

# South Valley Charter School

A California Public Benefit Corporation

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## Bylaws

### ARTICLE I NAME

The name of this corporation is South Valley Charter School, a California non-profit public benefit corporation.

### ARTICLE II LOCATION

**Section 2.1 Principal Office.** The Principal Office of the corporation for the transaction of its business is located at 2800 Mira Bella Circle, Morgan Hill, California 95037.

**Section 2.2 Change of Address.** The Board of Directors is hereby granted full power and authority to change the Principal Office of the corporation from one location to another in the County of Santa Clara, California. Any such change shall be noted by the Secretary in these Bylaws, but shall not be considered an amendment of these Bylaws.

### ARTICLE III PURPOSE

**Section 3.1 Objectives and Purposes.** The primary objectives and purposes of this corporation shall be to create and operate one or more public Charter schools (a "School") providing public education for residents of the State of California, in accordance with the Charter Schools Act, California Education Code Section 46700, et seq.

**Section 3.2 Public Benefit.** This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code and California Revenue and Taxation Code Section 23701d.

**Section 3.3 Activities.** This corporation shall administer and operate South Valley Charter School(s), Santa Clara County, California as provided by the charter(s) establishing the school(s) and the Charter Schools Act, California Education Code Section 46700, et seq. This includes, but is not limited to, the following activities:

- 3.3.1** to make and enter into contracts;
- 3.3.2** to employ agents and employees;
- 3.3.3** to acquire, construct, manage, maintain or operate any building or works of improvement;
- 3.3.4** to acquire, hold or dispose of personal property;
- 3.3.5** to acquire and hold or lease real property interests;
- 3.3.6** to incur debts, liabilities or obligations;
- 3.3.7** to sue or be sued in its own name; and
- 3.3.8** to undertake all functions and activities authorized by the Charter establishing the South Valley Charter School(s).

**Section 3.4 Name Change.** Any change in the name or location of the South Valley Charter School(s) shall not affect the purpose of this corporation, provided that at least one South Valley Charter School shall continue to exist pursuant to a charter approved and authorized pursuant to the Charter Schools Act, California Education Code Section 46700, et seq.

## ARTICLE IV

## ARTICLE 4. DIRECTORS

- Section 4.1 Duties.** The activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors (“Board”). The Board may delegate the management of the activities of the corporation to any person or persons, management company or committee however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.
- Section 4.2 Number.** The number of Directors of the corporation (“Directors”) shall not be less than five (5) nor more than nine (9). The exact number of voting Directors shall be fixed at seven (7). The indefinite or fixed number of voting Directors may be changed, or a definite number may be fixed without provision for an indefinite number, by a duly adopted amendment to this Bylaw adopted by a vote of the Members. No amendment may change the stated maximum number of authorized voting Directors to a number greater than two (2) times the stated minimum number of Directors minus one (1).
- Section 4.3 Composition.** The Board of Directors shall include, but is not limited to at least two (2) Directors that are parents or guardians of an enrolled student (“Family” Representative), at least three (3) interested members of the community (“Community” Representative), at least one (1) non-voting Director from the granting school district (“District” Representative), at least one (1) faculty or staff member (“Staff” Representative), and at least one (1) school administrator (“Administrator” Representative). One individual shall be selected to fill each of the foregoing positions; one individual shall not represent more than one Director position. Directors shall serve staggered terms. Directors shall serve a term of two (2) years, except at the inception where Directors in Group 1 shall serve a term of only one (1) year so that staggering terms can be accommodated and except for the Administrative Director(s).
- 4.3.1 Interested Persons.** Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. For the purposes of this Section, "interested persons" means either: (i) any person currently being compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full- or part-time Officer or other employee, independent contractor, or otherwise; or (ii) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.
- 4.3.2 Conflict of Interest.** Directors are subject to the conflict of interest rules under Sections 1090 and 81000, *et seq.* of the California Government Code and other applicable laws. Any Director that also receives a salary from the corporation as an employee shall not vote on any issue relating to that person’s own salary or compensation package.
- Section 4.4 Election.**
- 4.4.1 Nominations.** Nomination to the Board shall be the task of a duly elected Nominating Committee, as described in Article VI, Section 6.4.
- 4.4.2 Family Representative.** The Family Representative(s) shall be elected at the last general meeting of the fiscal year by a majority vote of the Family Members in Good Standing, subject to the quorum requirements, as those terms are defined in Article VII, Sections 7.6 and 7.13.2. In the first year of operation, one Family Representative shall serve for a one (1) year term (Group 1), and the other Family Representative shall serve for a two (2) year term (Group 2). Thereafter, each Family Representative shall serve for a two (2) year term. A Family Member must be a Member in Good Standing as defined in Article VII, Section 7.6 in order to stand for election.

**4.4.3 Community Representative.** The Community Representative(s) shall be elected at the last general meeting of the fiscal year by a majority vote of the Members in Good Standing, subject to the quorum requirements, as those terms are defined in Article VII, Sections 7.6 and 7.13. In the first year of operation, one Community Representative shall serve for a one (1) year term (Group 1), and the remainder of the Community Representatives shall serve for a two (2) year term (Group 2). Thereafter, every Community Representative shall serve for a two (2) year term. A Community Representative shall not also be a parent, guardian, or Sponsor of a student currently enrolled in the school, a staff member or a member of the school administration.

**4.4.4 District Representative.** The District Representative(s) shall be appointed by the Charter-granting district concurrently with the timing of the last general meeting of the fiscal year of South Valley Charter School. In the first year of operation, the District Representative shall serve for a one (1) year term (Group 1); thereafter, the District Representative shall serve for a two (2) year term.

**4.4.5 Staff Representative.** The Staff Representative(s) shall be elected at the last general meeting of the fiscal year by a majority vote of the Staff Members in Good Standing, subject to the quorum requirements, as those terms are defined in Article VII, Sections 7.6 and 7.13.2. In the first year of operation, the Staff Representative shall serve for a one (1) year term (Group 1); thereafter, the Staff Representative shall serve for a two (2) year term. A Staff Member must be a Staff Member in Good Standing as defined in Article VII, Section 7.6.2 in order to stand for election.

**4.4.6 Administrative Representative.** The Administrative Representative shall be the Principal or Assistant Principal of one school sponsored by this corporation, at the option of the Board.

**4.4.6.1** If there is only one such school, the Administrative Representative's term of office shall correspond with his or her tenure as Principal or Assistant Principal.

**4.4.6.2** Should there be more than one such school, each school shall be represented in turn by its Principal or Assistant Principal, at the option of the Board. The order of rotation shall be determined by the sequence of the charter dates of the respective schools. Where this corporation sponsors multiple schools, the term of office for the Administrative Representative shall be two years.

**Section 4.5 Limit on Consecutive Terms.** Except as provided in Article IV, Section 4.4.6 "Administrative Representative", no Director shall serve more than three (3) consecutive terms, nor be selected for a third term if the completion of that term would result in more than five consecutive years of service.

**Section 4.6 Resignations and Removals.** Vacancies on the Board of Directors shall exist (1) on the death, resignation or removal of any Director or (2) whenever the number of authorized Directors is increased.

**4.6.1 Removal by Court Order.** The Board of Directors may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony or been found by a final order or judgment of any court to have breached any duty under Section 5230 and following of the California Nonprofit Public Benefit Corporation Law.

**4.6.2 Removal by Default.** The Board of Directors may declare vacant the office of a Director who fails to attend three (3) successive or one-third (1/3) of the meetings scheduled in one year.

