

# **BYLAWS FOR THOMAS MacLAREN SCHOOL**

## **Revised as of November 30, 2011**

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### **ARTICLE 1 OFFICES**

1.1 **Principal Office.** The principal office of **Thomas MacLaren State Charter School** (the “**School**”) shall be located at 303 Austin Bluffs Parkway, Colorado Springs, Colorado 80918. The address of the principal office may be changed from time to time by the Board of Directors or by the officers of the School. The School may have such other offices as the Board of Directors may designate or as the affairs of the School may require from time to time.

1.2 **Registered Office.** The registered office of the School is 90 S. Cascade Ave., Suite 1100, Colorado Springs, Colorado 80903-1662. This address, required by the Colorado Nonprofit Corporation Act to be maintained in Colorado, may be, but need not be, the same as the principal office, and the address of the registered office may be changed from time to time by the Board of Directors or by the officers of the School.

### **ARTICLE 2 NO MEMBERS**

The School shall have no members, as provided by Article 6 of the Articles of Incorporation.

### **ARTICLE 3 BOARD OF DIRECTORS**

3.1 **General Powers.** The business and affairs of the School shall be governed by its Board of Directors, except as otherwise provided in the Colorado Nonprofit Corporation Act, the Articles of Incorporation, or these Bylaws.

3.2 **Number and Qualifications.** Members of the Board of Directors of the School shall be natural persons at least eighteen (18) years of age or older. The minimum number of directors shall be seven (7) and the maximum number shall be fifteen (15). By resolution, the Board shall establish the number of directors to serve on the Board at any time.

To be qualified to serve on the Thomas MacLaren Board, each director must:

- Read *The Paideia Proposal: An Educational Manifesto*, by Mortimer J. Adler.
- Become familiar with the MacLaren educational program. This should be done by visits to the School to observe the program in action as well as reading the most recent comprehensive summary of the educational program and curriculum.
- Support the educational philosophy, discipline policy, and administrative structure of Thomas MacLaren School.

- Read the Articles of Incorporation and these Bylaws.
- Read and sign the Board Handbook and Agreement.
- Within twelve months of joining the Board, complete a comprehensive review of charter school board rules and practices, *e.g.*, by completing the charter school board modules ([www.boardtrainingmodules.org](http://www.boardtrainingmodules.org)) or by reading CDE's *Charter School Governing Board Training Handbook*.

Prior board experience is helpful but not required. Placing a high value on professionalism and the success of the school is mandatory. The motivation for serving on the Board of Directors must be a desire to serve the School's vision and mission in order to facilitate the educational success of its students.

Due to the inherent conflict of interest in having an employee of the school on the Board, neither faculty nor staff may serve on the Board of Directors.

3.3 **Director Competencies.** It is important for directors to have a diverse set of competencies, *e.g.*, law, finance, education, human resources, fundraising, technology, and real estate, to name a few. It would be preferable to have at least two members of the Board be parents of current students. At least one director should not be a parent. At least one director should be a community leader. The School will also seek directors who are working or have worked as professionals in such careers as teaching (at the secondary or college level), business, human resources, development, real estate, military, government, law, or finance.

3.4 **Appointments.** All directors comprising the initial Board of Directors shall be recruited and selected by the Founding Group, which consists of Eric Hall, Mary Faith Hall, and Katherine Brophy. All subsequent directors shall be appointed by the Board. To be appointed, a potential new Board member must satisfy the qualifications set forth in these Bylaws and receive a super-majority vote of the Board, *i.e.*, receive at least two-thirds affirmative votes of the total number of Board members serving on the Board at that time, at any regular or special meeting at which a quorum is present.

3.5 **Terms and Term Limits.** Directors shall serve three year terms. Directors may serve a maximum of two consecutive terms. A former director may not be re-appointed to the Board until at least one year off the Board, at which time he or she may again be appointed like any other person. Generally, terms of office begin on July 1 and end on June 30. Each director shall hold office until the conclusion of his or her term and until his or her successor is appointed and takes office, or until his or her death, resignation, or removal.

