

**BYLAWS
OF
THE SIERRA FUND**

ARTICLE I – OFFICES

The office of the corporation shall be located in the City of Nevada City, County of Nevada, State of California.

The corporation shall have and continuously maintain in the State of California a registered office, and a registered agent whose office is identical with such registered office, as required by the California Nonprofit Corporation Act. The registered office may be, but need not be, identical with the principal office in the State of California, and the address of the registered office may be changed from time to time by the Board of Directors.

The corporation may also have offices at such other places, within or without its state of incorporation, where it is qualified to do business, as its business and activities may require, and as the Board of Directors may, from time to time, designate.

ARTICLE II – BOARD OF DIRECTORS

Section 1. Number, Tenure and Qualifications. The number of Directors shall be at least **five (5) and as many as twenty-one (21)** persons. Each Director shall hold office until his/her successor has been duly elected and qualified.

Members of the Board of Directors **will serve two-year terms of office.** Except when a vacancy is being filled, terms will begin immediately following the annual meeting.

The Board of Directors shall be divided into two classes as nearly equal in number as may be, with the term of office of one class expiring each year. When the Number of directors is changed, any newly created directorships or any decrease in directorships shall be appointed among the classes so as to make all classes as nearly equal in number as possible. Subject to the foregoing, at each annual meeting of the Board of Directors, the successors to the class of directors whose terms shall expire at the end of the then current year shall be elected to hold office for a term expiring at the end of the third succeeding year. Provided further that a member whose initial term is not a complete term will be eligible to serve as a director for two succeeding two-year terms thereafter.

Section 2. Regular Meetings. **A meeting of the Board of Directors shall be held three times per year.** The Board of Directors may provide by resolution a time and place for the holding of the annual meeting and

additional regular meetings of the Board of Directors without other notice than such resolution.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chair of the Board or Chair of the Board-Elect or any three Directors. The person or persons so authorized to call special meetings of the Board of Directors may fix any place for holding any special meeting of the Board of Directors called by them.

Section 4. Notice. Notice of any special meeting of the Board of Directors shall be given at least three (3) days previous thereto by written notice delivered personally or by telephone, fax, or sent by mail, e-mail or telegram to each Director at his/her address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail in a sealed envelope, so addressed, with postage thereon prepaid. If notice is given by telegram or fax, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company or transmitted by fax. Any Director may waive notice of any meeting. The attendance of any Director at any meeting shall constitute a waiver of notice at any meeting except where a Director attends any meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

Section 5. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 6. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or these Bylaws. Directors are not permitted to have substitutes attend meeting on their behalf.

Section 7. Confidentiality. While the final decisions of the Board of Directors and its committees are generally treated as public information, the data and deliberations used in arriving at those decisions are often personal and privileged, and supplied with that understanding by clients, both individuals and organizations. It is therefore considered confidential and not for use or distribution beyond its intended use by The Sierra Fund.

Section 8. Conflict of Interest. In considering matters of The Sierra Fund, Board and committee members must announce and disclose significant

involvement with institutions, grantees or properties under discussion. Those making such disclosure may participate freely in discussions but will abstain from voting on related decisions. "Significant involvement" is defined as: (a) serving as an elected or appointed member of a governing board or major committee, (b) receiving compensation as an employee or consultant, (c) be related to an individual grantee or to a staff member of a grantee institution, (d) owning interest in property whose value may be affected by a transaction or grant.

The interests of the Sierra Fund are considered paramount in the review and selection of all policy and procedural options, including grants, investment decisions, property transactions, insurance and personnel benefits, consultation services and other professional and corporate/business relationships and services.

Section 9. Vacancies. Any vacancy occurring in the Board of Directors or among the officers by reason of death, resignation or inability to act and any Directorship to be filled by reason of an increase in the number of Directors, shall be filled by the Board of Directors. A Director or officer elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor in office.

Section 10. Informal Action by Directors. Any action required by law to be taken at a meeting of Directors or any action which may be taken at a meeting of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority of the Directors.

ARTICLE III – OFFICERS

Section 1. Officers. The officers of the corporation shall be a Chairperson, a Secretary, and a Treasurer. The corporation will also have one or more Vice-Chairs, Assistant Secretaries, Assistant Treasurers, and other such officers with such titles as may be determined from time to time by the Board of Directors. Any two or more offices may be held by the same person, except that the Chair of the Board-Elect may not serve concurrently as the Chair of the Board of Directors. Any officer so authorized by the Board of Directors may sign or co-sign any deeds, checks, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed.

