

## **Bylaws**

**of**

### **KALMIOPSIS COMMUNITY ARTS HIGH SCHOOL**

#### **ARTICLE I**

##### **NONPROFIT NAME, PURPOSES, AND OFFICE**

###### **Section 1.1 Name**

The name of the organization is Kalmiopsis Community Arts High School (hereinafter, KCA).

###### **Section 1.2 Mission Statement**

Where it's okay to be who you are while discovering your place in the world.

###### **Section 1.3 Statement of Non-Discrimination**

Kalmiopsis Community Arts High School does not and shall not discriminate on the basis of race, color, religion, national origin, ethnicity, sex, gender identity, sexual orientation, age, marital status, physical or mental disability, or any other reason or category protected by state or federal law.

###### **Section 1.4 Purpose**

The organization is incorporated as a Public Benefit Corporation according to its Nonprofit Articles of Incorporation as filed and registered with the Secretary of State of Oregon on March 25, 2019. KCA is organized exclusively for educational purposes and such other purposes within the meaning of section 501(c) (3) of the Internal Revenue Code of 1986,<sup>1</sup> as amended from time to time. KCA is organized

and shall be operated at all times to comply with section 501(c)(3) of the Internal Revenue Code, the Oregon Nonprofit Corporation Act, Chapter 65 of the Oregon Revised Statutes (ORS), the Public Charter School laws, ORS Chapter 338, and any other federal, state, and local laws to qualify it for nonprofit, tax-exempt status as a public charter school. More specifically, KCA is organized to operate a public charter high school, primarily for the benefit of the Illinois Valley community.

### **Section 1.5 Offices**

The principal office of the organization is located in Josephine County, State of Oregon. The Board of Directors of KCA shall determine where to locate the principal office of the organization. By resolutions, the Board may change the principal office from one location to another and may establish additional offices. **All offices must be located within the geographic boundaries of Three Rivers School District**

## **ARTICLE II NON MEMBERSHIP**

This organization shall have no members as that term is defined in Chapter 65 of the Oregon Revised Statutes. Any action which otherwise would require approval of the members shall require approval only of the Board.

## **ARTICLE III Board OF DIRECTORS**

### **Section 3.1 Authority**

**The Board of Directors (henceforth “Board”) is the governing body of KCA and follows a policy model of school governance.** The business and affairs of KCA shall be managed and controlled under the general direction of the Board in accordance with the purposes and limitations set forth herein and in the charter. The Board may delegate the management of the activities of KCA to others, so long as

the affairs of the organization are managed, and its powers are exercised, under the Board's ultimate jurisdiction.

### **Section 3.2 Powers and Duties**

Subject to the provisions of the Oregon Nonprofit Corporation Act and any limitations in these Bylaws, the business and affairs of KCA shall be managed and all corporate powers shall be exercised by or under the direction of the Board. Oregon law requires a member of a governing Board of a charter school to act in accordance with the Oregon Government Ethics law of ORS chapter 244, as a Board member is a public official. Each KCA Board member is expected to act in good faith, in a manner the Board member reasonably believes to be in the best interests of the school, and to discharge their duties with the reasonable care an ordinarily prudent person a like position would exercise under like circumstances. ~~The Board also functions in an advisory capacity to support and sustain the Kalmiopsis Community Arts High School mission and academic programs~~

Roles and responsibilities of the Board include, but are not limited to, the following activities:

- a) ~~Establishing, promoting, and, as needed, revising the program and philosophy of Kalmiopsis Community Arts High School;~~
- b) Developing, implementing, and enforcing school policy in conjunction with staff;
- c) ~~Oversight of the highest-level administration, Teacher Leaders, including recruiting, hiring, performance evaluations, and, when necessary, termination;~~
- d) Providing governance and establishing long-range planning;
- e) Approving the budget, exercising fiduciary oversight, and overseeing fundraising goals and activities;
- f) Working to establish partnerships with community and governmental organizations and individuals to carry out the school's mission and educational program;
- (g) Promote trust through transparency**

