section 6: Maintenance of Records

1. Minutes of all meetings of directors, committees of the board and, if this corporation has members, of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
2. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses;
3. A record of its members, indicating their names and addresses
4. A copy of the corporation's articles of incorporation and bylaws as amended to date, which shall be available to inspection by the members.

Section 7: Fiscal Year

The fiscal year of the corporation shall begin on November 1st and end on October 31st in each year.

Section 8: Location of Operation

SVGSL operations and activities are primarily conducted in Santa Clara County, California.

ARTICLE II MEMBERSHIP

Section 1: Membership

- A. Membership is open to all players, their parents, guardians and interested adults of the community, regardless of race, color, creed, or religion. Prospective members must meet the requirements established by these By-Laws. Membership includes:
1. Participating Members
 2. General Members

Section 2: Specific Membership

- A. Participating Members include all registered players whose ages are 5 (five) through 18 (eighteen) on January 1st of the calendar year of play.
- B. Formal registration of prospective members should be held prior to the last Saturday in January; however, players may register throughout the season, providing that space is available.
- C. The current Board of Directors, based on projected expenses will establish membership fees each year.
- D. All SVGSL players must present legal proof of date of birth at time of registration, unless a copy is on file with the league registrar.
- E. General Membership
1. Parents or guardians of all currently registered players.
 2. All official Managers.
 3. All official Coaches.
 4. All Board Members.
 5. Other interested adults as approved by the Board.

Section 3: Voting Privileges

- A. Each General Member shall be entitled to vote at all General Meetings; and shall be entitled to one (1) vote in the election of the Executive Board.
- B. Absentee or proxy votes will be accepted.

Section 4: Termination of Membership

- A. Participating Members may terminate their membership by notifying the appropriate Player Agent.
- B. General Members may terminate their membership by sending a letter of resignation to the League President.
- C. The Board of Directors, by a two-thirds vote of those present at any duly constituted meeting, shall have the authority to discipline or suspend or terminate the membership of any Member of any class when the conduct of such person is considered detrimental to the best interests of SVGSL. The Member involved shall be notified of such meeting, informed of the general nature of the charges, and be given an opportunity to appear at the meeting to answer such charges.
- D. Members who fail to pay their membership fees within thirty (30) days of registration may by vote of the Board be dropped from SVGSL and shall forfeit all rights and privileges of membership.

Section 5: Length of Membership

- A. Participating Memberships begin at the time of registration and continue in effect until December 31 of same year.
- B. General Memberships begin July 1st and continue in effect for one (1) full year from that date.

Section 6: Compensation

- A. No General Member shall receive any monetary compensation for their service as a member of the Board, as a Manager, Coach, or member of any committee.

**ARTICLE III
GENERAL MEMBERSHIP MEETINGS**

Section 1: Annual Meeting

The annual meeting of the General Members of the Local League shall be held in June each year for the purpose of electing a Board of Directors.

Section 2: General Meetings

General meetings will be held on the third Monday of the month unless otherwise agreed upon by the Board. General meetings are held every month except July and August. All officers and members of the Board are required to attend all general meetings and the annual meeting.

Section 3: Notice of Meeting

At least seven (7) days in advance of each Board meeting, notice of the meeting shall be given to the members in such a form as authorized by the Board.

Section 4: Special Meetings

Special general membership meeting may be called by the President at his discretion or upon petition of five percent (5%) of the player enrollment of the league.

Section 5: Meeting Certification

No general membership meeting shall conduct business unless certified to by the President or acting President.

Section 6: Voting

Every general member in good standing of this SVGSL shall be entitled to one vote at any membership meeting at which the general member shall be present.

Section 7: Absentee Ballot

For the expressed purpose of accommodating a regular member in good standing who cannot not be in attendance at the annual meeting, an absentee ballot may be requested and obtained from the Secretary of the League. The absentee ballot shall be properly completed, and returned to the Secretary prior to the date of the annual meeting and the election of members to the Board of Directors.

Section 8. Transaction of Business

Meetings of the Board shall be held as required for the transaction of business after all Board members have been notified of the time and place. A quorum shall consist of a majority of the members of the Board of Directors. No executive session Board meeting shall take place unless covered by the Bylaws. Roberts Rules of Order shall govern the proceedings of all meetings, except where same conflicts with the Constitution or By-Laws of the League.