Section 2. Election and Term of Office. The officers of the corporation shall be elected bi-annually by the Board of Directors at the regular annual meeting of the Board of Directors in odd years. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. New offices may be created and filled at any regular or special meeting of the Board of Directors. Each officer shall hold office following the said annual meeting and until his/her successor shall have been duly elected and shall have qualified.

If re-elected by the Board of Directors any officer may hold the same or another office for any number of successive terms.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby.

Section 4. Vacancies. A vacancy in any office because of the death, resignation, removal or incapacity of any officer may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. Delegation of Duties. In the absence of any officer of the corporation, the Board of Directors may delegate, for the time being, the duties of such officer to another officer or to any Director.

Section 6. Chair of the Board of Directors. The Chair of the Board of Directors shall perform such duties as may from time to time be prescribed by the Board of Directors. He/she shall preside at all meetings of the Board of Directors and the Executive Committee.

Section 7: The Board of Directors shall hire the Chief Executive Officer of the corporation. He/she shall see that the orders and resolutions of the Board of Directors are carried into effect. He/she shall perform such other duties as may from time to time be prescribed by the Board of Directors. He/she shall have the authority to sign or co-sign any deeds, checks, mortgages, bonds, contracts or other instruments, which the Board of Directors has authorized to be executed.

Section 8. Chair of the Board-Elect, Treasurer and Secretary. In the absence of the Chair of the Board of Directors or in the event of his/her inability to act, the Chair of the Board-Elect or, in his/her absence, the Secretary or Treasurer shall perform the duties of the Chair of the Board of Directors and when so acting shall have all the powers of and be subject to all the restrictions upon the Chair of the Board of Directors. He/she shall perform such other duties as from time to time may be assigned to him/her by the Board of Directors.

Section 9. Secretary. The Secretary shall keep or cause to be kept a record of all votes and minutes of the proceedings of all Board of Directors and Executive Committee meetings and shall give or cause to be given notice, as required by these Bylaws, of all meetings of the Board of Directors and Executive Committee. The Secretary shall have custody or shall delegate the custody of all books, records, and papers of the Corporation, except for financial records in the charge of the Treasurer. He/she shall perform such duties as may from time to time be prescribed by the Board of Directors.

Section 10. Treasurer. The Treasurer shall serve as Chair of the Finance Committee. He/she shall keep or cause to be kept accounts of all monies of the corporation received or disbursed and shall deposit all monies and valuables in the name and to the credit of the corporation in such banks or depositories as the Board of Directors shall designate. He/she shall perform such duties as may from time to time be prescribed by the Board of Directors.

Section 11. Disbursements. All checks and orders for the payment of money shall be signed in the name of the corporation and, when amounts in excess of the amount as established by the Board of Directors, shall be co-signed by the Chief Executive Officer and one additional authorized signer.

Section 12. Gifts. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or device for the nonprofit purposes of this corporation, subject to any Gift Acceptance Policies that may have been duly adopted by the corporation.

ARTICLE IV – STANDING COMMITTEES

Section 1. The standing committees of the corporation shall be the Executive Committee, the Finance Committee, the Audit Committee and the Human Resources/Nominating Committee. Members of the standing committees shall include at least three (3) Board of Directors' members, one of whom shall be the Chair, and may include non-board members. No quorum is necessary for the transaction of business at any meeting of standing committee. All committee members shall be appointed for one-year terms by the committee chair with the advice and consent of the Board of Directors.

With prior Executive approval, all chairpersons may from time to time appoint ad hoc members with special expertise or establish subcommittees for special purposes. Committee members are not permitted to have substitutes attend meetings on their behalf.

The Chair of the Board of Directors of the Chair of the Board-Elect may serve ex officio on all standing committees.

Section 2. Executive Committee. The Executive Committee shall be chaired by the Chair of the Board and composed of all standing committee chairpersons, the Chair of the Board-Elect as well as well as the Secretary and the Treasurer.

The Executive Committee shall be responsible for coordination of activities between standing committees and shall have all the powers of the Board of Directors subject to such limitations as the Board of Directors may impose. The Executive Committee shall keep minutes of its proceedings and report same to the Board of Directors.