### **Section 3.3 Number**

The number of Board members (or trustees or directors) constituting the Board shall not be fewer than four and not more than thirteen during the planning phase; upon the opening of KCA, the number shall

not be fewer than seven, including two (2) enrolled student representatives, who shall be elected by the student body, ~~and one~~ One (1) ex officio member of the executive Teacher Leaders will serve as a non-voting Board member, and recuse themselves from Teacher Leader personnel discussions and decisions. The number of Board members may be fixed or changed periodically, within the minimum and maximum, by the members of the Board. Board members are unpaid and comprise community members; teachers and staff; family members of enrolled students; and, after opening, enrolled students and one member of the executive Teacher Leaders in a non-voting advisory role. Collectively they shall be known as the Board of Directors (“Board”). All members, including student members, but excepting ex officio Teacher Leader members, have full voting rights. “Family members” is defined as parents, step-parents, grandparents, foster parents, legal guardians or legal custodians of current students.

### **Section 3.4 Term**

All non-student Board members shall hold office for a maximum of three (3) consecutive terms, excluding any ex-officio tenure. Except for the inaugural Board and student representatives, as outlined below, all members serve two-year terms. Terms shall be staggered with approximately half the Board members elected at each annual meeting. After serving three (3) consecutive terms, a Board member must remain off the Board for a minimum of two (2) years, after which time the individual will again become eligible for nomination and election.

To allow staggered terms, the term for the Board elected at the first annual meeting shall be either two- (2) or three- (3) year terms. At least half the members plus one member will serve two (2) year terms to ensure that all Board member terms are staggered. Board member terms shall be determined initially by the Board Chairperson.

The term for student representative Board members shall be one (1) year, but may be changed periodically, by a vote of the student body, but shall be no more than two (2) years.

### **Section 3.5 Election**

The Board will seek input regarding suitable candidates for the Board from staff, faculty, family members, and interested community members. The Board will ascertain potential nominees' willingness to service and a list of potential candidates shall be presented and voted upon at the Annual Board Meeting, with two exceptions: the election of student representatives shall be conducted in the

Fall, and Board vacancies and newly created Board positions shall be filled as described in Section 3.7 below.

### **Section 3.6 Qualifications**

Qualifications. In reviewing possible candidates, the Board shall consider the following criteria:

- The prospective Board member's support for the KCA mission, values, and purpose; and
- The prospective Board member's skills and experience in relation to the Board's need for expertise in areas including fundraising, educational oversight, facilities management, finances, accounting, community relations, outreach and marketing.

Should an insufficient list of candidates be presented to the Board, the Board may solicit additional candidates at its discretion.

### **Section 3.7 Vacancies**

Any vacancy on the Board or newly created Board positions shall be filled by a majority vote of the remaining Board members at any meeting. A vacancy that will occur at a specified later date, by reason of resignation or otherwise, may be filled before the vacancy occurs, but the new Board member may not take office until the vacancy occurs. Board members elected to fill vacant Board positions shall serve the remainder of the departing Board member's term, and then may seek re-election to a full two-year term. Completing the remainder of another Board member's term does not count toward the term limit of 3 full consecutive terms as outlined in Section 3.4. When a vacancy reduces the membership of the Board to fewer than four members, or fewer than seven once the school has opened, the Board shall endeavor to fill any vacancy within 90 days by electing a new member.

### **Section 3.8 Compensation**

Board members shall not receive compensation for their Board service but may be reimbursed for reasonable and necessary expenses directly related to conducting Board business, provided that the Board approves reimbursement of Board member expenses by a majority vote of the Board members present at any meeting of the Board as long as quorum is present. No compensation or reimbursement of expenses may be made if it would violate any law, including the provisions of Section 501(c)(3) of the Internal Revenue Code or its implementing regulations.

### **Section 3.9 Removal**

Any Board member may be removed, with or without cause, by a 2/3 majority vote of the Board members present at any meeting of the Board as long as quorum is present.