**ARTICLE IV
BOARD OF DIRECTORS**

Section 1: General Powers

The control and management of the affairs, funds and property of this SVGSL shall be vested in the Board of Directors, consisting of members of the SVGSL in good standing. The Directors of this SVGSL as so constituted, shall hold office for a one-year term or until their successors are elected and qualified. The Board shall exercise all the powers of the organization in the management of the organization, subject to the restrictions imposed by:

1. The law.
2. The Articles of Incorporation.
3. These By-Laws.
4. Association Policy.

Section 2: Confidential Information

At times the Board of Directors will have access to members personal information. All Board of Directors shall assume full responsibility in maintaining confidentiality of personal information and will be used personal information for SVGSL purposes only.

Section 3: Elected Officers

The Officers of SVGSL shall consist of a President, a Vice-President, a Secretary, a Treasurer, and a Player Agent or Agents, all of whom shall hold office for the ensuing year or until their successors are duly elected.

The Board of Directors may appoint such other Officers or Agents as it may deem necessary or desirable, and may prescribe the powers and duties of each, and may fill any vacancy which may occur in any office. Appointed Officers or agents shall have no vote on actions taken by the Board of Directors unless such individuals have been elected to the Board by the membership or have been elected to fill a vacancy on the Board.

Section 4: Vacancy

In case of a vacancy on the Board of Directors, a majority of the remaining Directors shall elect a member in good standing to fill the vacancy for the remainder of the term. An intern director may be appointed to the Board of Directors by the President, subject to a majority approval of the Board of Directors to fill vacancies for the remainder of the term. A vacancy shall be deemed to exist on the Board of Directors in the event of death, removal, or resignation of a Director.

Section 5: Board of Director Member Removal

Director may be removed from office in any of the following ways:

1. By the affirmative vote of 2/3 of the total number of Directors present at any meeting of the Board of Directors or the vote of a majority of the members present at any duly called general membership meeting.
2. By the affirmative vote of a majority of the total number of Directors upon the absence of the Director involved from two consecutive meetings of the Board of Directors without having been excused from attendance at each of said meetings by the person presiding at said meetings.
3. By the affirmative vote of a majority of the Directors present at two consecutive meetings of the Board of Directors, provided that the Director being removed is present at the first meeting, or if not present, is notified by the President following the first meeting of the results of the vote.

Section 6: Order of Succession

The elected officers of this organization shall be, in order of succession, as follows: a) President; b) Vice-President, c) Secretary; d) Treasurer, e) Player Agent(s).

Section 7: Nonliability of Board of Directors

The directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

Section 8: Indemnification by Corporation of Board of Directors, Members of the Board, and Other Agents

- A. To the extent that a person who is, or was, a director, officer, or other agent of this corporation has been successful on the merits in defense of any civil, criminal, administrative, or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the corporation, or has been successful in defense of any claim, issue, or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding.
- B. If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements, and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation but only to the extent allowed by, and in accordance with the requirements of, Section 5238 of the California Nonprofit Public Benefit Corporation Law.

**ARTICLE V
DUTIES OF THE BOARD OF DIRECTORS**

Section 1: President

The President shall:

1. Be Chairman of the Board and presides over all league meetings.
2. Coordinate and is responsible for all league activities and the functioning of the league.
3. Assign duties and projects to other Board members.
4. Be responsible for all league assets.
5. Oversee the team draft each year.
6. Ensure the league and the Board has adequate insurance coverage.
7. Coordinate the operating budget with the Treasurer.
8. Be one of the counter signatures on checks with the Treasurer.

Section 2: Vice-President

The Vice President shall:

1. Preside over all league meetings and activities in the President's absence.
2. Assist the President in all league activities.
3. Be responsible for the coordination of all volunteers for all league activities including opening day.
4. Be responsible for coordinating the league Year End Tournament.
5. Be responsible for all scheduling of games and field maintenance and coordination with the Park and Recreation Department.
6. Be one of the counter signatures on checks with the Treasurer.
7. Be available to assist other Board Members and to assist with other league projects.