The initial Board of Directors, named by the Founding Group, will serve one full three-year term, and then it will establish staggered end-dates for each of the initial director's terms so that, after the first three-year term, there will be Board appointments each year and the Board gains roughly the same number of new directors in any year.

3.6 **Regular Meetings.** The Board of Directors shall meet at least ten times per year, absent extraordinary circumstances. Usually the Board meets every month except December and

June. All meetings shall be open to the public. The Board of Directors shall provide by resolution the time and place for holding regular meetings.

3.7 **Special Meetings.** Special meetings of the Board of Directors may be called by the Head of School, the Chair of the Board of Directors, or a majority of the Board members. Special meetings shall be held at such time and place as may be designated by the authority calling such meeting; provided that no meeting shall be called outside the State of Colorado unless a majority of the Board has so authorized.

3.8 **Notice and Agendas.** Notice stating the place, day, and time of every meeting, and the agenda for the meeting, shall be given to each member of the Board of Directors as well as posted in the designated location of the School for the benefit of the public as soon as practicable but no later than twenty-four hours prior to a meeting. The Board of Directors shall comply with these and every other requirement of the Colorado Open Meetings Law, any amendments to it, and any successor to the OML.

3.9 **Quorum; Voting.** A quorum at all meetings of the Board of Directors shall consist of a majority of the directors holding office. Persons present by telephone shall be deemed to be present “in person” for all purposes in these Bylaws, provided such persons can simultaneously hear and speak to all other persons present. Less than a quorum may adjourn from time to time without further notice until a quorum is secured. Each director shall have one vote, and, unless otherwise specified in these Bylaws or in the Articles of Incorporation, the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

3.10 **Attendance Expectations.** Directors are expected to attend all meetings of the Board of Directors unless excused. Missing more than two consecutive Board meetings without prior approval from the Chair shall be grounds for dismissal from the Board. Unexcused absences from one-third of the Board meetings in any one year shall also be grounds for removal of a director.

3.11 **No Proxies.** Directors may not vote by proxy.

3.12 **Waiver.** A director who is present at a meeting of the Board of Directors is deemed to have assented to all action taken unless: (a) the director objects at the beginning of the meeting, or promptly upon arrival, to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken; (b) the director contemporaneously requests that the director’s dissent or abstention as to any specific action taken be entered in the minutes; or (c) the director causes written notice of the director’s dissent or abstention as to any specific action to be received by the Chair or other presiding director of the meeting before adjournment or by the School promptly after adjournment. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

3.13 **Vacancies.** It shall be the duty of the Board of Directors to appoint members to fill any vacancies that may occur on the Board of Directors. A director appointed to fill a vacancy shall be appointed for the unexpired term of such person’s predecessor in office and until such person’s successor is duly appointed and shall have qualified. For purposes of term

limits, if a person is appointed by the Board to fill a vacancy and that person serves less than half of one term, then that service shall not be counted a “term” and the person may still serve two consecutive three year terms prior to being required to step down due to term limits. Any position on the Board of Directors to be filled by reason of an increase in the number of directors shall be appointed by the Board in the normal course, as prescribed herein.

When the Board is fewer than seven members, the Board of Directors shall make every reasonable effort to fill any vacancy as quickly as possible, but under no circumstance shall any director position be vacant for more than sixty (60) days upon acceptance of a resignation pursuant to Section 3.15 of these bylaws. During the period in which the Board is filling a vacancy, the Board may continue to function normally notwithstanding the fact that it may have less than seven Board members.

3.14 **Committees.** Committees of the Board may be appointed by the Chair of the Board or by majority vote of the Board. Generally, committees shall be composed of at least one director and any other persons, and committees shall have such powers as the Board delegates. The Head of School or his or her designee shall be an ex-officio member of all committees.

3.15 **Resignation.** A director may resign at anytime by giving written notice of resignation to the Chair of the Board of Directors. The resignation is effective when the notice is received, unless the notice specifies a later effective date.