### **Section 3.10 Resignation**

Any Board member may resign at any time by delivering written notice to the Chairperson or Secretary of the Board, or if the Board member resigning is the Secretary, by giving written notice to the Chairperson. Such resignation shall take effect at the time specified and the acceptance of such resignation shall not be necessary to make it effective. Once delivered, a resignation notice is irrevocable unless the Board permits revocation.

### **Section 3.11 Waiver of Notice**

A Board member's attendance at or participation in a meeting waives any required notice to the Board member of the meeting unless the Board member at the beginning of the meeting, or promptly upon the Board member's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. A Board member may at any time waive any notice required by law or these Bylaws to be provided to a Board member. The waiver must be in writing, signed by the Board member entitled to the notice, specify the meeting for which notice is waived, and be filed with the minutes or corporate records.

### **Section 3.12 Procedures**

All activities of the Board shall comply with state and federal non-discrimination laws. All **regular, special, and emergency meetings, and all committee** meetings, shall follow Oregon's Public Meetings Law.

### **Section 3.13 Reporting**

The Board shall compile and present an annual report to the Three Rivers School District Board of Directors and the Oregon Department of Education that identifies student progress and financial

information. Reports necessary to the school's tax-exempt status will also be provided by the Board as required.

## **ARTICLE IV**

### **OFFICERS**

#### **Section 4.1 Titles**

The Officers of the Board are Chairperson, Secretary, and Treasurer. The Board may appoint or elect any other officer and assistant officers as it deems necessary to carry out the functions of the organization.

#### **Section 4.2 Election and Term**

Officers shall be nominated and elected from among the Board members at each annual meeting. Officers shall serve for a one (1) year term and until their successors are elected and qualified. No person may hold both the office of Chairperson and another office concurrently.

#### **Section 4.3 Chairperson**

The Chairperson shall facilitate all meetings of the Board. Deliberation will be open, fair, and thorough, but also efficient, timely, orderly, and to the point. The Chairperson determines meeting agendas with the assigned school administrator. The Chairperson also serves as the spokesperson for the Board, executes contracts when authorized by the Board, and, subject to the control of the Board, has such other duties and responsibilities as determined by the Board or these Bylaws. Additionally, the Chairperson shall serve as the primary media contact, though the Chairperson may designate another Board member or one of the Teacher Leaders to serve as media contact.

#### **Section 4.4 Secretary**

The Secretary shall perform, or cause to be performed, the following duties: (a) officially record the minutes of all proceedings of Board meetings and actions **in accordance with the law and these Bylaws;**

(b) provide notice of all meetings of the Board in accordance with the law and these Bylaws; (c) authenticate the records of the organization; (d) conduct correspondence on behalf of the Board as directed by the Board; and (e) perform such other duties as may be assigned to the secretary by the Board or by these Bylaws. The Secretary may delegate these responsibilities, provided that s/he supervises such delegation.

The Secretary shall have overall responsibility for all record-keeping and for notices to the Board and public of any Board meeting, and shall be responsible for compliance with the notice requirement of Oregon's Public Meetings Law as described in Section 5.6. ~~The Secretary shall record and/or supervise the recording of the minutes of all meetings of the Board and present the transcribed minutes to the Board within two weeks of Board meetings, whereupon the minutes will be reviewed by the Board and approved or not approved at the next Board meeting, at which point the minutes will be posted to the website for public viewing at or before the next Board meeting. Minutes shall comply with Oregon's Public Meetings laws of ORS section 192.650 and, except in the case of executive session, shall include at least the following: (a) names of all Board members present; (b) all motions, proposals and resolutions proposed and their disposition; (c) the results of all consensus decisions and, if voting, the results of the votes; (d) the substance of any discussion; and (e) reference to any document discussed.~~

#### **Section 4.5 Treasurer**

The Treasurer shall have oversight of all funds and securities belonging to the organization. The treasurer shall perform, or cause to have performed, the following duties: (a) keeping of full and accurate accounts of all financial records of the organization; (b) deposit of all monies and other valuable effects in the name and to the credit of the organization in such depositories as may be designated by the Board; (c) disbursement of funds as approved by the Board; and (d) such other duties as may be assigned by the Chairperson or Board.