**4.6.3 Removal by Majority Vote.** If this corporation has any Members, then, if the corporation has less than fifty (50) Members, a Director may be removed without

cause by a vote of two-thirds (2/3) majority of all Members, or, if the corporation has fifty (50) or more Members, by vote of a two-thirds (2/3) of those represented at a formal meeting of the Membership at which a quorum (to consist of one-third (1/3) of registered members) is present. If this corporation has no members, a Director may be removed without cause by a two-thirds (2/3) majority of the Directors then in office.

**4.6.4 Resignation.** Any Director may resign effective upon giving written notice to the Chairperson of the Board, the President, the Secretary or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No director may resign if the corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Attorney General.

**Section 4.7 Filling Vacancies.** Vacancies on the Board may be temporarily filled by appointment by the Board pending election by the applicable Membership. The filling of vacancies shall be in accordance with the Brown Act.

**4.7.1 Temporary Appointment.** A vacancy may be filled by approval of the Board, or, if the number of Directors then in office is less than a quorum, by:

4.7.1.1 the unanimous written consent of the Directors then in office;

4.7.1.2 the affirmative vote of a majority of the Directors then in office at a meeting held pursuant to notice or waivers of notice complying with this Article of these Bylaws; or

4.7.1.3 a sole remaining Director.

**4.7.2 Replacement by Election.** If the corporation has Members, then the Nominating Committee as defined in Article VI, Section 6.4 shall present a slate of candidates to the applicable Membership within thirty (30) days of the effective date of the removal or resignation of the Director. A meeting of the applicable Membership shall be held within sixty (60) days of the effective date of the removal or resignation. A majority vote of a quorum of the applicable Membership shall elect the new Director.

**Section 4.8 Compensation.** Directors shall serve without any compensation for their service as Directors. Directors may receive a reasonable advance or reimbursement of expenses incurred in the performance of their duties as may be fixed or determined by resolution of the Board of Directors and in accordance with Cal Corp. Code §315. Directors may not be compensated for rendering services to the corporation in any capacity other than Director or Officer unless such other compensation is reasonable and is allowable under the provisions of Section 4.3.2, "Conflict of Interests".

**Section 4.9 Liability.**

**4.9.1 Non-Liability of Directors.** No Director shall be held personally liable (individually or collectively) for the debts, liabilities, or other obligations of the corporation, except, and only to the extent to which, such liability is proven to be the direct result of specific criminal misconduct by said Director.

**4.9.2 Indemnification by Corporation of Directors, Officers, Employees, and Other Agents.** To the extent that a person who is, or was, a Director, Officer, employee 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. 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.

**4.9.3 Insurance For Corporate Agents.** The Board of Directors shall adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a Director, Officer, employee or other agent of the corporation) against any liability other than for violating provisions of law relating to self-dealing (Section 5233 of the California Nonprofit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

#### **Section 4.10 Meetings.**

**4.10.1 Place of meetings.** Regular and special meetings of the Board of Directors shall be held at any place that may be designated by the Board of Directors in accordance with Section 54954(b) of the California Government Code and other applicable laws. Unless otherwise specified, the meetings shall be held at the principal office of the corporation designated in Article II, Section 2.1 of these Bylaws. Any meeting, regular or special, may be held by teleconference so long as such meeting is held in accordance with Section 54953(b) of the California Government Code and other applicable laws.

**4.10.2 Regular Meetings.** Regular meetings of the Board of Directors shall be held quarterly, at 7 p.m. on the second Tuesday of the fiscal quarter. The Board may modify the time, date and frequency of such Regular Meetings from time to time, as it sees fit, provided that Regular Meetings are held at least quarterly and that such changes are otherwise in keeping with these Bylaws and other applicable laws and regulations.

**4.10.3 Special Meetings.** Special meetings of the Board of Directors may be called by any one or more Officers or Directors in accordance with Section 5211 of the California Nonprofit Corporation Law, as may be limited by the California Government Code Sections 54954, *et seq.*

#### **4.10.4 Notice of Meetings.**

**4.10.4.1 Regular Meetings.** Regular meetings of the Board of Directors may be held at the times specified in Article IV, Section 4.10.2, without the requirement of additional notice, except to the extent required by the Brown Act or other applicable laws or regulations.

**4.10.4.2 Special Meetings.** Special meetings of the Board may be held upon three (3) business days' notice, delivered to each director by electronic mail, personally, or by telephone, provided that three (3) days' public notice is also provided, in accordance with the Brown Act or other applicable laws and regulations. Individual notice to Directors may also be sent via first-class mail or telegraph, provided that five (5) calendar days notice is provided to those recipients, with such notice deemed to be delivered on its deposit in the mails or on its delivery to the telegraph company. Such notices shall be addressed to each Director at his or her address as shown on the books of the corporation.

**4.10.4.3 Public Notice.** Public notice for regular and special meetings shall be deemed to have been delivered at the time of posting in at least two public places that are in accordance with Section 54954, *et seq.* of the California Government Code and other applicable laws, including one generally accessible physical bulletin board and/or e-mail forum.

**4.10.4.4 Adjourned Meetings.** Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place of the

adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than four (4) hours from the time of the original meeting, provided that such adjournment is consistent with the Brown Act or other applicable laws and regulations. Notice shall be given of any adjourned regular or special meeting to Directors absent from the original meeting if the adjourned meeting is held more than four (4) hours from the time of the original meeting.

**4.10.5 Contents of Notice.** Notice of meetings not herein dispensed with shall specify the place, day and hour of the meeting. The purpose of any Board meeting need not be specified in the notice, except that specific topics requiring Board action shall be listed in an enclosed agenda, to the extent required by the Brown Act or other applicable laws and regulations. The Board may set time limits for discussion of each or any agenda item contained in the notice.

**4.10.6 Waiver of Notice and Consent to Holding Meetings.** The transaction of any meeting of the Board of Directors, however called and noticed or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as herein defined, is present and provided that either before or after the meeting each Director not present signs a waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting. The remainder of this section notwithstanding, such waivers of notice and proceedings shall be valid only to the extent to which the meeting was nonetheless held in compliance with the Brown Act and all other applicable laws and regulations.

**4.10.7 Conduct of Meetings.** Meetings of the Board of Directors shall be presided over by the Chairperson of the Board, or, if no such person has been so designated or in his or her absence, the President of the corporation or in his or her absence, by the Chief Financial Officer or Secretary or in the absence of these persons, by an acting Chairperson chosen in accordance with Article V, Section 5.1 by the Directors present at the meeting. The Secretary or Chief Financial Officer of the corporation shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding Officer shall appoint another person to act as Secretary of the Meeting.

**4.10.8 Time Limits.** Each person present at a meeting of the Board of Directors may speak briefly regarding the agenda items. The Chairperson of the meeting may set a time limit for each speaker, as well as a cumulative time limit for all speakers. The Chairperson may waive or extend the time limit for any speaker(s) or any agenda items without prejudice to enforcing the time limits for any other speaker(s) or agenda items.

#### **Section 4.11 Board Action.**

**4.11.1 Quorum.** A majority of the authorized number of Directors constitutes a quorum. Except as otherwise provided in these Bylaws or in the Articles of Incorporation of this corporation, or by law, no business shall be considered by the Board at any meeting at which a quorum, as herein defined, is not present, and the only motion which the Chairperson shall entertain at such meeting is a motion to adjourn. The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation, or the Bylaws of this corporation.