3.16 **Removal.** Any member of the Board of Directors of the School may be removed by the affirmative vote of two-thirds of the remaining directors. All directors must be provided at least seven days notice that there will be a vote to remove one of the directors, and the director subject to the vote must be named in the notice. The notice shall specify the time, date, and location of the meeting at which the vote will occur. The agenda produced for that meeting must also state that there will be a vote to remove a director and the subject of the vote must be named in the agenda.

3.17 **No Compensation; Expense Reimbursement.** Members of the Board of Directors shall not receive compensation for serving in such office, although the School may reimburse any member of the Board of Directors for reasonable expenses incurred in connection with service on the Board as determined by the Board either by general policy or on specific matters from time to time.

3.18 **Standard of Conduct for Directors and Officers.** Each director and officer shall perform his or her duties, including, without limitation, his or her duties as a member of any committee of the Board, in good faith, in a manner the director or officer reasonably believes to be in the best interests of the School, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. In the performance of his or her duties, a director or officer shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by the persons designated below. However, a director or officer shall not be considered to be acting in good faith, if the director or officer has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A director or officer shall not be liable to the School or its members for any action the director or officer takes or omits to take as a director or officer if,

in connection with such action or omission, the director or officer performs their duties in compliance with this section. A director or officer, regardless of title, shall not be deemed to be a trustee with respect to the School or with respect to any property held or administered by the School including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

The designated persons on whom a director or officer are entitled to rely are: (a) one or more officers or employees of the School whom the director or officer reasonably believes to be reliable and competent in the matters presented; (b) legal counsel, a public accountant, or other person as to matters which the director or officer reasonably believes to be within such person's professional or expert competence; or (c) a committee of the Board of Directors on which the director or officer does not serve if the director reasonably believes the committee merits confidence.

#### **ARTICLE 4 OFFICERS OF THE BOARD OF DIRECTORS**

4.1 **Number and Qualifications.** The officers of the Board of Directors shall consist of the Chair, Vice-Chair, Secretary, and Treasurer. Any voting member of the Board shall be eligible to serve as an officer. A Board member may hold two, but no more than two, officer positions at one time.

4.2 **Selection and Term of Office.** The Board shall elect, by a simple majority of eligible voting members, its officers at the first regular public meeting of the fiscal year or from time to time as necessary. The first regular public meeting will usually occur in July. Officers of the Board shall serve for a term of one year and until their successors are elected or until their resignation, removal, or death. Directors may serve three one-year terms in a particular office, after which time a director may not serve in that office for at least one year.

4.3 **Vacancies.** An officer elected to fill a vacancy shall serve for the unexpired term of his or her predecessor in office.

4.4 **Chair.** The Chair shall preside at all meetings of the Board of Directors. The Chair may execute contracts when authorized by the Board. In general, the Chair shall perform all duties and may exercise all rights as are incident to the office of Chair of the Board of Directors and such other duties as may be prescribed by the Board or these Bylaws. The Chair shall be responsible for drafting the agenda, after consultation with the Executive Committee, and for sending out the Board packet, or ensuring that it is properly sent, prior to each meeting. The Chair should endeavor to send the Board packet at least seven days prior to any Board meeting so that the Board members have enough time to carefully review it prior to the meeting.

4.5 **Vice-Chair.** The Vice-Chair shall have all the powers and perform all the duties of the Chair in the absence of the Chair. The Vice-Chair shall perform such other duties as from time-to-time may be assigned to him by the Chair or by the Board of Directors.

4.6 **Secretary.** The Secretary shall be responsible for ensuring that (a) the minutes of the proceedings of the Board of Directors and all committees of the Board are properly kept;

(b) all notices are duly given, and agendas properly posted, in accordance with the provisions of these Bylaws or as required by law; (c) the corporate records and the seal of the School, if any, are properly maintained; and (d) all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the Board of Directors are duly performed. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the Secretary.

4.7 **Treasurer.** The Treasurer shall oversee the financial transactions and financial reports prepared for the Board and shall see that proper financial procedures are being followed as established by the Board.

