

BYLAWS
For
Multi-Sensory Instruction Teaching Children Hands-on

MITCH CHARTER SCHOOL

TABLE OF CONTENTS

<u>Page</u>	<u>Section</u>	<u>Title</u>
1	1	Purposes, Powers
1	2	Principal office, other offices
1	3	No Members
1	4	Board of Directors
1	4.1	General Powers, Duties; Governing Board of Charter School
2	4.1.1	General Powers, Duties
2	4.1.2	Governing Board of Charter School
2	4.2	Qualifications of Directors
2	4.3	Number of Directors
2	4.3.1	Variable Range of Number of Directors
2	4.3.2	Changes in Number of Directors
2	4.4	Election of Directors and Tenure
2	4.4.1	Election; Filling Vacancies
3	4.4.2	Tenure
4	4.5	Resignation; Removal
4	4.5.1	Resignation
4	4.5.2	Removal
4	4.6	Regular Meetings
4	4.6.1	Annual Meetings
4	4.6.2	Other Regular Meetings
5	4.6.3	Meetings as Governing Body of Charter School
5	4.7	Special Meetings
5	4.8	Meetings by means of telephonic or electronic communication
5	4.9	Executive Sessions
7	4.10	Notice
7	4.11	Waiver of Notice
7	4.12	Quorum
7	4.13	Manner of Acting; Dissent or Abstention
8	4.13.1	Manner of Acting
8	4.13.2	Dissent or Abstention
8	4.14	Compensation
8	4.15	Conflicts of Interest
8	4.15.1	Conflicts of Interest – ORS
9	4.15.2	Conflicts of Interest – MITCH Additions
10	5	Officers
10	5.1	Officers of the Corporation

10	5.2	Appointment and Term of Office
10	5.3	Resignations, Removal, and Vacancies
10	5.3.1	Resignations
10	5.3.2	Removal
10	5.3.3	Vacancies
10	5.4	Compensation
10	5.5	Chair of the Board
11	5.6	Vice Chair
11	5.7	Secretary
11	5.8	Treasurer
11	5.9	Executive Director
12	5.10	Additional School Directors
12	5.11	Other Officers
12	6	Committees
12	6.1	Committees of Directors
12	6.2	No Relief of Responsibility; Limits on Authority of Committees.
12	6.2.1	No Relief of Responsibility
12	6.2.2	Limits on Authority of Committees
13	6.3	Term of Office
13	6.4	Chair and Vice Chair
13	6.5	Vacancies
13	6.6	Quorum; Meetings; Notice; Miscellaneous
13	6.7	Rules
13	6.8	Other Committees
13	7	Financial Matters; Books and Records
13	7.1	Financial Statements
14	7.2	Charter School Requirements
14	7.3	Budget
14	7.4	Fiscal Year
14	7.5	Books and Records
14	7.5.1	Generally
14	7.5.2	Charter School Subject to Public Records Law
14	7.6	Contract Authority
15	7.7	Loans
15	7.8	Checks, Drafts, Other
15	7.9	Deposits
15	7.10	Share of stock and dividends prohibited
15	7.11	Loans to Directors and Officers generally prohibited
15	8	Indemnification of Officers, Directors, employees, and agents
15	9	Amendments of Bylaws
16	10	Dissolution
16	11	Miscellaneous
16	11.1	Changes in Laws
16	11.2	Headings

BYLAWS
For
Multi-sensory Instruction Teaching Children Hands-on
MITCH CHARTER SCHOOL

These Bylaws are adopted by the Board of Directors (“Board”) of the Multi-sensory Instruction Teaching Children Hands-on (“MITCH”) Charter School, an Oregon nonprofit corporation (“Corporation”), for the purpose of regulating and managing the affairs of the Corporation. These Bylaws shall supersede all previous Bylaws. These Bylaws shall also supersede all policies which conflict with these Bylaws. These Bylaws apply to Multi-sensory Instruction Teaching Children Hands-on operating in the Tigard-Tualatin School District and future schools established by agreement of the Corporation with local School Districts.

1. Purposes; Powers

This Corporation is organized and shall be operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, including for such purposes the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986. Subject to any limitations stated in the Articles of Incorporation, the Corporation may engage in any lawful activity for which corporations may be organized under Oregon laws, none of which is for profit, and within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986. The Corporation shall have all powers of a nonprofit Corporation under Chapter 65 of the Oregon Revised Statutes (ORS). One of the Corporation’s specific purposes is to establish and operate one or more public charter schools under ORS Chapter 338.

