



2017 Incorporation Vote Results

The results of the "every member" vote to return AAUW California to a public benefit corporation from its current status as a mutual benefit corporation has **failed**. The results are as follows:

Total AAUW California Membership: 11907

Total votes cast: 3160

Total yes votes: 3134

Total no votes: 26

California corporate regulations require that all votes cast for a mutual benefit corporation to change its status to an entity such as a public benefit corporation must be unanimous. Due to the 26 "no votes" the measure failed.



What is next?

AAUW California's legal counsel has advised us that we can call for a re-vote. Prior to the second round of voting, AAUW California will provide additional detailed information to the membership and reach out to branch leaders to determine areas of clarification that need to be further addressed. The second vote will be scheduled after the Thanksgiving holiday.

If a second vote fails, AAUW California will then enter into a formal appeal process with the Commissioner of the Securities Division of the Corporations Division of the California Secretary of State's Office to petition for a change. If that appeal fails or is rejected, the only option open to AAUW California is to dissolve the current corporation and reform a new corporation as a public benefit corporation. As an affiliate of AAUW National, AAUW California must be aligned with AAUW as a public benefit corporation and cannot remain as a mutual benefit corporation.

Both of the final two options are costly and time-consuming. Since the fall of 2016, AAUW California has invested over \$10,000 and over 250 volunteer hours working to resolve this issue, which includes an initial appeal to the California Secretary of State for a reversal to a public benefit corporation. The first appeal was a different process than what will need to be followed if the second vote fails.

Questions? Please address all questions in writing to governance@aauw-ca.org.

November 1, 2017