4.8 **Executive Committee.** The Executive Committee shall consist of, at minimum, the Head of School and the Chair and Vice-Chair of the Board. They shall meet at least once prior to each regular Board meeting to discuss School business and prepare for the upcoming Board meeting.

4.9 **Finance Committee.** The Finance Committee shall consist of, at minimum, the Head of School, Business Manager, and Treasurer of the Board. They shall meet at least once prior to each regular Board meeting to discuss School finances and prepare the financial report for the upcoming Board meeting.

4.10 **Authority and Duties of Officers of the Board.** The officers of the Board of Directors shall have the authority to and shall exercise the powers and perform the duties specified herein and as may be additionally specified by the Board of Directors, except that in any event each officer shall exercise such powers and perform such duties as may be required by law. Nothing herein shall prohibit the delegation by an officer of any duty of that officer described, but no such delegation shall operate to relieve the delegating officer from any responsibility imposed by law or these Bylaws.

4.11 **Resignations and Removal.** Any officer may resign from an officer position at any time by giving written notice to the Chair or Secretary of the Board of Directors. Such resignation shall take effect at the time specified therein; and, unless otherwise stated therein, the acceptance of such resignation shall not be necessary to make it effective. Any officer may be removed from an officer position at any time, with or without cause, by an affirmative vote of a two-thirds majority of the Board whenever, in their judgment, the best interests of the School are served by the removal.

## **ARTICLE 5 EXECUTIVE LEADERSHIP OF THE SCHOOL**

5.1 **Selection and Overview.** The Board of Directors shall select the Head of School, who shall be the chief executive and administrator of the School and who shall have such duties as are prescribed herein or in any job description, or as determined by the Board of Directors. The Head of School shall select the Business Manager, any assistant administrators, and all other employees of the School. The Board of Directors shall evaluate the performance of the Head of School from time to time but not less frequently than once per year.

5.2 **Head of School Responsibilities.** The Head of School shall, subject to the direction and supervision of the Board of Directors, (a) be the chief executive officer of the School and have general and active control of its affairs and business and general supervision of its agents, employees, and volunteers; (b) see that all orders and resolutions of the Board of Directors are carried into effect; (c) perform all other duties incident to the office of Head of School and as from time to time may be assigned to the Head of School by the Board of Directors; and (d) be primarily responsible for the School's educational program, including leading the community of learners which is the School. The Head of School shall serve as an advisory, non-voting member of the Board of Directors. In addition, the Head of School is charged with faithfully representing the issues and needs of the faculty and staff to the Board.

5.3 **Compensation.** The Board of Directors shall set the amount and type of compensation for the Head of School. The Board may also set the compensation for all other employees as it sees fit, either by setting compensation ranges or schedules or by prescribing compensation directly, or it may delegate setting compensation entirely to the Head of School.

5.4 **Removal.** The Head of School may be removed by the Board of Directors whenever in its judgment the best interests of the School will be best served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

## **ARTICLE 6 INDEMNIFICATION**

6.1 **Definitions.** For purposes of this Article 6, the following terms shall have the meanings set forth below:

(a) "School" means Thomas MacLaren State Charter School, a Colorado nonprofit corporation.

(b) The terms "director or officer" shall mean those positions described herein as a member of the Board of Directors and officer serving on the Board of Directors.

(c) "Expenses" means the actual and reasonable expenses, including attorneys' fees, incurred by a party in connection with a proceeding.

(d) "Liability" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to a private corporation or an employee benefit plan) or expense incurred with respect to a proceeding.

(e) "Official capacity" when used with respect to a director of the School means the office of director in the School, and when used with respect to a person in a capacity other than as a director (even if such person is also a director) means the office in the School held by the officer or the employment relationship undertaken by the employee on behalf of the School in the performance of his or

her duties in his or her capacity as such officer or employee. “Official capacity” does not include service for any other foreign or domestic corporation or for any partnership, joint venture, trust, other enterprise or employee benefit plan when acting directly on behalf of such other corporation, partnership, joint venture, trust, enterprise or plan as a director, officer, employee, fiduciary or agent thereof.