**4.11.2 Majority and Board Action.** Every act or decision executed or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, except to the extent that any of the following require a greater percentage or different voting rules for approval of a matter by the Board:

*4.11.2.1* the Articles of Incorporation or Bylaws of this corporation, or

*4.11.2.2* provisions of the California Nonprofit Public Benefit Corporation Law, particularly those provisions relating to appointment of committees (Section 5212), approval of contracts or transactions in which a director has a material financial interest (Section 5233), and indemnification of Directors (Section 5238(e)).

**4.11.3 Action By the Board of Directors.** No action shall be taken (as defined in Section 54952.6 of the Brown Act) by the Board of Directors in violation of the Brown Act or other applicable laws and regulations, including but not limited to the right of the public to public notice of meetings (as defined in Section 54952.2 of the Brown Act), and attendance at Board meetings other than those sessions which are closed in accordance with the Brown Act and other applicable laws.

## ARTICLE V OFFICERS

**Section 5.1 Number of Officers.** The Officers of this corporation shall include a President/Chief Executive Officer, a Chief Financial Officer and a Secretary. The President shall also serve as the Chairperson of the Board of Directors and must be an elected member of the Board of Directors. The Secretary and the Chief Financial Officer may be members of the Board of Directors, but are not required to be Directors. The corporation may also designate, as determined by the Board of Directors from time to time, a Chairperson of the Board, one or more Vice Presidents, Assistant Secretaries, Assistant Chief Financial Officers, or other Officers. Any number of offices may be held by the same person, except that neither the Secretary nor the Chief Financial Officer may simultaneously serve as either the President or the Chairperson of the Board. Neither the Administrator Representative nor the Government Representative shall serve as Chairperson of the Board.

**Section 5.2 Qualifications, Appointment and Term.** Any natural person of legal majority may serve as an Officer of this corporation. Officers shall be appointed by the Board of Directors, from time to time, and each Officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be appointed and qualified, whichever occurs first.

**5.2.1 Sub Officers.** The Board of Directors may appoint such other Officers or agents as it may deem desirable, and such Officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

**5.2.2 Removal and Resignation.** Any Officer may be removed, either with or without cause, by the Board of Directors, at any time. Any Officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any Officer of the corporation.

**5.2.3 Vacancies.** Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any Officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board

shall fill the vacancy. Vacancies occurring in offices of Officers appointed at the discretion of the Board may or may not be filled, as the Board shall determine.

### **Section 5.3 Duties of Officers.**

**5.3.1 President and Chief Executive Officer.** The President shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the Officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chairperson of the Board of Directors, he or she shall preside at all meetings of the Board of Directors. If applicable, the President shall preside at all meetings of the Members. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

**5.3.2 Vice President.** In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

**5.3.3 Secretary.** The Secretary shall:

- 5.3.3.1 Certify and keep at the principal office of the corporation the original, or a copy of these Bylaws as amended or otherwise altered to date;
- 5.3.3.2 Keep at the principal office of the corporation, or at such other place as the Board may determine, a book of minutes of all meetings of the Directors and, if applicable, meetings of committees of Directors and of Members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof;
- 5.3.3.3 See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;
- 5.3.3.4 Be custodian of the records of the corporation;
- 5.3.3.5 If the corporation has a seal, keep a copy of the seal and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the corporation under its seal is authorized by law or these Bylaws;
- 5.3.3.6 Keep at the principal office of the corporation a Membership book containing the name and address of each and any Members, and, in the case where any Membership has been terminated, he or she shall record such fact in the Membership book together with the date on which such Membership ceased;
- 5.3.3.7 Exhibit at all reasonable times to any Director of the corporation, or to his or her agent or attorney, on request therefor, the Bylaws, the Membership book, and the minutes of the proceedings of the Directors of the corporation; and
- 5.3.3.8 In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

**5.3.4 Chief Financial Officer.** Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and Funds," the Chief Financial Officer shall:

- 5.3.4.1 Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation

in such banks, trust companies, or other depositories as shall be selected by the Board of Directors;

- 5.3.4.2 Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever;
- 5.3.4.3 Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements;
- 5.3.4.4 Be available, or through an authorized designee be available, on a daily basis to make disbursements;
- 5.3.4.5 Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- 5.3.4.6 Exhibit at all reasonable times the books of account and financial records to any director of the corporation, or to his or her agent or attorney, on request therefor;
- 5.3.4.7 Render to the President and Directors, whenever requested, an account of any or all of his or her transactions as Chief Financial Officer and of the financial condition of the corporation;
- 5.3.4.8 Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports; and
- 5.3.4.9 In general, perform all duties incident to the office of Chief Financial Officer and such other duties as may be required by law, by the Articles of Incorporation of the corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

**Section 5.4 Compensation.** Officers shall serve without any compensation for their service as Officers. Officers may receive a reasonable advance or reimbursement of expenses incurred in the performance of their duties as may be fixed or determined by resolution of the Board of Directors and in accordance with Cal Corp. Code §315. Officers may not be compensated for rendering services to the corporation in any capacity other than Director or Officer unless such other compensation is reasonable and is allowable under the provisions of Section 5.5, "Conflict of Interest".

**Section 5.5 Conflict of Interest.** Officers are subject to the conflict of interest rules under Section 1090 and 81000, *et seq.* of the California Government Code and other applicable laws.

## ARTICLE VI COMMITTEES

**Section 6.1 Committees.** The Board may establish committees, other than an executive committee, each consisting of two or more Directors, in accordance with Section 5212 of the California Nonprofit Corporation Law.

**Section 6.2 No Executive Committee.** The Board shall not establish or delegate its powers to any "Executive Committee" in the sense usually described in the Bylaws of non-profit corporations.

**Section 6.3 Advisory Committees.** The corporation may create such other committees as may from time to time be designated by resolution of the Board of Directors. Such other committees may consist of persons who are not also Members of the Board. These additional committees shall act in an advisory capacity only to the Board and shall be clearly titled as "advisory" committees. Such committees shall operate in accordance with the applicable provisions of the Brown Act.

**Section 6.4 Nominating Committee.** The Nominating Committee shall consist of Members of the corporation, elected by the Board and by the Membership.

**6.4.1 Composition.** The members of the committee shall consist of five (5) members. No member of the Nominating Committee may be a current Director or Officer or a candidate for nomination to the Board.

*6.4.1.1 Board-Elected Members:* Two of the members of the Nominating Committee shall be elected by the Board (“Board-Elected Positions”). Each of these must be a Member of the corporation.

*6.4.1.2 Membership-Elected Members.* Three (3) members shall be elected at the Annual Meeting of the Membership. At least one of these shall be a parent or guardian of a student in the school (“Family Position”), and one shall be a member of the school faculty or staff (“Staff Position”), with the third open to any member (“Open Position”).

**6.4.2 Nomination.** Nomination to the Nominating Committee shall be conducted in the same manner as for Board Members.

**6.4.3 Election.** Election shall be by written ballot. Each Director may cast one vote for each Board-Elected position. Family Members may cast one vote, as a family, for each of the membership-elected position. All other Members may cast one vote for each of the membership-elected positions. Those candidates receiving the highest number of votes for the appropriate category (Board-Elected, Parent, Staff, or Open) shall be considered elected.

**6.4.4 Term.** Members of the Nominating Committee shall serve for a one (1) year term. No member of the Nominating Committee shall serve for more than two (2) consecutive terms.

**6.4.5 Resignations and Removals.** Removals shall be conducted according to the procedures established for the Board of Directors, in Article IV, Section 4.6.

**6.4.6 Vacancies.** Vacancies shall be temporarily filled by appointment of the board, until the next meeting at which such elections may normally be held.