2. Principal Office, other Offices

The principal office of the Corporation shall be located in the State of Oregon. The Corporation may have such other offices, either within or outside the State of Oregon, as the Board of Directors may determine, or as the affairs of the Corporation may require, from time to time. The initial principal office shall be the address for notice purposes set forth in the Articles of Incorporation.

3. No Members

The Corporation shall have no members as that term is defined in ORS Chapter 65.

4. Board of Directors

4.1 General Powers, Duties; Governing Board of Charter School

4.1.1 General Powers, Duties All corporate powers shall be exercised by or under the authority of, and the affairs of the Corporation managed under the direction of, the Board of Directors (“Board”), subject to any limitation set forth in the Articles of Incorporation.

4.1.2 Governing Board of Charter School For MITCH Charter School established and operated by the Corporation under ORS Chapter 338, the Board will be the governing body of MITCH Charter School. The Corporation shall govern and operate the MITCH Charter School in accordance with, and may exercise all rights and powers of the MITCH Charter School and the MITCH Charter School governing body set forth in, the applicable charter agreement, ORS Chapter 338, and other applicable laws. When the Board has reviewed and approved such a charter agreement, it will approve a resolution (and provide a copy to the sponsor of the Charter School) that (a) states that the Board has approved the charter agreement, (b) authorizes the Corporation to enter into the charter agreement, and (c) specifies which Officer or Officers shall have authority to execute the charter agreement on behalf of the Corporation.

4.2 Qualifications of Directors All Directors must be individuals. The Board may adopt policies specifying desired qualifications of Directors. Employees shall not be Directors. Volunteers involved in more than 5 hours per week at the school site shall not be Directors. Prospective Directors shall submit a complete resume including education, work experience, home address, business address, references, the reasons for desiring to serve on the Board, and the disclosure of any potential conflict of interest.

4.3 Number of Directors

4.3.1 Variable Range of Number of Directors The Board shall determine the number of Directors, but unless these Bylaws are amended, there shall be no fewer than three (3) and no more than nine (9) Directors on the Board.

4.3.2 Changes in Number of Directors The Board may periodically fix or change the number of Directors within the minimum and maximum numbers set forth in Section 4.3.1. However, no decrease in numbers shall have the effect of shortening the term of any incumbent Director. If the Board increases the number of Director positions and elects new Directors to fill such positions, then (a) if the Board elects such Directors at a meeting other than the Board’s annual meeting, the terms of such elected Directors will extend to the next regular annual meeting of the Board; the terms of such newly created positions after such annual meeting shall be determined as provided in Section 4.4.2; or (b) if the Board elects such Directors at the Board’s annual meeting, the terms of such elected Directors shall be determined as provided in Section 4.4.2.

4.4 Election of Directors and Tenure

4.4.1 Election; Filling Vacancies

(a) Election of Directors shall be by a majority vote of the Directors present at a meeting at which there is a quorum. At its regular annual meeting

under Section 4.6, the Board shall elect Directors for terms that are expiring and Directors needed to fill any vacancies. At any other meeting when Board vacancies exist, the Board may elect Directors needed to fill the vacancies. The term of a Director elected to fill a vacancy (except for new positions under Section 4.3.2, the terms of which are governed by Section 4.4.2) shall expire at the end of the unexpired term that such Director is filling.

(b) A vacancy on the Board shall exist upon the death, resignation or removal of any Director, and when the Board has approved an increase in the number of Directors but has not yet elected Directors for such new positions.

(c) If the Directors remaining in office constitute fewer than a quorum of the Board or fewer than the minimum three Directors required by ORS 65.307(1), they may fill the vacancies by the affirmative vote of a majority of all the Directors remaining in office or by a sole remaining Director. If a vacancy will occur at a specific later date (except due to resignations, which are governed by Section 4.5.1), the Board may act before the vacancy occurs to elect a successor Director to fill that vacancy, but the successor Director may not take office until the vacancy occurs.

(d) The Board shall invite interested parties to apply for the Board. Directors shall be optimally sought from within the school district boundaries and communities where MITCH Charter Schools are presently or proposed to be located.