(f) “Party” means any person who was, is, or is threatened to be made, a named defendant or respondent in a proceeding by reason of the fact that such person is or was a director, officer or employee of the School, and any person who, while a director, officer or employee of the School, is or was serving at the request of the School as a director, officer, employee, fiduciary or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise or employee benefit plan. A party shall be considered to be serving an employee benefit plan at the School’s request if such party’s duties to the School also impose duties on or otherwise involve services by such party to the plan or to participants in or beneficiaries of the plan.

(g) “Proceeding” means any threatened, pending or completed action, suit or proceeding, or any appeal therein, whether civil, criminal, administrative, arbitrative or investigative (including an action by the School) and whether formal or informal.

## 6.2 **Right to Indemnification.**

6.2.1 **Standards of Conduct.** Except as provided in Section 6.2.4 below, the School shall indemnify any party to a proceeding against liability incurred in or as a result of the proceeding if: (a) such party conducted himself or herself in good faith; (b) such party reasonably believed (i) in the case of a director acting in his or her official capacity, that his or her conduct was in the School’s best interests, or (ii) in all other cases, that such party’s conduct was at least not opposed to the School’s best interests; and (c) in the case of any criminal proceeding, such party had no reasonable cause to believe his or her conduct was unlawful. For purposes of determining the applicable standard of conduct under this Section 6.2, any party acting in his or her official capacity who is also a director of the School shall be held to the standard of conduct set forth in Section 6.2.1(b)(i), even if such party is sued solely in a capacity other than as such director.

6.2.2 **Employee Benefit Plans.** A party’s conduct with respect to an employee benefit plan for a purpose such party reasonably believed to be in the interests of the participants in or beneficiaries of the plan is conduct that satisfies the requirements of Section 6.2.1(b)(ii). A party’s conduct with respect to an employee benefit plan for a purpose that such party did not reasonably believe to be in the interests of the participants in or beneficiaries of the plan shall be deemed not to satisfy the requirements of Section 6.2.1(a).

6.2.3 **Settlement.** The termination of any proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, is not of itself



determinative that the party did not meet the applicable standard of conduct set forth in Section 6.2.1.

6.2.4 **Indemnification Prohibited.** Except as hereinafter set forth in this Section 6.2.4, the School may not indemnify a party under this Section 6.2 either (a) in connection with a proceeding by the School in which the party is or has been adjudged liable for gross negligence or willful misconduct in the performance of the party's duty to the School; or (b) in connection with any proceeding charging improper personal benefit to the party, whether or not involving action in the party's official capacity, in which the party was adjudged liable on the basis that personal benefit was improperly received by the party (even if the School was not thereby damaged). Notwithstanding the foregoing, the School shall indemnify any such party if and to the extent required by the court conducting the proceeding, or any other court of competent jurisdiction to which the party has applied, if it is determined by such court, upon application by the party, that despite the adjudication of liability in the circumstances in clauses (a) and (b) of this Section 6.2.4 or whether or not the party met the applicable standard of conduct set forth in Section 6.2.1, and in view of all relevant circumstances, the party is fairly and reasonably entitled to indemnification for such expenses as the court deems proper in accordance with the Colorado Nonprofit Corporation Code.

6.2.5 **Claims by School.** Indemnification permitted under this Section 6.2 in connection with a proceeding by the School shall be limited to expenses incurred in connection with the proceeding.

6.2.6 **Combined Proceedings.** If any claim made by the School against a party is joined with any other claim against such party in a single proceeding, the claim by the School (and all expenses related thereto) shall nevertheless be deemed the subject of a separate and distinct proceeding for purposes of this Article 6.