**6.4.7 Duties.** The duties of the Nominating Committee shall be to:

*6.4.7.1* present to the Membership a slate of candidates for Director positions and for the Nominating Committee, whether those positions must be filled as a consequence of resignation, removal or in the regular course of election;

*6.4.7.2* present at least one (1) name for each vacant position;

*6.4.7.3* if a Member seeks to nominate an individual for a position, and that individual is interested in so serving, the Nominating Committee shall include that nominee’s name on the slate;

*6.4.7.4* confirm the qualifications and eligibility of each candidate and to confirm their willingness to serve; and

*6.4.7.5* present the Membership with a written, objective description of the background qualifications of each candidate no less than fourteen (14) calendar days prior to any meeting held to elect one or more Directors.

*6.4.7.6* periodically, and at least annually, present to the Board a list of volunteers who have been recommended for Volunteer Member status by other Members of the corporation, together with a description of each volunteer’s significant service to the school.

**Section 6.5 Membership Committees.** The corporation may create additional committees appropriate to operation of the corporation or of its school(s) as required by these Bylaws and by applicable law. Such committees may consist of persons who are not also Members of the Board but will consist of Members of the corporation. Unless otherwise determined by the board, such committees shall be elected and conducted in the same manner as the Nominating Committee, as described in Section 6.4 of this Article.

**Section 6.6 Meetings and Action of Committees.** Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the Advisory Committee and its Members for the Board of Directors and its Members, except that the time for meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws. In particular, the Board may determine whether the meetings of any particular advisory committee shall be exempted from the public notice provisions of these Bylaws, so long as such exemption is not in violation of the Brown Act or other applicable laws or regulations.

## **ARTICLE VII MEMBERS**

### **Section 7.1 Determination of Type of Membership and Rights of Members.**

**7.1.1** No Member shall hold more than one type of Membership per year in the corporation. A person who qualifies for more than one type of Membership may select, at his or her discretion, but only once each year, the type of Membership that the person shall hold for that year.

**7.1.2** Except as expressly provided in or authorized by the Articles of Incorporation or Bylaws of this corporation, all Memberships shall have the same rights, privileges, restrictions and conditions. A Member of the corporation has the following rights as more specifically delineated in these bylaws: the right to vote to (i) elect the Nominating Committee, (ii) elect the Board of Directors, (iii) amend the Bylaws as set forth in Article XI, (iv) amend the Articles of Incorporation as set forth in Article XI and (v) provide an advisory vote at the request of the Board of Directors.

**Section 7.2 Voluntary Membership.** Apart from the few exceptions noted below, Membership in the corporation is voluntary and shall not be a condition of enrollment in the school, employment by the school or the corporation, or acceptance of volunteer support. All qualifying individuals shall be duly informed of their eligibility for membership, the associated responsibilities, and the right to decline membership. Once an individual has chosen to be a member, that Membership shall roll over from year to year so long as the Member (i) has at least one child attending the school, (ii) remains in good standing or (iii) has not informed the corporation that he or she no longer desires to be a member. Cessation of membership shall not affect a child's right to attend the school. Only the following individuals are automatically considered to be Members: the Granting District (a nonvoting member), the Officers, and the Directors, including the Administrative Director.

**Section 7.3 Qualifications and Types of Members.** No person shall be denied membership in this corporation based on race, ethnicity, color, religion, national origin, gender, disability, or sexual orientation. Any natural person who subscribes to and desires to help further the purposes of this corporation may choose to become a Member of the corporation for the duration of the current fiscal year by fulfilling any one or more of the following Membership conditions:

**7.3.1 Family Member** by virtue of relation to student ("Family"), which may be:

**7.3.1.1** One or both parents or legal guardian(s);

**7.3.1.2** In addition to one parent, one Sponsor designated by the student's family. A Sponsor is defined as a relative other than a parent, a family friend, or a community member who is selected by the parent or legal guardian not only

to fulfill the Family Participation Plan but also to support the student's progress in school;

7.3.1.3 For purposes of Section 7.12.2 below, no more than two Family Members, whether a parent, legal guardian or Sponsor, may participate in a voice vote.

7.3.1.4 Parents, guardians, and Sponsors shall not be required to become Family Members. No student's enrollment in the school shall be hindered by the choice of the family or sponsors to accept or decline Membership rights and responsibilities or by any action which terminates those Membership rights.

**7.3.2 Staff Member** by virtue of employment by the corporation ("Staff"), provided that employment is for an annual average of not less than three (3) hours per week. Staff members are full- or part-time employees, but may not be independent contractors. No staff member's employment may be conditioned upon membership in the corporation; however, the administration may require staff to attend meetings, provide appropriate information on school activities, and otherwise interact with the Membership, to the extent that it serves the academic purposes of the school.

**7.3.3 Volunteer Member** by virtue of performing significant service to the school(s) over a twelve (12) month period, an individual may be nominated to Volunteer Member status by the Nominating Committee. Such nominees will be approached by the Committee to confirm their willingness to accept the nomination. The Board will review and, at its discretion, confirm such accepted nominations by a majority vote. Qualification for continuing such membership shall be reviewed by the Board on an annual basis. No volunteer shall be forced to accept Membership.

**7.3.4 Officer Member** by virtue of serving as an Officer of the corporation. ("Officer").

**7.3.5 Director Member** by virtue of serving as a Director of the corporation ("Director").

**7.3.6 Launch Team Member** by virtue of having served on the Launch Team, defined as a person having logged a minimum of one hundred and fifty (150) hours of service directly and productively in support of (i) the creation of this corporation prior to the first enrollment period for the first charter school sponsored by this corporation and/or (ii) its associated school(s) prior to the first enrollment period for the charter school so supported by the prospective Member. An individual having provided the required service must choose to accept or decline Launch Team membership no later than the end of the first enrollment period.

**7.3.7 Granting District Member** by virtue of the local school district granting a school charter to the corporation ("Grantor"). The local educational authority(ies) chartering any school operated by the corporation under California AB544 or similar future legislation is considered a non-voting Member. It is the responsibility of the Charter-granting District to designate an individual to represent that agency at Member meetings.

#### **Section 7.4 Fees, Dues, and Assessments**

**7.4.1** No fees shall be charged for making application to or for becoming a Member of the corporation.

**7.4.2** No annual dues shall be payable to the corporation by its Members.

#### **Section 7.5 Family Participation**

**7.5.1 Participation.** Each annual enrollment of a student at a school operated by this corporation creates for that student and his or her family an opportunity for the parents, guardians and/or sponsors to plan their support for the student and his or her school. Each year, the needs of the student, the capabilities and priorities of the

families, and planned schoolwide activities shall be taken into account in formulating a set of goals for the student, family and school. Either one or both of the student's parents, guardians or sponsor(s) may contribute to the accomplishment of the goals established by this individualized participation plan.

**7.5.2 Written Participation Plan.** The annual participation plan for each student and family shall be set forth in writing ("Participation Plan"). The Participation Plan shall be executed on behalf of the School by the Administrative Representative or his/her designee; a parent, guardian or sponsor will be encouraged, but not required, to participate in creation of the plan and to sign the Participation Plan on behalf of the student and family.

*7.5.2.1 Time of Plan.* For new students, this Participation Plan will be created at the time the student is enrolled. For continuing students, the Participation Plan applicable to the following year will be established no later than the end of the current academic year.

*7.5.2.2 Term of Plan.* The time period for satisfying the goals of the Participation Plan shall correspond to the academic year, and the Participation Plan shall be designed to allow reasonable measurable progress towards completion by the close of the academic year. For the purposes of this section, the "academic year" includes the school vacation period that precedes the start of the active school year. A Participation Plan does not "roll over" from year to year.