Section 3: Secretary

The Secretary shall:

1. Be responsible for recording the activities of the league and maintain appropriate files, mailing lists and necessary records.
2. Perform such duties as are herein specifically set forth, in addition to such other duties as are customarily incident to the office of Secretary or as may be assigned by the Board of Directors.
3. Maintain a list of all Regular, Sustaining and Honorary Members, Directors and committee members and give notice of all meetings of the League, the Board of Directors, and Committees.
4. Keep the minutes of the meetings of the Members, the Board of Directors, and the Executive Committee, and cause them to be recorded in a book kept for that purpose.
5. Conduct all correspondence not otherwise specifically delegated in connection with said meetings and shall be responsible for carrying out all orders, votes and resolutions not otherwise committed.
6. Maintain League phone line (outgoing announcement/message and retrieving and distributing messages).
7. Notify Members, Directors, Officers and committee members of their election or appointment.

Section 4: Treasurer

The Treasurer shall:

1. Perform such duties as herein specifically set forth and such other duties as are customarily incident to the Office of Treasurer or may be assigned by the Board of Directors.
2. Receive all monies and securities, and deposit same in a depository approved by the Board of Directors.
3. Keep records for the receipt and disbursement of all monies and securities of the Local League, including the Auxiliary, approve all payments from allotted funds, and draw checks therefore in agreement with the policies established in advance of such actions by the Board of Directors. All disbursements by check must have dual signatures.
4. Prepare an annual budget, under the direction of the President, for submission to the Board of Directors at the annual meeting.
5. Prepare an annual financial report, under the direction of the President, for submission to the Membership and Board of Directors at the annual meeting.

Section 5: Player Agent(s)

The Player Agent shall:

1. Be the Board of Directors liaison for their division.
2. Be the representative of all the players in their respective division.
3. Recommend to the Board of Directors managers and coaches for their playing division.
4. Be responsible for the behavior and activities of all coaches, managers and players in their respective division.
5. Resolve any player problems and/or coach manager problems subject to Board approval.
6. Be responsible for coordinating registration for their division, including:
 - a. Verifying the accuracy of playing ages.
 - b. Confirming any player "move-ups" subject to Board approval.
 - c. Verifying the accuracy of all player information and keeping it confidential.
 1. Furnishing respective coaches the second copy of the registration form (Note: this also is the medical release form).
7. Work with Umpire-in-Chief on supplemental playing rules for their playing division.
8. Be responsible for their divisions team draft, including:
 - a. Confirming designated A and B pitchers.
 - b. Compiling final team rosters for each team and for the Board.
9. With the Uniform and Equipment Directors, ensure the distribution of uniforms, equipment first aid kits and correspondence to their teams.
10. Coordinate with the Scheduler any rain-out reschedules and notifies their teams.
11. Coordinate with the Vice President the year-end league tournament.
12. Coordinate division standings with the Vice President for end of year tournament seeding.
13. Be available to assist other Board members and to assist with other league projects.

**ARTICLE VI
MEMBERS OF THE BOARD - APPOINTED POSITIONS**

Section 1: Umpire-in-Chief

- A. The Umpire-in-Chief shall:
1. Oversee the arrangement for and scheduling of umpires for all regular and make up games.
 2. Insure that all umpires are NSA/ASA registered and promotes NSA/ASA umpire certification.
 3. Schedule the umpiring clinic, which will include league policy, rules of the game, basic mechanics, testing and dress code.
 4. With Player Agent establish supplementary rules specific for each division.
 5. Work with the Managers/Coaches Administrator in setting up at least two (2) Umpires/Managers/Coaches meetings.
 6. Obtain and facilitate distribution of the official rulebooks, and supplementary rules to each team.
 7. Monitor the umpires throughout the season. Shall fill out an evaluation on each umpire at the season end as to his or her suitability to be considered as a returning umpire the next year. Any problems or attributes that happen during the year shall also be noted. The evaluations are to be kept in strict confidence and should only be used in determining if someone should not be allowed to return as an umpire in subsequent years. These evaluations shall be turned in to the President when completed.