6.3 **Prior Authorization Required.** Any indemnification under Section 6.2 (unless ordered by a court) shall be made by the School only if authorized in the specific case after a determination has been made that the party is eligible for indemnification in the circumstances because the party has met the applicable standard of conduct set forth in Section 6.2.1 and after an evaluation has been made as to the reasonableness of the expenses. Any such determination, evaluation and authorization shall be made by the Board of Directors by a majority vote of a quorum of such Board, which quorum shall consist of directors not parties to the subject proceeding, or by such other person or body as permitted by law.

6.4 **Success on Merits or Otherwise.** Notwithstanding any other provision of this Article 6, the School shall indemnify a party to the extent such party has been successful, on the merits or otherwise, including, without limitation, dismissal without prejudice or settlement without admission of liability, in defense of any proceeding to which the party was a party against expenses incurred by such party in connection therewith.

6.5 **Advancement of Expenses.** The School shall pay for or reimburse the expenses, or a portion thereof, incurred by a party in advance of the final disposition of the proceeding if: (a) the party furnishes the School a written affirmation of such party's good-faith belief that he or

she has met the standard of conduct described in Section 6.2.1(a); (b) the party furnishes the School a written undertaking, executed personally or on behalf of such party, to repay the advance if it is ultimately determined that the party did not meet such standard of conduct; and (c) authorization of payment and a determination that the facts then known to those making the determination would not preclude indemnification under this Article 6 have been made in the manner provided in Section 6.3. The undertaking required by clause (b) must be an unlimited general obligation of the party, but need not be secured and may be accepted without reference to financial ability to make repayment.

6.6 **Payment Procedures.** The School shall promptly act upon any request for indemnification, which request must be in writing and accompanied by the order of court or other reasonably satisfactory evidence documenting disposition of the proceeding in the case of indemnification under Section 6.4 and by the written affirmation and undertaking to repay as required by Section 6.5 in the case of indemnification under such section. The right to indemnification and advances granted by this Article 6 shall be enforceable in any court of competent jurisdiction if the School denies the claim, in whole or in part, or if no disposition of such claim is made within ninety (90) days after written request for indemnification is made. A party's expenses incurred in connection with successfully establishing such party's right to indemnification, in whole or in part, in any such proceeding shall also be paid by the School.

6.7 **Insurance.** By action of the Board of Directors, notwithstanding any interest of the directors, the School may purchase and maintain insurance in such amounts as the Board of Directors deems appropriate to protect itself and any person who is or was a director, officer, employee, fiduciary or agent of the School, or who, while a director, officer, employee, fiduciary or agent of the School, is or was serving at the request of the School as a director, officer, employee, fiduciary or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise or employee benefit plan against any liability asserted against or incurred by such person in any such capacity or arising out of such person's status as such, whether or not the School would have the power to indemnify such person against such liability under applicable provisions of law or this Article 6. Any such insurance may be procured from any insurance company designated by the Board of Directors, whether such insurance company is formed under the laws of Colorado or any other jurisdiction, including any insurance company in which the School has an equity or any other interest, through stock ownership or otherwise. The School may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such sums as may become necessary to effect indemnification as provided herein.

6.8 **Right to Impose Conditions to Indemnification.** The School shall have the right to impose, as conditions to any indemnification provided or permitted in this Article 6, such reasonable requirements and conditions as may appear appropriate to the Board of Directors in each specific case and circumstances, including, but not limited to, any one or more of the following: (a) that any counsel representing the party to be indemnified in connection with the defense or settlement of any proceeding shall be counsel mutually agreeable to the party and to the School; (b) that the School shall have the right, at its option, to assume and control the defense or settlement of any claim or proceeding made, initiated or threatened against the party to be indemnified; and (c) that the School shall be subrogated, to the extent of any payments

made by way of indemnification, to all of the indemnified party's right of recovery, and that the party to be indemnified shall execute all writings and do everything necessary to assure such rights of subrogation to the School.

6.9 **Other Rights and Remedies.** Except as limited by law, the indemnification provided by this Article 6 shall be in addition to any other rights which a party may have or hereafter acquire under any law, provision of the Articles of Incorporation, any other or further provision of these Bylaws, vote of the Board of Directors, agreement, or otherwise.