The Treasurer shall be the custodian of funds of the organization, shall be responsible for the maintenance and/or oversight of proper records of all financial transactions of the organization, shall have the authority to sign finances as described in Article 9, and shall comply with all financial policies of the Board. The Treasurer shall provide a report on the financial condition of the organization at each Board meeting.

In addition, the Treasurer shall coordinate with the Three Rivers School District regarding any funds administered by the District on behalf of the school, any funds paid by the District to the school, or any funds paid by the school to the District, in accordance with the Charter and state law.

As of the close of each fiscal year, the Treasurer shall provide a true statement, in reasonable detail, of the organization's assets and liabilities, to be presented to the Board, and, upon the Board's approval, to the District.

#### **Section 4.6 Vacancies**

A vacancy in the office of Chairperson, Secretary, or Treasurer shall be filled by an election of the Board, no later than the first regular meeting of the Board following the vacancy. Such person shall hold such office until the next annual meeting at which time regular elections of officers shall occur.

#### **Section 4.7 Resignation and Removal**

An Officer may resign at any time by giving written notice to the Chairperson or Secretary of the Board. Such resignation shall take effect at the time specified therein. The acceptance of such resignation shall not be necessary to make it effective. An Officer may be removed from office without cause by an affirmative vote of a majority of the Board at a regular meeting, special meeting, or emergency meeting called for that purpose, whenever, in their judgment, the best interests of KCA are served by the removal.

### **ARTICLE V**

#### **Board MEETINGS**

#### **Section 5.1 Regular Meetings**

A regular meeting of the Board will be held ~~quarterly~~ monthly, unless a different frequency is fixed by the Board and stated in the notice of the meeting. The Board may fix the place at which meetings are held, provided they are within the geographic boundaries of the district, with public notice as described in Section 5.6.

## **Section 5.2 Special Meetings**

Special meetings of the Board may be called at the request of any Board member. Special meetings may be held ~~at any time,~~ with a minimum notice of 24 hours, and ~~place~~ within the geographic boundaries of the district, designated by the Board chairperson with public notice as described in Section 5.6.

## **Section 5.3 Emergency Meetings**

Emergency meetings may be called by the Chairperson with less than 24 hours notice only if an actual emergency exists which would not permit the meeting to be a special meeting. The notice and minutes of the meeting must describe the emergency justifying less than 24 hours notice, with public notice as described in Section 5.6.

## **~~Section 5.4~~ Notice of Special Meetings**

~~Notice of the date, time and place of any special meeting of the Board, describing the date, time, place and purpose of the meeting, shall be delivered to each Board member personally or by telephone, mail, or email not less than 24 hours prior to the special meeting.~~

## **Section 5.5 5.4 Annual Meetings**

The annual meeting is the meeting during which the Board members vote for and elect new Board members. The annual meeting shall be held in April each year. At the annual meeting, the Board Officers shall report on the activities and financial condition of KCA. New Board members will take office at the meeting following the Annual meeting. Annual meetings will be advertised with due notice: published twice, with the first announcement at least 15 days prior to the meeting, and the second announcement at least seven days following.

## **Section 5.6 5.5 Meetings by Telecommunications**

Any regular or special meeting of the Board may be held by telephone conference call or through use of any means of communication in which all Board members participating may hear and communicate with each other. Participation in a meeting by this means shall constitute presence in

person at the meeting.

### **Section 5.7 — Action without Meeting**

Any action required or permitted to be taken by the Board may be taken without a meeting, as per ORS 65.211, and without prior notice if a written consent, setting forth the action so taken, is signed by each of the Board members. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. The action shall be described in the minutes of the next regularly scheduled Board meeting.