*7.5.2.3 Elements.* Participation Plans shall be uniform in their requirement that all parents, guardians or Sponsors support the goals of the School by active support of their own child's work and the school.

*7.5.2.4 Individualization.* The Participation Plan shall be tailored to address the student's academic needs and the reasonable needs of the School, while reasonably accommodating the capabilities and life situation of the parents, guardians or Sponsor[s]. The Board shall adopt a procedure to implement individualized Plans.

*7.5.2.5 Review and Revision.* The Participation Plan shall be reviewed no later than the first parent-teacher conference period and may be revised in order to accommodate the family's needs or to better serve the student's needs, upon discussion among the family, the teacher, and the administration.

*7.5.2.6 Waivers.* The Board of Directors may grant a waiver of all or part of the Participation Plan at its sole discretion, taking into account unusual hardship or other special circumstances, provided that the number of such exceptions granted is small, relative to the total number of enrolled students, and that the factors considered in granting such exceptions are objective, appropriate, and applied in an equitable fashion. Prior to granting waivers, the Board will exhaust all other options, including assisting the family in obtaining a Sponsor. Under no circumstances will such a waiver affect the right of a Member's child to attend the school or of the family and child to participate in school-sponsored activities.

*7.5.2.7 Resolution.* In the special case of parents, guardians and sponsors who have chosen to accept Family Membership but have been unable to meet the goals of their individualized Participation Plan, even after appropriate revision through the normal review process, the Family Members may request a meeting with the Board to resolve the situation. If waivers are inappropriate and no other resolution is available in the near term, the Board and these Family Members may agree to place a temporary hold on the Family Members' rights to vote and/or hold office, until such time as the goals can be satisfied. Under no circumstances will such a temporary hold affect the right of a Member's child to attend the school or of the family and child to participate in school-sponsored activities.

- Section 7.6 Standing Of Members.** Only a Member In Good Standing is entitled to the rights and privileges of Members of the corporation. A Member that is not In Good Standing may not be a candidate for a Director or Officer position in the corporation. Members shall be considered In Good Standing under the following conditions:
- 7.6.1 Family Member:** Family Members must have a student attending the school and meet the goals set forth in any applicable Participation Plan entered into on behalf of that Family's student(s) attending the school.
  - 7.6.2 Staff Member:** The Staff Member satisfactorily provides service to the School, pursuant to his or her employment contract.
  - 7.6.3 Volunteer Member:** In the opinion of the Nominating Committee and/or the Board, the individual continues to contribute significant hours of work to one or more schools.
  - 7.6.4 Officer Member:** Fulfills the duties of the Office. It is at the discretion of the Board of Directors to determine whether those duties are adequately performed.
  - 7.6.5 Director Member:** Fulfills the responsibilities of a Director of the Board. A Director remains in Good Standing unless voted out of Good Standing by the remaining Directors or Members.
  - 7.6.6 Launch Team Member:** A Launch Team Member is in Good Standing if the required one hundred fifty (150) hours of service towards the creation of the corporation or it(s) schools is completed prior to the beginning of the first enrollment period. Launch Team Membership converts to Family Membership upon the beginning of the Academic Year for the first year the family enrolls students in the school. Thereafter, the obligations of a Family Member must be satisfied to maintain Membership in Good Standing.
  - 7.6.7 Grantor Member:** The Grantor Member remains in Good Standing as long as the Charter school remains active. If the individual appointed by the Charter-granting District fails to attend either three successive or more than 50% of the Board Meetings in one year, the Board is entitled to request that a different individual be appointed.
- Section 7.7 Number of Members.** There is no limit on the number of Members the corporation may admit.
- Section 7.8 Membership Book.** The corporation shall keep a Membership book containing the name and address of each Member. Termination of the Membership of any Member shall be recorded in the book, together with the date of termination of such Membership and reason for termination. Such book shall be kept at the corporation's principal office and shall be available for inspection by any director or Member of the corporation during regular business hours. The record of names and addresses of the Members of this corporation shall constitute the Membership list of this corporation and shall not be used, in whole or in part, by any person for any purpose not reasonably related to a Member's interest as a Member.
- Section 7.9 Non-Liability of Members.** A Member of this corporation is not, as such, personally liable for the debts, liabilities, or obligations of the corporation.
- Section 7.10 Nontransferability of Memberships.** Except with regard to a parent requesting that a Sponsor become a Family Member, no Member may transfer a Membership or any right arising therefrom. All rights of Membership automatically cease upon the Member's death.
- Section 7.11 Termination of Membership.** This section does not apply to expulsion of students; it applies only to termination of a Member's rights. Provided that no Member shall be terminated unless that individual has first been accorded all of his or her due process

protections under applicable laws; and that the Membership of Staff Members shall not be terminated unless such Members have first been accorded all of their employment and due process protections under applicable law, the Membership of a Member shall terminate upon the occurrence of any of the following events:

**7.11.1** Upon election and notice by the Member that he or she no longer desires to be a Member. Notice of such a desire to terminate membership may be given in writing to the Administrative Representative. Upon his or her notice of such desired termination delivered to the President or Secretary of the corporation personally or by mail, such Membership to terminate upon the date of delivery of the notice or date of deposit in the mail. In the case of a Family Member, such notice and termination shall have no effect on the child's enrollment at the school or on the parent's or guardian's participation in day-to-day activities of the school.

**7.11.2** Upon notice that a student has chosen to withdraw from the school. Such notice may be given by the Family Member to the Administrative Representative (Principal or Assistant Principal) orally or in writing. Upon his or her notice of such termination delivered to the President or Secretary of the corporation personally or by mail, such Membership to terminate upon the date of delivery of the notice or date of deposit in the mail.

**7.11.3** Upon determination by the Board of Directors that the Member has engaged in conduct materially and seriously prejudicial to the interests or purposes of the corporation (including, but not limited to, improper use of confidential information such as Membership lists). Following such determination, the following procedure shall be implemented:

*7.11.3.1* A notice shall be sent by first-class or registered mail to the last address of the Member as shown on the corporation's records, setting forth the termination of membership and the reasons therefor. Such notice shall be sent at least ten (10) days before the proposed effective date of the termination.

*7.11.3.2* The Member notified of such termination shall be given an opportunity to be heard, either orally or in writing, at a hearing to be held not less than five (5) days before the effective date of the proposed termination. The hearing will be held by the Board of Directors in accordance with the same quorum and voting rules set forth in these Bylaws applicable to other meetings of the Board. The notice to the Member of his or her proposed termination of membership shall state the date, time, and place of the hearing on the proposed action.

*7.11.3.3* Following the hearing, the Board of Directors shall decide whether or not the individual's Membership should in fact be terminated, suspended, or sanctioned in some other way. The decision of the Board of Directors as to termination of Membership shall be final.

*7.11.3.4* Such termination, if applied to a Family Member, shall not affect the child's right to attend the school.

**7.11.4** Upon termination of the employment of a Staff Member who is a Member only by virtue of that employment;

**7.11.5** Upon revocation (or failure to renew, beyond the time required for renewal) of the Charter by that local educational authority which was a Grantor;

**7.11.6 Rights on Termination of Membership** All Membership rights of a Member in the corporation shall cease on termination of Membership as herein provided. Termination of Membership rights shall not affect a child's right to attend the School. Voluntary membership termination under Section 7.11.1 shall not affect a staff member's continued employment or acceptance of a volunteer's continued contribution of assistance. No former Member shall be entitled to any form of compensation for volunteer service rendered previously to the corporation or for

service rendered under a Participation Plan. However, former Members by virtue of employment would normally remain entitled to whatever compensation they would have otherwise been entitled to as former employees.