6.10 **Applicability; Effect.** The indemnification provided in this Article 6 shall be applicable to acts or omissions that occurred prior to the adoption of this Article 6, shall continue as to any party entitled to indemnification under this Article 6 who has ceased to be a director, officer or employee of the School or, at the request of the School, was serving as and has since ceased to be a director, officer, employee, fiduciary or agent of any other domestic or foreign corporation, or of any partnership, joint venture, trust, other enterprise or employee benefit plan, and shall inure to the benefit of the estate and personal representatives of each such person. The repeal or amendment of this Article 6 or of any section or provision hereof that would have the effect of limiting, qualifying or restricting any of the powers or rights of indemnification provided or permitted in this Article 6 shall not, solely by reason of such repeal or amendment, eliminate, restrict or otherwise affect the right or power of the School to indemnify any person, or affect any right of indemnification of such person, with respect to any acts or omissions that occurred prior to such repeal or amendment. All rights to indemnification under this Article 6 shall be deemed to be provided by a contract between the School and each party covered hereby.

6.11 **Indemnification of Agents.** The School shall have the right, but shall not be obligated, to indemnify any agent of the School not otherwise covered by this Article 6 to the fullest extent permissible by the laws of Colorado. Unless otherwise provided in any separate indemnification arrangement, any such indemnification shall be made only as authorized in the specific case in the manner provided in Section 6.3.

6.12 **Savings Clause; Limitation.** If this Article 6 or any section or provision hereof shall be invalidated by any court on any ground, then the School shall nevertheless indemnify each party otherwise entitled to indemnification hereunder to the fullest extent permitted by law or any applicable provision of this Article 6 that shall not have been invalidated. Notwithstanding any other provision of these Bylaws, the School shall neither indemnify any person nor purchase any insurance in any manner or to any extent that would jeopardize or be inconsistent with the qualification of the School as an organization described in Section 501(c)(3) of the Internal Revenue Code, or that would result in the imposition of any liability under Section 4941 of the Internal Revenue Code.

6.13 **Surety Bonds.** The Board of Directors shall not be required to, but may as appropriate, require any officer or agent of the School to execute to the School a bond in such sums and with such sureties as shall be satisfactory to the Board, conditioned upon the faithful performance of such person's duties and for the restoration to the School of all books, papers, vouchers, money and other property of whatever kind in such person's possession or under such person's control belonging to the School.

**ARTICLE 7  
PURPOSE, RESTRICTIONS**

7.1 **General.** The purposes of the School are those set forth in the Articles of Incorporation, subject to restrictions set forth in such Articles of Incorporation, restrictions on amendment as set forth in the Articles of Incorporation, and in restrictions on amendment set forth in these Bylaws pursuant to the authority set forth in the Articles of Incorporation.

7.2 **Contributions, Special Funds.** The School may accept contributions, grants, bequests or devises designated to and consistent with its purposes. The designation of funds shall not, however, restrict the School's ownership, dominion and control of the designated funds in any manner which is inconsistent with the School's duties and powers as an organization described in Section 501(c)(3) of the Code.

7.3 **Primary Purpose.** The School's first and primary purpose is to organize and operate a public charter school to educate students in grades 6-12 using a classical, core curriculum as described in the Charter Application and implemented in conjunction with Academy Project. This Section 7.3 of the Bylaws shall not be amended without the unanimous vote of the Board of Directors.

**ARTICLE 8  
MISCELLANEOUS**

8.1 **Account Books, Minutes, Etc.** The School shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors and committees. All books and records of the School may be inspected by any director or by the authorized agent or attorney of any such person, for any proper purpose at any reasonable time.

8.2 **Public Accountability.** The School shall provide for all financial reports necessary or desirable for a charitable organization exempt from tax under Section 501(c)(3) of the Code. The School may provide for an annual independent audit or review of its financial affairs. The School shall publish and make available to the general public all tax applications and returns as appropriate for a charitable organization exempt from tax under Section 501(c)(3) of the Code. The School shall publish its financial documents as required by law.