### **Section 5.8 — Notice of Meetings**

Any written notice that is to be delivered to a Board member pursuant to these Bylaws may be delivered by electronic mail (e-mail) unless a Board member notifies the Secretary and requests an alternate form of delivery. through emailed notice to families, posting on the school website, posting on the school bulletin board, and notification to the media.

### **Section 5.6 Public Meetings Law**

In accordance with Oregon's Public Meetings Law, the Board shall provide for and give public notice of the date, time, location, and agenda of meetings, reasonably calculated to give actual notice to interested persons including the news media, which have requested notice of the time, place, and principal subjects to be considered at the meeting. Regular meetings shall be publicly announced at least 10 days prior to the meeting. Special meetings require at least 24-hour notice, and emergency meetings require appropriate notice. All meetings shall be open to the public, except in the case of executive sessions as described in Section 5-13 5.10. Meetings must be held within the geographic boundaries of the district and will be accessible to everyone, including people with disabilities.

Notice may be mailed, e-mailed, or telephoned and may be given through press releases, mailing lists, bulletin Boards, and websites to interested persons the public.

Written minutes are required at all meetings. Minutes shall comply with Oregon's Public Meetings laws of ORS section 192.650 and, except in the case of executive session, shall include at least the following: (a) names of all Board members present; (b) all motions, proposals and resolutions proposed and their disposition; (c) the results of all consensus decisions and, if voting, the results of the

votes by member name; (d) the substance of any discussion; and (e) reference to any document discussed. Minutes will be available within a reasonable time, but not more than two weeks following each meeting. Minutes will be preserved for a minimum of two years. Time for public input on agenda items shall be allowed at each meeting. All regular meetings shall include on the agenda a report from Teacher Leaders summarizing significant events and developments in school operations since the most recent Board meeting and providing notice of significant upcoming events and developments.

~~The Board may provide by resolution the time and place for additional meetings by providing notice through Board minutes and through other means, such as school website, newsletter, information Boards, or local newspapers.~~

~~Minutes of the meetings shall be recorded and made available through publishing on the school website, newsletter, or information board.~~

~~Meetings of a quorum of the Board shall comply with Oregon's Public Meetings Law as set forth in ORS sections 192.610 to 192.690 and references in these Bylaws.~~

#### **Section 5.10 5.7 Quorum**

A simple majority of the number of Board members holding office immediately prior to a meeting shall constitute a quorum for the transaction of business at any meeting of the Board. A quorum must also include at least one (1) officer of the Board. If a quorum is present, action may be taken by a majority vote of the Board members present, except as otherwise provided by these Bylaws. Where the law requires a majority vote of the Board members in office to establish committees to exercise Board functions, to amend the Articles of Incorporation, to sell assets not in the regular course of business, to merge or to dissolve, or for other matters, such action is taken by that majority as required by law. In the event fewer Board members than a quorum are present, the remaining Board members may upon a simple majority adjourn the meeting to another day and/or time. Notice of the reconvened meeting shall be given to each Board member, the public, and interested persons as provided in this Article.

#### **Section 5.11 5.8 Proxy Voting**

As Board members are expected to carefully consider the Board's discussion on an issue prior to voting, voting by proxy shall not be permitted. However, Board meetings may be conducted by telephone or other means allowing present-time participation in the meeting.

**Section 5.12 5.9 Board Action**

The act of the majority of Board members present at a meeting at which a quorum is present, as defined in Section 5.7, shall be the act of the Board, unless a greater number is required by statute, these Bylaws, or the Articles of Incorporation.