Section 3. Finance Committee. The Treasurer of the Board of Directors shall serve as chair of the Finance Committee. The duties of the committee shall be to act for and advise the Board of Directors in regularly examining all funds, investments and properties of the organization. After consultation with the Human Resources/Nominating Committee, relating to personnel budget matters, the committee shall annually submit an operational budget plan to the Board of Directors for approval. The committee shall approve receipt of all proposed gifts of real estate, bargain sales and closely held stock.

This committee shall also regularly present financial statements to the Board of Directors and shall be responsible for any other duties related to the financial affairs of The Sierra Fund that may be assigned to it by the Board of Directors.

Section 4, Audit Committee. The Secretary of the Board of Directors shall serve as Chair of the Audit Committee. The Committee shall arrange for and review an annual audit to be conducted by an independent certified public accounting firm, and report the findings and recommendations to the Board of Directors. They shall also be responsible for recommending policies and procedures relative to investments, asset allocations, payout and fee schedules. The Committee shall advise the President and financial staff officer on all accounting and fiscal practices and procedures to be followed

Section 5. Human Resources/Nominating Committee. The Human Resources/Nominating Committee shall be chaired by a member of the Board of Directors and shall consist of members annually appointed by the Chair of the Board. The responsibilities of this committee are to develop for the Board of Directors' approval those policies deemed necessary and appropriate regarding The Sierra Fund personnel policies and practices.

The Human Resources/Nominating Committee, serving as the Nominating Committee. a) prepare a slate of nominees for election as Directors; b) in cooperation with the Chair of the Board-Elect, prepare a slate of nominees for election as officers and Chairpersons of standing committees; c) furnish the above information to the Chair at least seven (7) days prior to the date fixed for the election of candidates nominated. Other nominations, in addition to the slate of nominees submitted by the committee, may be made by members from the floor at meetings designated for the election of candidates. Nominations by the Nominating Committee shall not be a prerequisite to any action by the Board of Directors.

ARTICLE V – NONDISCRIMINATION

Section 1. The officers, directors, committee members, employees and persons served by this corporation shall be selected entirely on a nondiscriminatory basis with respect to age, race, gender, sexual preference, religion, disability, and national origin.

ARTICLE VI – INDEMNIFICATION

Section 2. The corporation shall indemnify the President, each director and officer against all or any portion of any expenses reasonably incurred by him/her in connection with or arising out of any action, suit or proceeding in which he/she may be involved by reason of him/her being or having been an officer or director (whether or not he/she continues to be an officer or director at the time of incurring such expenses); provided, this shall not be construed to authorize the corporation to protect any such director or officer against any liability to which he/she would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of his/her office.

ARTICLE VII – BOOKS AND RECORDS

Section 1. The corporation shall keep complete books and records of account and shall also keep minutes of proceedings of its Board of Directors and Executive Committee and shall keep at the registered or principal office a record giving the names and addresses of the Board of Directors.

Section 2. Directors' Inspection Rights. Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation and shall have such other rights to inspect the books, records and properties of this corporation as may be required under the Articles of Incorporation, other provisions of these Bylaws, and provisions of law.

Section 3. Periodic Report. The Board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this state or to the members, if any, of this corporation, to be so prepared and delivered within the time limits set by law.

Section 4. Organizational Report. An Organizational Report of The Sierra Fund will be produced and distributed to members of the Board and public no less than once every two years, and will provide information on the policies and activities of The Sierra Fund.

ARTICLE VIII – IRS 501(c)(3) TAX EXEMPTION PROVISIONS

Section 1. Limitations on Activities. No substantial part of the activities of this corporation shall be carrying on of propaganda, or otherwise attempting to influence legislation [except as otherwise provided by Section 501(h) of the Internal Revenue Code], and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Section 2. Notwithstanding any other provisions of these Bylaws, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 3. Prohibition against Private Inurement. No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its members, directors or trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

Section 4. Distribution of Assets. Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

ARTICLE VIII – WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the California Nonprofit Corporation Act or under the provisions of the Articles of incorporation or under the Bylaws of the corporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

ARTICLE IX – RESERVE POLICY

Section 1. Purpose

The purpose of the Reserve Fund (Reserve) Policy (Policy) for The Sierra Fund (TSF) is to ensure the stability of the mission, programs, employment, and ongoing operations of the organization. The Reserve is intended to provide an internal source of operating funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses (Note: This covers more than just cashflow).