**7.11.7 Amendments Resulting in the Termination of Membership.** Notwithstanding any other provision of these Bylaws, if any amendment of the Articles of Incorporation or of the Bylaws of this corporation would result in the termination of all Memberships or any class of Memberships, then such amendment or amendments shall be effected only in accordance with the provisions of Section 5342 of the California Nonprofit Public Benefit Corporation Law.

## **Section 7.12 Meetings of Members.**

**7.12.1 Place of Meetings.** Meetings of Members shall be held at any place that may be designated by the Board of Directors in accordance with Section 54954(b) of the California Government Code and other applicable laws. Unless otherwise so designated, the meetings shall be held at the principal office of the corporation designed in Article II, Section 2.1 of these Bylaws.

**7.12.2 Annual Meetings.** The Members shall meet annually on the fourth Tuesday of May in each year, at 7:00 PM, for the purpose of electing Directors, the next year's Nominating Committee and transacting other business as may come before the meeting. The Board may modify the date and time of the annual meeting, provided due notice of such change is provided to all members as described in Section 7.12.4 of this Article. Cumulative voting for the election of Directors shall not be permitted. The candidates receiving the highest number of votes, up to the number of Directors to be elected, shall be elected. Except as set forth in Article VII, Section 7.13.3, each Member in Good Standing shall be entitled to cast one vote for the Community Director(s) and one vote for the director representing their Member group, if any. The annual meeting of Members for the purpose of electing Directors shall be deemed a regular meeting and any reference in these Bylaws to regular meetings of Members refers to this annual meeting. If the day fixed for the annual meeting or other regular meetings falls on a legal holiday, such meeting shall be held at the same hour and place on the next business day.

**7.12.3 Special Meetings.** Special meetings of the Members shall be called by the Board of Directors, the Chairperson of the Board, or the President of the corporation. In addition, special meetings of the Members for any lawful purposes may be called by petition signed by five percent (5%) or more of the Members of record. Such meetings shall be called in accordance with the Brown Act and other applicable laws.

### **7.12.4 Notice of Meetings.**

*7.12.4.1 Time of Notice.* Whenever Members are required or permitted to take action at a meeting, a written notice of the meeting shall be given by the Secretary of the corporation not less than ten (10) nor more than ninety (90) days before the date of the meeting to each Member who, on the record date for the notice of the meeting, is entitled to vote thereat, provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given twenty (20) days before the meeting.

*7.12.4.2 Manner of Giving Notice.* Notice of a Members' meeting or any report shall be given either personally or by mail or other means of written communication, addressed to the Member at the address of such Member appearing on the books of the corporation or given by the Member to the corporation for the purpose of notice; or if no address appears or is given, at the place where the principal office of the corporation is located or by publication of notice of the meeting at least once in a newspaper of general circulation in the county in which the principal office is located. Notice

shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication, including email provided that the person has on record with the corporation an email address to be used for this purpose.

7.12.4.3 *Contents of Notice.* Notice of a Membership meeting shall state the place, date, and time of the meeting. In addition:

7.12.4.3.1 In the case of a special meeting, the notice must state the general nature of the business to be transacted, and no other business may be transacted at that meeting.

7.12.4.3.2 In the case of a regular meeting, those matters which the Board, at the time notice is given, intends to present for action by the Members must be stated in the notice. However, subject to any provision to the contrary contained in these Bylaws or the Brown Act, or other applicable laws and regulations, any proper matter may be presented at a regular meeting for appropriate action.

7.12.4.3.3 The notice of any meeting of Members at which Directors are to be elected shall include the names of all those who are nominees at the time notice is given to Members.

7.12.4.4 *Notice of Meetings Called by Members.* If a special meeting is called by Members as authorized by these Bylaws, the request for the meeting shall be submitted in writing, specifying the general nature of the business proposed to be transacted and shall be delivered personally or sent by registered mail or by facsimile to the Chairperson of the Board, President, Vice President or Secretary of the corporation. The Officer receiving the request shall promptly cause notice to be given to the Members entitled to vote that a meeting will be held, stating the date of the meeting. The date for such meeting shall be fixed by the Board and shall not be less than thirty-five (35) nor more than ninety (90) days after the receipt of the request for the meeting by the Officer. If the notice is not given within twenty (20) days after the receipt of the request, persons calling the meeting may give the notice themselves.

7.12.4.5 *Waiver of Notice of Meetings.* The transactions of any meeting of Members, however called and noticed, and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present and if, either before or after the meeting, each of the persons entitled to vote, but not present, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Waiver of notices or consents need not specify either the business to be transacted or the purpose of any regular or special meeting of Members, except that if action is taken or proposed to be taken for approval of any of the matters specified in subparagraph 7.12.4.6 of this section, the waiver of notice or consent shall state the general nature of the proposal.

7.12.4.6 *Special Notice Rules for Approving Certain Proposals.* If action is proposed to be taken or is taken with respect to the following proposals, such action shall be invalid unless the general nature of the proposal is stated in the notice of meeting or in any written waiver of notice or unless the action is unanimously approved by those entitled to vote:

7.12.4.6.1 Removal of Directors without cause;

7.12.4.6.2 Filling of vacancies on the Board by Members, including vacancies for Special Directors where the appropriate constituency has failed to fill a vacancy for more than sixty (60) days;

7.12.4.6.3 Amending the Articles of Incorporation or the Bylaws; and

7.12.4.6.4 An election to voluntarily wind up and dissolve the corporation.

7.12.4.7 *Adjourned Meetings.* When a meeting is adjourned for lack of a sufficient number of Members at the meeting or otherwise, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at such meeting other than by announcement at the meeting at which the adjournment is taken of the time and place of the adjourned meeting. However, if after the adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each Member who, on the record date for notice of the meeting, is entitled to vote at the meeting. A meeting shall not be adjourned for more than two (2) days.

7.12.4.8 *Brown Act Compliance.* Any provisions of this section notwithstanding, reasonable notice shall be given in accordance with the Brown Act and all other applicable laws and regulations.

**7.12.5 Conduct of Meetings.** Meetings of Members shall be presided over by the Chairperson of the Board, or, if there is no Chairperson, by the President of the Corporation or, in his or her absence, by the Vice President of the Corporation or, in the absence of all of these persons, by a Chairperson chosen by a majority of the voting Members present. The Secretary of the corporation shall act as Secretary of all meetings of Members, provided that, in his or her absence, the presiding Officer shall appoint another person to act as Secretary of the meeting. Meetings shall be conducted using such procedures as may be devised from time to time by the Board of Directors, insofar as such procedures are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this corporation, or with any provision of law.

### **Section 7.13 Membership Action.**

**7.13.1 Subjects of Membership Action.** In the ordinary course of events, only five items shall be subject to Membership action: (i) election of the Nominating Committee (ii) election of the Board of Directors as described in these Bylaws, (iii) amendment of the Bylaws as set forth in Article XI, (iv) amendment of the Articles of Incorporation as set forth in Article XI and (v) provision of an advisory vote at the request of the Board of Directors. Amendment, adoption and repeal of the Bylaws or Articles of Incorporation may also be made by the Board of Directors as set forth in Article XI unless the action would materially and adversely affect the rights of the Members as to voting or transfer.