**Section 5.13 5.10 Executive Session**

The Board may meet in an executive session during which all or part of the meeting is closed to the public for deliberation on the matters as outlined in ORS 192.660(2). **The Chairperson must announce the statutory authority for the executive session in advance.** Except for a hearing for expulsion of a student or to examine confidential medical records under ORS 332.061, no executive session may be held for the purpose of taking any final action or making any final decisions although a consensus may be reached by the Board in executive session. **News media may attend but may not disclose discussion unless the Board discusses matters beyond the purpose of the session.**

**ARTICLE VI  
COMMITTEES**

**Section 6.1 Committee Establishment**

The Board may by resolution designate standing committees, ad hoc committees, and ad hoc task forces as it deems necessary for the effective governance of KCA. Each committee, whether created by such resolution or provided for in Section 6.2 of these Bylaws, shall consist of at least two Board members. Board committees and task forces act as **non-voting** recommending bodies to the Board and do not have authority to approve governance or management issues, nor to adopt policies for the school. Any member of such bodies may be removed by the Board Chairperson, or a majority vote of the Board, whenever in the judgment of the Chairperson or Board the best interests of KCA would be served by such removal. Any committee exercising Board functions shall function in a manner similar to a Board of directors in that it shall provide notice to **committee members the public** of all meetings and to interested persons as described in Article V and shall record minutes of all committee meetings.

All committees are subject to Oregon's Public Meetings Law as described in Section 5.6, with the exception of Executive Committees as described in Section 6.3.

### **Section 6.2 Standing Committees**

Each standing committee shall have a charge specific to its permitted activities and such charges shall be incorporated into the KCA policy manual. The function of any committee so established shall be fact-finding, deliberative, and advisory to the Board.

### **Section 6.3 Executive Committees**

The executive Teacher Leaders may establish standing or advisory committees that report to the Teacher Leaders. The Teacher Leaders may establish by policy, memorandum, or other documentation the composition, purpose, and duties of any committees they may establish. These committees are not subject to public meeting law.

### **Section 6.4 Other Committees**

The Board may establish one or more committees as it deems necessary and desirable, potentially including: executive committee; personnel committee; Board development committee; school development committee; employment committee; parent/community partner committee; aesthetics committee; communications/publicity committee; volunteer/mentor coordination committee; programs committee; and fundraising committee. Each committee shall consist of at least one Board member and one member of the Teacher Leaders, or two Board members.

### **Section 6.5 Other Bodies**

The Board by resolution may designate task forces, advisory bodies, commissions, or other such bodies not having or exercising the authority of the Board in the management of KCA. Members need not be Board members, and the Chairperson shall appoint the members thereof. Such bodies are subject to Oregon's Public Meetings Law if given authority by the Board to make recommendations to the Board or make decisions on behalf of the Board.

### **Section 6.6 Chairperson**

Unless otherwise specified in these Bylaws, one member of each committee or other body shall be designated as committee chairperson by the Chairperson of the Board.

### **Section 6.7 Vacancies**

Vacancies in the membership of any committee or other body may be filled by appointments made in the same manner as provided in the case of the original appointments.

### **Section 6.8 Quorum**

Unless otherwise provided in the resolution of the Board designating a committee or other body, a majority of the whole committee shall constitute a quorum. Any act of a majority of the members present at any meeting at which a quorum is present shall be the act of the committee or other body.

### **Section 6.9 Limitations on Powers of Committees**

No committee may: authorize distributions; approve dissolution, merger or the sale, pledge, or transfer of all or substantially all of the organization's assets; elect, appoint or remove Board members or fill vacancies on the Board or on any of its committees; or adopt, amend, or repeal the Articles, Bylaws, or any resolution of the Board.

## **ARTICLE VII**

### **Teacher Leaders**

#### **Section 7.1 Teacher Leaders**

The daily business operations and affairs of KCA shall be managed by the executive Teacher Leaders **under the governance of the Board.** Teacher Leaders shall be responsible for day-to-day school administration, as well as other services and duties as shall be assigned by the Board. They shall be responsible for supervising of all staff and volunteers, overseeing the work of independent contractors and making decisions regarding hiring or firing for staff positions **with the exception of Teacher Leader**

hiring, firing, retention, and evaluation, which shall be conducted by the Board. The Teacher Leaders may establish executive committees as provided in Section 6.3. At least one member of the Teacher Leaders shall attend meetings of the Board as an ex officio member of the Board, without voting rights, and shall report to the Board of the business, operations, and affairs of KCA.