8.3 **Fiscal Year.** The fiscal year of the School shall begin July 1 and end June 30. The Board of Directors may change the fiscal year from time to time as necessary.

8.4 **Conveyances and Encumbrances.** Property of the School may be assigned, conveyed or encumbered by such officers of the School as may be authorized to do so by the Board of Directors, and such authorized persons shall have power to execute and deliver any and all instruments of assignment, conveyance and encumbrance; however, the sale, exchange, lease or other disposition of all or substantially all of the property and assets of the School shall be authorized only at a properly called and noticed meeting of the Board of Directors at which all currently serving directors are present and only after an affirmative vote of 75% of the directors.

## 8.5 **Conflicts of Interest.**

8.5.1 From time to time potential conflicts of interest or the appearance of such conflicts will inevitably arise. It is the policy of the School to deal with such conflicts in as open and appropriate way as possible.

8.5.2 Annually, each member of the Board of Directors shall review the School's conflict of interest policy and sign an acknowledgement that he or she has done so.

8.5.3 If any person who is a director, officer, executive, or administrator of the School is aware that the School is about to make a grant to or otherwise enter into any transaction directly or indirectly with such person, any member of that person's family, or any entity in which that person has any legal, equitable or fiduciary interest or position, including, without limitation, as a director, officer, shareholder, partner, beneficiary or trustee, such person shall: (a) promptly inform those charged with approving the transaction on behalf of the School of such person's interest or position; (b) disclose any material facts within such person's knowledge that bear on the advisability of such transaction from the standpoint of the School; (c) thereafter recuse him- or herself from further deliberations; and (d) not be entitled to vote on the decision to enter into such transaction. If such person's recusal destroys quorum, then the Board may not act upon that topic at that time.

8.5.4 If a majority of the remaining members of the Board believe a director has a conflict of interest, then the Board (after a proper vote in which the potentially-conflicted director may participate in the discussion but not the vote) may require the potentially-conflicted director to be recused from any decision on the topic at issue.

8.5.5 In the event the School awards any grant or otherwise enters into any transaction that involves any actual or potential conflict of interest, the fact of the conflict and of compliance by all parties with the requirements of Section 8.5.2 shall be recorded in the minutes of the proceedings approving such grant or other transaction.

8.5.6 The directors, officers, employees, and agents of the School shall also faithfully observe and comply with any other policies or procedures adopted by the School from time to time to assure that conflicts of interests and any other matters bearing on the proper and ethical conduct of corporate affairs are appropriately and effectively monitored, disclosed and dealt with in furtherance of the best interests of the School.

8.6 **Loans to Directors and Officers Prohibited.** No loans shall be made by the School to its directors, officers, or employees (regardless whether the employee is an administrator or a member of the faculty or staff of the School). Any director, officer, or employee who assents to or participates in the making of any such loan shall be liable to the School for the amount of such loan until it is repaid.

8.7 **References to Internal Revenue Code.** All references in these Bylaws to provisions of the Internal Revenue Code are to the provisions of the Internal Revenue Code of 1986, as amended, and to the corresponding provisions of any subsequent federal tax laws.

8.8 **Amendments.** The power to alter, amend or repeal these Bylaws and adopt new Bylaws shall be vested in the Board of Directors; provided, however, that no alteration, amendment or repeal shall become effective in contravention of the Colorado Nonprofit Corporation Law or without any review or filing which may from time to time be required thereunder. Amendments with respect to the purposes of the School shall be subject to the restrictions set forth in Section 7.3 of these Bylaws.

8.9 **Severability.** The invalidity of any provision of these Bylaws shall not affect the other provisions hereof, and in such event these Bylaws shall be construed in all respects as if such invalid provision were omitted.

### CERTIFICATE

The undersigned Chair of **Thomas MacLaren State Charter School** hereby certifies that the foregoing is a true and correct copy of the revised Bylaws of the School, duly adopted by the Board of Directors and in full force and effect.

Dated: November 30, 2011

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JOEL BARSTAD, Chair of Board of Directors