The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure (i.e., capital acquisitions). The Reserve is not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of TSF for the Reserve to be used and replenished within a reasonably short period of time. The Policy will be implemented in concert with the other governance and financial policies of

TSF and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

Section 2. Definitions and Goals

The Reserve is defined as a designated fund set aside by action of the Board of Directors. The minimum amount to be designated as Reserve will be established in an amount sufficient to maintain ongoing operations and programs for a set period of time, measured in months. The Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The target minimum Reserve is equal to three (3) months of average operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, occupancy, office, travel, program, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation. The calculation of average monthly expenses also excludes some expenses such as, pass-through programs, one-time or unusual, capital purchases.

The status of the Reserve is to be considered each year during the annual budget process. The Reserve target minimum will be calculated each year relative to the annual budget, reported to the Board of Directors, and included in the regular financial reports. If the Reserve is below the target amount, a plan is to be created during the budget process to achieve full funding as soon as practical. Such a plan could include, but is not limited to, specific fund raising or granting from other unrestricted TSF funds.

Section 3. Accounting for the Reserve

The Reserve will be recorded in the financial records as the "Reserve Fund - Board-Designated". The Reserve will be funded and available in cash or cash equivalent funds. The Reserve will be maintained in a separate bank savings account in accordance with TSF investment policies, and titled "Reserve Fund - Board-Designated".

Section 4. Funding of the Reserve

The Reserve will be funded with surplus unrestricted operating funds. The Board of Directors may from time to time direct that a specific source of revenue be set aside for the Reserve. Examples may include one-time gifts or bequests, special grants, or special appeals. The reserve contribution will be specified in the adopted budget, and reviewed quarterly by the Board at their regular Board meeting

Section 5. Use of the Reserve

Use of the Operating Reserves requires three steps:

1. Identification of appropriate use of the Reserve.

The Executive Director and staff will identify the need for access to funds from the Reserve and confirm that the use is consistent with the purpose of the Reserve as described in this Policy. This step requires analysis of (i) the

reason for the shortfall, (ii) the availability of any other sources of funds before using reserves, and (iii) the time period for which the funds will be expended and replenished.

Section 6. Authority to use the Reserve.

The Executive Director will submit a request to use funds from the Reserve to the Board of Directors. The request will include the analysis described above in V.1. The goal of TSF is to replenish the funds within twelve (12) months to restore the Reserve to the target minimum amount. If the use of funds from the Reserve will take longer than six (6) months to replenish, the request will be scrutinized more carefully. Authorization to use the Reserve will be voted upon by the Board, and a letter specifying the amount of the reserve to be used and authorizing the use will be signed by the CEO and either the Chair or the Board Secretary.

Section 7. Reporting and monitoring.

The Executive Director is responsible for ensuring that the Reserve is maintained and used only as described in this Policy. Upon approval for the use of Reserve funds, the Executive Director will maintain records of the use of funds and plan for replenishment. He/she will provide regular reports to the Board of Directors of progress to restore the Reserve to the target minimum amount.

Section 8. Relationship to Other Policies

TSF shall maintain the following board-approved policies, which may contain provisions that affect the creation, sufficiency, and management of the Operating Reserve fund.

Section 9. Review of Reserve Fund Policy

This Policy will be reviewed every other year (odd years), at minimum, by the Board of Directors, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Finance Committee to the Board of Directors.

ARTICLE X. AMENDMENTS TO BYLAWS

These Bylaws may be suspended, altered, changed, added to or replaced by the affirmative vote of the majority of the Directors present and voting at any regular or special meeting, if the notice of the proposed amendment, alteration, addition or repeal be contained in the notice of the meeting.

Adopted December 18, 2001

Updated May 13, 2005

Updated August 27, 2007

Updated September 8, 2009

Updated March 26, 2012

ADOPTION OF BYLAWS

We, the undersigned, the directors of this corporation, consent to and hereby adopt these Bylaws, consisting of eleven (11) pages, as the Bylaws of this corporation.

Dated: March 23, 2012

Aye: Lisa Thompson, Alison Harvey, Patty Brissenden, John Regan

Nay: None

Abstain: None

Absent: Esther Feldman

A handwritten signature in black ink that reads "John Regan". The signature is written in a cursive style with a large initial "J" and "R".

John Regan
Secretary