### **Section 7.2 Delegation of Authority**

The Board shall have the power to delegate to the Teacher Leaders such executive power and authority as the Board may deem necessary to facilitate the handling and management of KCA property and interests. The Teacher Leaders shall be responsible for implementing Board policy and procedure and maintaining records for KCA.

## **ARTICLE VIII**

### **CONFLICT OF INTEREST**

#### **Section 8.1 Board Member's Conflict of Interest**

Board members are subject to conflict of interest provisions applicable to public officials under Oregon law (ORS 244.020), conflict of interest provisions for Board of Directors under the Oregon Nonprofit Corporation Act (ORS 65.361), and conflict of interest provisions established by the Internal Revenue Service to avoid an excess benefit under the Internal Revenue Code (IRC 4958). Board members, therefore, shall disclose their personal interest when discussing any issue that may provide a conflict. A conflict is present whenever KCA provides financial or other compensation or provides a tangible benefit to a Board member, family member of the Board member, a business in which a Board member is owner or employee, or a corporation or trust (nonprofit or profit) in which the Board member is a director, officer, or trustee. In the event of a conflict of interest, the Board member who has the conflict shall recuse themselves from voting on an issue when a conflict of interest exists.

A conflict of interest is a transaction with the organization in which a Board member has a direct or indirect interest. For the purposes of this section, a Board member has an indirect interest in a transaction if: (a) another entity in which the Board member has a material interest or in which the Board member is a general partner is a party to the transaction; or (b) another entity of which the Board

member is a director, officer, or trustee is a party to the transaction, and the transaction is or should be considered by the Board.

### **Section 8.2 Board Action When Conflict**

In the event of a perceived or actual conflict of interest between a Board member or members and the organization, the Board shall follow the conflict of interest policy adopted by the Board. Specifically, the Board member who has the conflict shall recuse themselves from voting on any issue when a conflict of interest exists. No Board member will use their official position or office to obtain personal financial benefit or detriment or financial gain or detriment for relatives or for any business with which the Board member or a relative is associated.

## **ARTICLE IX FINANCES AND CONTRACTS**

### **Section 9.1 Fiscal Year**

The fiscal year of KCA begins July 1 and ends June 30 of the following calendar year.

### **Section 9.2 Funds**

All funds of the Corporation shall be under the supervision of the Board and shall be handled and disposed of in such manner and by such officers or agents of KCA as in accordance with these Bylaws and the financial policies adopted by the Board. Public Funds, as defined in ORS Chapter 338, shall be accounted for separately from other funds of the Corporation. Financial duties and responsibilities will be separated so that no one person has sole control over the funds of KCA.

### **Section 9.3 Contracts**

All contracts for KCA shall be under the supervision of the Board. Except as otherwise provided by law, the Board may authorize any officers or agents to execute and deliver any contract or other instrument in the name of and on behalf of KCA, and this authority may be general or confined in

specific instances.

#### **Section 9.4 Authority to Bind Corporation**

Unless the Board authorizes the execution of instruments as described in its policies, no Board member, officer, committee, employee or agent shall have the authority to bind the Corporation by any contract or instrument or pledge its credit or render it liable monetarily for any purpose or in any amount.

#### **Section 9.5 Annual Audit**

KCA shall have an annual audit of accounts of the public charter school prepared in accordance with the Municipal Audit Law, ORS section 297.405 to 297.555 and 297.990, and such audit shall be forwarded to the sponsoring school district, the State Board of Education and the Department of Education. KCA shall file its annual return with the Internal Revenue Service (Form 990) and Oregon Department of Justice (Form CT-12) by the due date each year.

#### **Section 9.6 Grants**

The Board or any member of the Board may accept on behalf of the School any contribution gift, grant, bequest, or device for the general purposes or for any special purpose of KCA.

#### **Section 9.7 Loans**

KCA shall not borrow money and no evidence of indebtedness shall be issued in its name unless authorized by the Board. This authority may be general or confined to specific instances.