**7.13.2 Quorum.** A quorum for general business shall consist of one-third (1/3) of the Members of record of the corporation. For election of the Family Representative, quorum shall require one-third (1/3) of the Family Members In Good Standing. For election of the Staff Representative, quorum shall require one-third (1/3) of the Staff Members In Good Standing. The Members present at a duly called and held meeting at which the necessary quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Members from the meeting, provided that any action taken after the loss of a quorum must be approved by at least a majority of the Members required to constitute a quorum. In the absence of a quorum, any meeting of the Members may be adjourned from time to time by the vote of a majority of the votes represented in person or by proxy at the meeting, but no other business shall be transacted at such meeting. Notwithstanding any other provision of this Article, if this corporation authorizes Members to conduct a meeting with a quorum of less than one-third (1/3) of the voting power, then, if less than one-third (1/3) of the voting power actually attends a regular meeting, in person or by proxy, then no action may be taken on a matter unless the general nature of the matter was stated in the notice of the regular meeting.

**7.13.3 Voting.** Voting at duly held meetings may be by voice vote by Members. . Election of Directors, removal of Directors, Amendments to Bylaws or Amendments to the Articles of Incorporation shall all be by written ballot. Advisory votes may be

by voice vote. Each Member is entitled to one vote on each matter submitted to a vote by the Members, with the exception that voting for certain Board Positions is limited as follows:

*7.13.3.1 Staff Member.* Each Staff Member is entitled to one vote.

*7.13.3.2 Family Member.* Although each Family (defined as the parents, guardians, and Sponsors for a particular student enrolled in the school) may have more than one Member, for purposes of any vote cast by written ballot, each Family is entitled to only one vote.

*7.13.3.3 Volunteer Member.* Each Volunteer Member is entitled to one vote;

*7.13.3.4 Officer Member.* Each Officer Member is entitled to one vote.

*7.13.3.5 Director Member.* Each Director member is entitled to one vote;

*7.13.3.6 Launch Team Member.* Each Launch Team Member is entitled to one vote;

*7.13.3.7 Grantor Member.* The Granting District Member is a Non-voting Member and is not entitled to a vote.

**7.13.4 Majority and Membership Action.** Every act or decision done or made by a majority of voting Members present in person or by proxy or absentee ballot at a duly held meeting at which a quorum is present is the act of the Members, unless the law, the Articles of Incorporation of this corporation, or these Bylaws require either a greater number of the total membership or, as in the case of Board elections, majorities of certain Member categories.

**7.13.5 Proxy Voting.** Members shall not be permitted to vote or act by proxy; no provision in this or other Sections of these Bylaws referring to proxy voting shall be construed to permit any Member to vote or act by proxy.

**7.13.6 Absentee Ballots.** The Board of Directors may establish a special procedure to allow for absentee ballots, for individuals who present compelling reasons for being unable to attend a meeting of Members. Any such procedure will specify a range of criteria and either a committee or a designated official to approve such exceptions, whose decision as to the need for an absentee ballot shall be final. Such an absentee ballot procedure shall be allowed wherever voting by proxy might otherwise have been permissible by law. Members entitled to vote by a written absentee ballot executed by such person or by his or her duly authorized agent and filed with the Secretary of the corporation, may subsequently vote in person or by ballot. An absentee ballot is revocable and may be revoked for any reason prior to the election, following procedures for proxy revocation given in Section 5613 of the California Nonprofit Public Benefit Corporation Law. All absentee ballots shall state the matters to be voted on, and, in the case of an absentee ballot given to vote for the election of Directors, shall list those persons who were nominees at the time the notice of the vote for election of Directors was given to the Members. Absentee ballots shall afford an opportunity for the Member to specify a choice between approval and disapproval for each matter or group of related matters intended, at the time the ballot is distributed, to be acted upon at the meeting to which the ballot applies. The absentee ballot shall also provide that when the person solicited specifies a choice with respect to any such matter, their vote shall be deemed cast in accordance therewith.

**7.13.7 Action By Written Ballot Without a Meeting.** The corporation shall not conduct regular or special meetings of the Membership by written ballot without a meeting, unless all actions taken are by the unanimous written consent of all Members of record.

**7.13.8 Nomination Procedures.** Generally, in addition to the candidates slated by the Nominating Committee, any person who is qualified to be elected to the Board of Directors may be nominated at or before the Annual Meeting of Members held for the purpose of electing Directors by any Member present at the meeting. The corporation shall provide reasonable procedures and means for members to nominate persons for election to the Board. However, if the corporation has five hundred (500) or more

Members, any of the additional nomination procedures specified in subsections (a) and (b) of Section 5221 of the California Nonprofit Public Benefit Corporation Law may be used to nominate persons for election to the Board of Directors. If this corporation has five thousand (5,000) or more Members, then the nomination and election procedures specified in Section 5522 of the California Nonprofit Corporation Law shall be followed by this corporation in nominating and electing persons to the Board of Directors.

**7.13.9 Election Procedures.** This corporation shall make available to Members procedures with respect to the election of Directors by Members. Such procedures shall take into account the nature, size and operations of the corporation, and shall include reasonable means and opportunities for:

*7.13.9.1* a nominee to communicate to the Members the nominee's qualifications and the reasons for the nominee's candidacy,

*7.13.9.2* all nominees to solicit support, and

*7.13.9.3* all Members to choose among the nominees.

**7.13.10 Provision of Information Pursuant to Elections.** Upon the written request by any nominee to the Board and the payment with such request of the reasonable costs of copying and mailing (including postage), the corporation shall, within ten (10) business days after such request (provided payment has been made) mail to all Members or such portion of them that the nominee may reasonably specify, any material which the nominee shall furnish and which is reasonably related to the election, unless the corporation within five (5) business days after the request allows the nominee, at the corporation's option but with reminders to the nominee of the confidentiality of the information and the consequences for misuse delineated in Sections 7.7 and 7.10.2 of this Article, the right to do either of the following:

*7.13.10.1* inspect and copy the record of all Members' names, addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand upon the corporation, which demand shall state the purpose for which the inspection rights are requested; or

*7.13.10.2* obtain from the Secretary, upon written request and payment of a reasonable charge, a list of the names, addresses and voting rights of those Members entitled to vote for the election of directors, as of the most recent record date for which it has been compiled or as of any date specified by the nominee subsequent to the date of request. The request shall state the purpose for which the list is requested and the Membership list shall be made available on or before the later of ten (10) business days after the demand is received or after the date specified therein as the date as of which the list is to be compiled.

**7.13.11 Equal Provision of Election Material.** If the corporation distributes any written election material soliciting votes for any nominee for director at the corporation's expense, it shall make available, at the corporation's expense, to each other nominee, in or with the same material, the same amount of space that is provided any other nominee, with equal prominence, to be used by the nominee for a purpose reasonably related to the election.

**7.13.12 Action by Members.** No action shall be taken (as defined in Section 54952.6 of the Brown Act) by the Members in violation of the Brown Act or other applicable laws and regulations, including but not limited to the right of the public to public notice of meetings (as defined in Section 54952.2 of the Brown Act), and attendance at Member meetings other than those sessions which are closed in accordance with the Brown Act and other applicable laws.

**7.13.13 Record Date for Meetings.** The record date for purposes of determining the Members entitled to notice, voting rights, written ballot rights, or any other right with respect to a meeting of Members or any other lawful Membership action, shall be

fixed pursuant to Section 5611 of the California Nonprofit Public Benefit Corporation Law.

