

Agenda Item  
3/27/23

## **BACKGROUND**

On February 19, 2020, the District's Board of Trustees approved the formation of the auxiliary corporation, Los Rios Campus Services ("LRCS"), and directed staff to obtain approval from the California Community Colleges Chancellor's Office ("CCCCO").

On March 3, 2020, Wrenna Finche from the CCCC0 advised the District via email that the CCCC0 would approve LRCS as an auxiliary corporation of the District and that the formal letter would be forthcoming. At this time, the District is unable to locate the formal letter. It is possible that, given the circumstances related to COVID-19 in March 2020, the formal letter may have been misplaced or never sent.

On March 5, 2020, the Secretary of State accepted the Articles of Incorporation to formally create LRCS. Given the circumstances related to COVID-19 in March 2020, the District took no further steps to finalize the formation or claim a tax exempt status for LRCS.

The District requested that its counsel, Liebert Cassidy Whitmore ("LCW") assist and advise the District on completing the formation of LRCS. LCW recommended that the Articles of Incorporation be revised to include language to reflect LRCS's status as a supporting organization of the District.

The Board of LRCS must take all necessary action to complete the formal organization of LRCS as a non-profit public benefit corporation, including electing approving Bylaws, appointing a Board of Directors, electing officers, open a bank account, and take all necessary steps to obtain tax exempt status.

## **RECOMMENDATION**

Adopt all Resolutions necessary to complete the formal organization of LRCS as a non-profit corporation.

## RESOLUTIONS RE FORMATION OF AUXILIARY CORPORATION

WHEREAS, on February 19, 2020, the District's Board of Trustees approved the formation of the auxiliary corporation, Los Rios Campus Services ("LRCS"), and directed staff to obtain approval from the California Community Colleges Chancellor's Office ("CCCO").

WHEREAS, on March 3, 2020, Wrenna Finche from the CCCO advised the District via email that the CCCO would approve LRCS as an auxiliary corporation of the District and that the formal letter would be forthcoming. At this time, the District is unable to locate the formal letter. It is possible that, given the circumstances related to COVID-19 in March 2020, the formal letter may have been misplaced or never sent.

WHEREAS, on March 5, 2020, the Secretary of State accepted the Articles of Incorporation to formally create LRCS. Given the circumstances related to COVID-19 in March 2020, the District took no further steps to finalize the formation or claim a tax exempt status for LRCS.

WHEREAS, the District requested that its counsel, Liebert Cassidy Whitmore ("LCW") assist and advise the District on completing the formation of LRCS. LCW recommended that the Articles of Incorporation be revised to include language to reflect LRCS's status as a supporting organization of the District.

WHEREAS, the Board of LRCS has determined it must take all necessary action to complete the formal organization of LRCS as a non-profit public benefit corporation, including electing approving Bylaws, appointing a Board of Directors, electing officers, open a bank account, and take all necessary steps to obtain tax exempt status.

NOW THEREFORE, the LRCS Board hereby resolves as follows:

THAT the actions of Mario Rodriguez as incorporator of the Corporation, including, but not limited to, the filing of the Corporation's Articles of Incorporation (the "Articles of Incorporation") be, and hereby are, ratified and approved.

THAT the Corporation will maintain as part of its corporate records in a minute book (the "Minute Book"), which will include, but shall not be limited to: (1) its Articles of Incorporation and amendments to those articles; (2) its Bylaws and amendments to its bylaws; (3) minutes from all Board of Directors meetings and committee meetings; and (4) and all written consents of Board of Directors in lieu of a meeting. The Minute Book may be maintained in electronic format.

THAT a copy of the Articles of Incorporation, as filed with the California Secretary of State on March 5, 2020, be inserted in the Minute Book and that the Articles of Incorporation be, and hereby are, ratified and approved.

THAT the agent named as the initial agent for service of process in the Articles of Incorporation is hereby confirmed as the Corporation's agent for service of process in the state of California and that said agent will continue as the designated agent for service of process until agent resigns or agent's successor is designated.

THAT the Officers of the Corporation are authorized and directed to execute and file with the California Secretary of State a Statement of Information, if not already on file, setting forth the names and addresses of the Corporation, its Officers, and agent for service of process.

THAT the Officers of the Corporation are hereby authorized to open bank accounts as necessary for the Corporation, requiring one signature for withdrawals, with such signatories as they deem appropriate, and that any required resolution establishing the selected bank as the depository is hereby adopted.

THAT the Officers of the Corporation are hereby authorized to sign all documents authorized by the Board of Directors on behalf of the Corporation.

THAT President's actions before the date hereof to secure for the Corporation a federal employer identification number be, and hereby are, ratified and approved.

THAT the Corporation may provide official communications to the Directors and Officers by electronic transmission, including but not limited to, by email.

THAT the Officers of the Corporation are authorized to do and perform any and all acts, including execution of any and all documents and certificates as they deem necessary or advisable, to carry out the purposes of the foregoing resolutions.

THAT any lawful actions taken by the incorporator or the Officers of the Corporation before the date hereof that are within the authority conferred hereby are ratified, confirmed and approved in all respects as the acts and deeds of the Corporation.

**PASSED AND ADOPTED** by the Board of the Los Rios Campus Services by the vote of its Directors on the 27<sup>th</sup> day of March, 2023 as follows:

AYES: 5

NOES:

ABSENT:

ABSTAIN:

I, Sonia Mercado, Secretary of the Board of Directors of the Los Rios Campus Services hereby certify that the foregoing is a full, true and correct copy of the resolution adopted by the Board of Directors at a regular meeting hereof held at its regular place of meeting at the time and by the vote stated above, which resolution is on file in the office of the Board of Directors.



Sonia Mercado, Secretary  
Los Rios Campus Services  
County of Sacramento, State of California