Section 2: Managers/Coaches Administrator

The Managers/Coaches Administrator shall:

1. Be responsible for the procurement of, and maintaining, league training materials.
2. Coordinate with Player Agents in obtaining managers and coaches.
3. Conduct a "Welcome" meeting for all new Managers and Coaches. This meeting is to be held before the first scheduled managers / coaches meeting that is held before the season begins.
4. Hold Managers/Coaches Meetings in conjunction with the Player Agent(s), before the season and at mid-season, or as required in order to:
 - a. Discuss and disseminate league information.
 - b. Discuss common problems and to share softball information and knowledge.
 - c. Distribute literature.
5. Coordinate the registration of Managers/Coaches to NSA/ASA and League sponsored coaching clinics. Maintains records of coaching clinic certifications and attendance.
6. Act as liaison between team managers and board of directors in non-player issues.
7. At the Managers/Coaches meeting, furnish each team with a Manager's packet, which includes:
 - a. By-laws
 - b. League Policy

- c. Supplementary Rules
- d. Provides a list of duties and responsibilities of the Managers and Coaches
- 8. Work with the Umpire-in-Chief in setting up at least two (2) Umpires/Managers/Coaches meetings.
- 9. Train league scorekeepers and holds scorekeeper's clinic before the start of league play.

Section 3: Equipment Director

The Equipment Director shall:

- 1. Provide procurement, security, accountability, distribution and return of all equipment used by league teams only, in league play, including practices and tournaments.
- 2. Maintain a written record of equipment, as defined above, owned by the league.
- 3. Develop and submit to the Treasurer a detailed budget, identifying the quantity and cost of equipment, as defined above, which will be required to accommodate the enrollment projected by the Board.
- 4. Obtain a minimum of two quotations for equipment purchases.
- 5. Maintain facility in which all League equipment, field service equipment, snack facility equipment, scorekeeping equipment and League records will be stored to insure optimum security.
- 6. Schedule pitching machine usage.
- 7. Distribute and maintains a sign-out sheet of the keys to locks on storage facility.

Section 4: Safety/Insurance Director

The Safety/Insurance Director shall:

- 1. Develop a Safety Plan/Program for Participating Members.
- 2. Investigate any player injuries.
- 3. Conduct safety seminars for managers and coaches.
- 4. Assist President in application for Team Insurance coverage.
- 5. Maintain a log of all injuries occurring during SVGSL functions.
- 6. Be responsible for purchasing, maintaining and distributing and collecting First Aid Kits and items needed for kits. (i.e. ice bags, bandages, etc...)

Section 5: Field Director

The Field Director shall:

- 1. Recruit personnel to assist in the preparation of the fields prior to league play.
- 2. Report all dangerous and adverse field conditions to the Vice President.
- 3. Develop security, accountability and distribution of field service equipment to be used, by league teams only, in league and tournament play, including:
 - a. Pitching rubbers
 - b. Bases
 - c. Home plates
 - d. Base lining equipment
 - e. Related supplies
- 4. Advise equipment manager in timely manner when field service material is required.

Section 6: Uniform Director

The Uniform Director shall:

- 1. Obtain a minimum of 2 quotations for uniforms as required by Treasurer.
- 2. Maintain a written record of uniforms, as defined above, owned by the league.
- 3. Provide procurement, security, accountability, distribution and return of all uniforms used by league teams only, in league play, including practices and tournaments.

Section 7: Pictures, Awards and Yearbook Director

The Pictures, Awards and Yearbook Director shall:

- 1. Be responsible for selecting a picture vendor and negotiate contract of service for the league.
- 2. Negotiate best price packets and present best selection of vendors to the board of directors for review and approval.
- 3. Schedule day/time for picture day for all team members and coordinate make-up picture appointments.
- 4. Select, purchase, and distribute all awards for league participants.
- 5. Coordinates with Sponsorship chairperson for selection of sponsor plaques and plans distribution efforts of sponsor plaques.

6. Plans, coordinates, and monitors picture collection from teams for the distribution of the league yearbook.
7. Coordinates with team administrators to acquire pictures for the yearbook.
8. Selects a publisher/graphic designer for yearbook publishing and coordinates distribution to league members.

Section 8: Sponsorship/Fundraiser Director

The Sponsorship/Fundraiser Director shall:

1. Be responsible for league sponsorships, which includes communicating to the managers the league goal of obtaining a minimum of one (1), team sponsorship for each team.
2. Develop, plan, direct and submit formal plan on all fundraising projects.
3. Co-ordinate and assist in fundraisers.
4. Co-ordinate with Picture and Awards Chairperson to get team pictures for sponsorship plaques.
5. Obtain and distribute the sponsorship awards.
6. Be responsible for soliciting and obtaining corporate community sponsorship year around, with a strong emphasis before registration.