## **ARTICLE VIII EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

- Section 8.1 Execution of Instruments.** The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of, and on behalf of, the corporation, and to issue checks in a nominal amount for the day to day operations of the school, and such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.
- Section 8.2 Checks and Notes.** Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, warrants issued by the County Treasurer and other evidence of indebtedness of the corporation shall be signed by the Chief Financial Officer and countersigned by the President of the corporation.
- Section 8.3 Deposits.** All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as agreed to by the Board of Directors and the County of Santa Clara.
- Section 8.4 Gifts.** The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the charitable or public purposes of this corporation.

## **ARTICLE IX CORPORATE RECORDS AND REPORTS**

- Section 9.1 Maintenance of Corporate Records.** The corporation shall keep at its principal office in the State of California:
- 9.1.1** 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, such information to be used only for the intended purposes of conducting the proper business of the corporation;
- 9.1.2** Adequate and correct books and records of account, including accounts of its employees, properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- 9.1.3** A record of its Members, if any, indicating their names and addresses and, if applicable, the class of Membership held by each Member and the termination date of any Membership; such information is to be used only for the intended purposes of conducting the proper business of the corporation;
- 9.1.4** A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the Members, if any, of the corporation at all reasonable times during normal business hours.

**Section 9.2 Corporate Seal.** The Board of Directors shall not adopt or use a corporate seal, unless such a seal is deemed to be essential to accomplish the legal purposes of the corporation, or it is subsequently determined by action of the Board that continuing to conduct business without such a seal would be impractical. Unless and only to the extent required by law, failure to affix a seal to corporate instruments shall not affect the validity of any such instrument.

**Section 9.3 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, provided that such inspection and copying is subject to Section 6250 of the California Government Code and other applicable laws.

**Section 9.4 Members' Inspection Rights.** Subject to the corporation's right to set aside a demand for inspection pursuant to Section 6331 of the Corporation Code, the corporation's obligations to maintain the confidentiality of certain materials under Section 6250 of the California Government Code and other applicable laws, and the power of the court to limit inspection rights pursuant to Section 6332 of the Corporation Code, and unless the corporation provides a reasonable alternative as permitted below, a Member satisfying the qualifications set forth hereinafter may do one or more of the following:

**9.4.1** inspect and copy the record of all Members' names, addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand on the corporation, which demand shall state the purpose for which the inspection rights are requested;

**9.4.2** obtain from the Secretary of the corporation, upon written demand and payment of a reasonable charge, an alphabetized list of the names, addresses and voting rights of those Members entitled to vote for the election of Directors as of the most recent record date for which the list has been compiled or as of the date specified by the Member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The Membership list shall be made available on or before the later of ten (10) business days after the demand is received or after the date specified therein as of which the list is to be compiled;

**9.4.3** Inspect at any reasonable time the books, records, or minutes of proceedings of the Members or of the Board or committees of the Board, upon written demand on the corporation by the Member, for a purpose reasonably related to such person's interests as a Member. The corporation may, within ten (10) business days after receiving a demand pursuant to Section 9.4.2 of this Article, deliver to the person or persons making the demand a written offer of an alternative method of achieving the purpose identified in said demand without providing access to or a copy of the Membership list. An alternative method which reasonably and in a timely manner accomplishes the proper purpose set forth in a demand made pursuant to Section 9.4.2 of this Article shall be deemed reasonable; unless within a reasonable time after acceptance of the offer, the corporation fails to do those things which it offered to do. Any rejection of the offer shall be in writing and shall indicate the reasons the alternative proposed by the corporation does not meet the proper purpose of the demand made pursuant to Section 9.4.2 of this Article.

**9.4.4 Right To Copy and Make Extracts.** Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

**Section 9.5 Annual Report.** The Board shall cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the corporation's fiscal year to all Directors of the corporation and, if this corporation has Members, to any Member who requests it in writing (and who pays a reasonable fee for reproduction and postage), which report shall contain the following information in appropriate detail:

- 9.5.1 The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;
- 9.5.2 The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- 9.5.3 The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;
- 9.5.4 The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year;
- 9.5.5 Any information required by Section 9.5.6 of this Article.
- 9.5.6 The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized Officer of the corporation that such statements were prepared without audit from the books and records of the corporation. If this corporation has Members and it receives Twenty-Five Thousand Dollars (\$25,000), or more, in gross revenues or receipts during the fiscal year, then, if Section 6321(f) of the California Non-Profit Organization Code does not apply to the corporation, the corporation shall automatically send the above annual report to all Members, in such manner, at such time, and with such contents, including an accompanying report from independent accountants or certification of a corporate Officer, as specified by the above provisions of this Section relating to the annual report. Any and all Members may elect to have their annual reports sent to them via email by providing the corporation with their consent to receiving the report in this manner and with their email address.

**Section 9.6 Annual Statement of Specific Transactions To Members.** This corporation shall mail or deliver to all Directors, and any and all Members requesting it in writing, a statement within one hundred and twenty (120) days after the close of its fiscal year which briefly describes the amount and circumstances of any indemnification or transaction of the following kind:

- 9.6.1 Any transaction in which the corporation was a party, and in which:
  - 9.6.1.1 Any Director or Officer of the corporation had a direct or indirect material financial interest; or
  - 9.6.1.2 Any holder of more than ten percent (10%) of the voting power of this corporation had a direct or indirect material financial interest.
- 9.6.2 The above statement need only be provided with respect to a transaction during the previous fiscal year involving more than fifty thousand dollars (\$50,000) or which was one of a number of transactions with the same persons involving, in the aggregate, more than fifty thousand dollars (\$50,000). Similarly, the statement need only be provided with respect to indemnifications or advances aggregating more than ten thousand dollars (\$10,000) paid during the previous fiscal year to any Director or Officer, except that no such statement need be made if such indemnification was approved by the Members pursuant to Section 5238(e)(2) of the California Nonprofit Public Benefit Corporation Law.
- 9.6.3 Any statement required by this Section shall briefly describe the names of the interested persons involved in such transactions, stating each person's relationship to the corporation, the nature of such person's interest in the transaction and, where practical, the amount of such interest, provided that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.
- 9.6.4 If this corporation has any Members and provides all Members with an annual report according to the provisions of Section 9.5 of this Article, then such annual report may include the information required by this Section.

**ARTICLE X            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.

**ARTICLE XI            AMENDMENT OF BYLAWS**

Subject to any provisions of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted so long as the altered, amended or new Bylaws are not in conflict with the charter or any joint powers agreement, as follows:

**Section 11.1** Subject to California Corporations Code 5150, 5151, 5220, 5224, 5512 and 5613, if the Corporation has less than fifty (50) Members, by approval of sixty percent (60%) of the Board of Directors; or

**Section 11.2** Subject to California Corporations Code 5150, 5151, 5220, 5224 and 5613, if this corporation has fifty (50) or more Members, by approval of either sixty percent (60%) of the Members or sixty percent (60%) of the Board of Directors.

**ARTICLE XII            AMENDMENT OF ARTICLES OF INCORPORATION**

**Section 12.1 Amendment of Articles.** The Articles of Incorporation may be amended by the approval of both sixty percent (60%) of the Members (if any) and sixty percent (60%) of the Board of Directors.

**Section 12.2 Certain Amendments.** Notwithstanding the above sections of this Article, this corporation shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation of the names and addresses of the first Directors of this corporation, nor the name and address of its initial agent, except to correct an error in such statement or to delete such statement after the corporation has filed a "Statement by a Domestic Non-Profit Corporation" pursuant to Section 6210 of the California Nonprofit Corporation Law.

**ARTICLE XIII            FISCAL YEAR OF THE CORPORATION**

The fiscal year of the corporation shall begin on the first day of July and end on the last day of June in each year.