1. Recognition of the establishment of an auxiliary organization by the Board of Trustees pursuant to Education Code Section 72672(c) and California Administrative Code, Title 5, Sections 59255 and 59257 (a) shall require that a recommendation is submitted to the Board of Trustees by the Chancellor when the organization will serve the District; or, by the Chancellor on behalf of a college president when the organization will primarily serve a particular college. The recommendation shall include but not be limited to the following:

a. The purpose(s) for which the auxiliary organization is to be established;

b. Whether the proposed auxiliary organization will primarily serve the District or a particular college;

c. The functions which the auxiliary organization is intended to perform;

d. The proposed bylaws and articles of incorporation for the auxiliary organization, including the size and composition of the Board of Directors; and

e. The proposed written agreement between the auxiliary organization and the District, as required in Sec. 59259 of the Administrative Code.

2. The process of recognition shall be as follows:

a. When the president of a college has submitted to the Chancellor the request to establish an auxiliary organization, the Chancellor shall in turn submit a recommendation concerning the establishment of said organization to the Board of Trustees within three (3) months;
b. The Board of Trustees shall hold a public hearing on each recommendation concerning the establishment of an auxiliary organization; and

c. At a subsequent scheduled meeting after the public hearing, the Board shall announce its decision concerning the establishment of the organization, and, if approved, authorize the functions it may perform, identify the number and category or categories of the Board of directors and approve contractual arrangements.