Section 9: Snack Shack Manager

The Snack Shack Manager shall:

1. Develop operating budgets.
2. Purchase supplies.
3. Deposit all snack shack funds with the Treasurer.
4. Account for and safeguards all cash receipts.
5. Maintain Snack Shack standards within the Health Code.

Section 10: Scheduler

The Scheduler shall:

1. Schedule and reschedules league games for the season.
2. Schedule and reschedules snack shack duties.

Section 11: Recruitment/Registration Director

The Recruitment/Registration Director shall:

1. Be responsible for the recruitment program to be held prior to registration.
2. Organize and execute registration with the Player Agents.
3. Maintain a current and complete CONFIDENTIAL file of birth certificates, registrations and membership.
4. Supply Player Agents with player information for their respective divisions.
5. Be responsible for all follow-ups to inquiries either via phone, fax, message machine, or Internet regarding league registration.

Section 12: Webmaster

The Webmaster shall:

1. Coordinate and maintain the league Internet web site. Web site shall only include board approved material and items.

ARTICLE VII MANAGERS, COACHES AND UMPIRES

Section 1: Managers and Coaches

Managers and Coaches shall:

1. Be appointed annually by the President, with the approval of the Board of Directors, and shall be responsible for the selection of their teams and for their actions on the field.
2. Complete and submit a Manager/Coaches application form.
3. Attend required meetings as determined by the Board of Directors.
4. Be subject to a background check (minimum Megan's Law).

Section 2: Umpires

A. Umpires shall:

1. Attend at least one umpire clinic prior to umpiring their first game.
2. Be responsible for reading and understanding the NSA/ASA and divisional supplementary rules.

3. Be 12 years old or older.
 4. Be 14 years old or older to umpire the game from behind home plate.
- B. Pay scale for Umpires shall be determined jointly by the Umpire-in-chief, Treasurer and President and approved by the Board of Directors concurrent with the budget approval.

ARTICLE VIII CONFLICT OF INTEREST

Section 1: Purpose

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

Section 2: Definitions

- A. Interested Person: Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- B. Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 1. An ownership or investment interest in any entity with which SVGSL has a transaction or arrangement,
 2. A compensation arrangement with SVGSL or with any entity or individual with which SVGSL has a transaction or arrangement, or
 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which SVGSL is negotiating a transaction or arrangement.
- C. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
- D. A financial interest is not necessarily a conflict of interest. Under Section 3, Paragraph D, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3: Procedures

- A. Purchase of goods, services or assets: SVGSL is prohibited from purchasing any goods, services, or assets from any Board of Director member. Any purchase of goods, services or assets from SVGSL Members, or other board members shall follow the policy and procedures contained in SVGSL Bylaws ARTICLE VIII.
- B. Establishment of leases, contracts, loans, or other agreements: SVGSL is prohibited from establishing leases, contracts, loans, or other agreements with any Board of Director member. Any leases, contracts, loans, or other agreements established with SVGSL Members, or other board members shall follow the policy and procedures contained in SVGSL Bylaws ARTICLE VIII.
- C. Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- D. Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- E. Procedures for Addressing the Conflict of Interest
 1. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 2. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 3. After exercising due diligence, the governing board or committee shall determine whether SVGSL can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in SVGSL's best interest, for its

own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

D. Violations of the Conflicts of Interest Policy

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

Section 4: Records of Proceedings

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

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

Section 5: Compensation

1. A voting member of the governing board who receives compensation, directly or indirectly, from SVGSL for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from SVGSL for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from SVGSL, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6: Annual Statements

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

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

Section 7: Periodic Reviews

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

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

Section 8: Use of Outside Experts

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

**ARTICLE IX
REVISING THE BY-LAWS**

Section 1: Revisions to By-Laws

- A. Submit in writing.
- B. To be voted on at the next Board meeting with a minimum of 7 days from the time it is submitted before it can be voted upon.
- C. Needs 75% vote approval by the Board of Directors.

Section 2: Revision History

September, 2006 – added: ARTICLE I, Section 5, 6, 7 and 8; ARTICLE IV, Section 7 and 8; and ARTICLE VIII.