#### **Section 9.8 Checks and Drafts**

The Board must approve in advance by majority all expenditures over \$2,000 other than line items in the budget approved by the Board. The Chairperson and the Treasurer shall have authority to sign all checks, drafts or other orders for the payment of money and notes or other evidence of indebtedness issued in the name of the Corporation; however, both signatures of the Chairperson and the Treasurer are required for any such expenditure. The Board may authorize individuals to sign checks, drafts, or

other orders for the payment of money in the name of KCA. In addition, the signatures of the Chair and the Treasurer shall be required for non-line-item expenditures over \$2,000.

### **Section 9.9 Deposits**

All funds of KCA not otherwise employed shall be deposited to the credit of KCA in banks, trust companies, or other depositories approved by the Board or by officers designated by the Board to make such deposits, or shall be invested as authorized by the Board.

### **Section 9.10 Budget**

An annual budget shall be prepared by the Teacher Leaders **in coordination** with the budget and finance committee, **and** approved by the Board. The annual budget shall be presented to the Board no later than the meeting prior to the Annual meeting of the Board **in April**, and approved by the Board at the April **regular** meeting of the Board. Any proposed expenditures outside of the adopted budget shall require a first reading at one Board meeting and approval at a subsequent Board meeting. Exception to this may be made when, out of necessity, the Board determines that an immediate expenditure is required. In this case, a majority vote of the Board is needed **at a regular, special or emergency meeting** to approve the expenditure. Fundraising, record keeping, purchasing, and reporting shall be consistent with generally accepted accounting practices.

## **ARTICLE X**

### **INDEMNIFICATION AND INSURANCE**

#### **Section 10.1 Indemnification**

No Officer or Board member of KCA shall be personally liable for monetary damages for any action taken or failure to take any action unless it is determined by a court (or if courts ultimately hold that such determination is to be made by the Board) that the Board member is liable for such action or inaction pursuant to Section 65.369 of the Oregon Nonprofit Corporation Act; provided, however, that

the foregoing provision shall not eliminate or limit the liability of the Board member (i) for any responsibility or liability of such Board member to any criminal statute, or (ii) for any liability of such Board member pursuant to local, state, or federal law. Any repeal or modification of this Article X shall be prospective only and shall not adversely affect any limitation on the personal liability of a Board member existing at the time of such repeal or modification.

### **Section 10.2 Insurance**

KCA is entitled to purchase and maintain insurance policies deemed to be in the best interest of KCA including insurance to indemnify KCA for any obligation which it incurs as a result of its indemnification of Board members, Officers, and employees pursuant to Section 10.1 above, or to indemnify such person in instances in which they may be indemnified pursuant to Section 10.1.

## **ARTICLE XI GENERAL PROVISIONS**

### **Section 11.1 Amendments**

These Bylaws, or any part hereof, may be amended or repealed by a 2/3 majority vote of the Board members present at any meeting of the Board as long as quorum is present and such amendment ~~or repeal has received public notice in compliance with Oregon's Public Meetings Law as described in Sections 5.1-5.12. Prior to the adoption of the amendment, each Board member shall be given at least 10 days notice of the date, time, and place of the meeting at which the proposed amendment is to be considered.~~ The notice shall state that one of the purposes of the meeting is to consider a proposed amendment to the Bylaws and shall contain or be accompanied by a copy or summary of the proposed amendment. No amendment to these Bylaws may be made if such amendment is not in accordance with laws and the charter. Such amendments and/or restatement shall be filed with the Office of the Secretary of State of the State of Oregon in accordance with the Oregon Nonprofit Corporation Act (ORS sections 65.431-65.451).

### **Section 11.2 Severability**

A determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws.

### **Section 11.3 Dissolution of Charter**

In the event the organization should cease operations for whatever reason, including, but not limited to, the non-renewal or revocation of its charter, or dissolution of the nonprofit corporation, it is agreed that the Board shall supervise and have authority to conclude the business and affairs of KCA. All assets of KCA, after satisfaction of all outstanding claims by creditors, will be distributed to the State Board of Education.