4.4.2 Tenure

(a) Except with respect to new Director positions created pursuant to Section 4.3.2 (whose initial terms may extend only to the next regular annual meeting of the Board), the term of each Director shall be two (2) years. However, the Board may set the first terms of some Directors for shorter periods, thereby staggering the terms of Directors so that, each year, as close as possible to one-half of the Directors' terms expire on June 30th. In the case of an increase in the size of the Board as provided in Section 4.3.2, the terms of Directors elected to fill newly created positions may likewise be set for periods shorter than two (2) years, so that the purpose of having about one-half of all Directors' terms expire at approximately the date of the Board's annual meeting each year can be accomplished (this recognizes that the initial term of Directors who are elected at a meeting other than the annual meeting will extend less than one year to the next annual meeting; thereafter, the next term of such Directors may be set for one year, or two years, with the succeeding terms to each be two years).

(b) The Board may determine that a Director's term will expire on the scheduled date of the Board annual meeting or on any other date that is best in the Board's judgment. Even though a Director's term has expired, the Director will continue to serve until a successor is elected and qualified or until a decrease in the number of Director Positions pursuant to a Board decision under Section 4.3.2 takes effect, thereby eliminating that Director's position on or after the expiration of the Director's term. Directors may be elected for two successive terms.

4.5 Resignation; Removal

4.5.1 Resignation Any Director may resign at any time by giving written notice to the Board, the Chair, or the Secretary of the Corporation. Except as otherwise provided by law, any such resignation shall take effect ten (10) days after receipt of the notice, unless the notice specifies a later effective date. Unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective. Once the notice is received, the resignation is irrevocable unless the Board has adopted a policy stating that revocation is permitted. If the resignation notice says that resignation is to take effect at a future time, the Board may act before the effective date of the resignation to elect a successor Director to take office when the resignation becomes effective.

4.5.2 Removal Any Director may be removed, with or without cause, by a two-thirds vote of all Directors then in office. The vote must be taken at a meeting where the topic of removal is clearly stated on the agenda. No more than one Director may be removed at any one meeting of the Board. Absence of any Director from three consecutive meetings of the Board without an excuse deemed valid by the Board may be considered as cause for removal; in this case, the Director may be removed if a majority of the Directors then in office vote for the removal at a meeting called expressly for the purpose of removing such Director. Likewise, if these Bylaws are amended to add other specific reasons for removal of a Director, and the amendment is effective before the beginning of a Director's term on the Board, removal for such reasons can be effected by majority vote in accordance with the preceding sentence.

4.6 Regular Meetings

4.6.1 Annual Meetings The regular annual meeting of the Board shall be held on the third Thursday of May of each year after 2008, at a time and place set by the Board. The purposes of the annual meeting shall be electing Directors and Officers effective July 1st, and transacting such other business as may come before the meeting. The regular annual meeting of the Board shall be subject to notice as required in Section 4.10 of these Bylaws. Unless changed by the Board, the regular annual meeting shall be held at the principal office of the Corporation. The Board may provide another time and place, within the state of Oregon, for the holding of the regular annual meeting giving proper notice. If the day fixed for the regular annual meeting is a legal holiday in the State of Oregon, a Saturday or Sunday, such meeting shall take place on the next succeeding business day. If the election of Directors is not held on the day designated herein for any regular annual meeting, or at any adjournment thereof, the Board shall cause the election to be held at a special meeting of the Board as soon thereafter as the meeting may conveniently take place.

4.6.2 Other Regular Meetings The Board may provide the time and place for the holding of additional regular meetings of the Board with proper notice as with a regular scheduled meeting.

4.6.3 Meetings as Governing Body of MITCH Charter School As provided in ORS 338.065(1), when a charter agreement is duly executed by this Corporation and by the Charter School sponsor, the Tigard-Tualatin School District (TTSD), or other school district as defined in ORS 338.005(3), the Charter Agreement shall act as the legal authorization for the establishment of the Charter School. Thereafter, any meeting of the Corporation Board as the governing body of such Charter School shall be subject to ORS 192.610 to 192.690 (public meetings law), as required by ORS 338.115(1)(e). Such public meetings laws govern, among other things, meetings being open to the public; allowable locations of meetings; access to the disabled; services for the hearing impaired; notice to the public; written minutes and information required in the minutes; minutes being available to public; executive sessions; telephone meetings; and enforcement of violations.

4.7 Special Meetings Special meetings of the Board, including Executive Sessions when meeting the requirements of Section 4.9, may be called by or at the request of the Chair of the Board, or thirty percent (30%) of the Directors then in office. The person(s) authorized to call such meetings of the Board may designate the place for the holding of any special meeting of the Board called. Timely public notification is required in accordance with the Oregon Public Meeting Law, including Executive Sessions. Due diligence must be made to notify all Directors before a special meeting as noted in Section 4.10

4.8 Meetings by means of telephonic or electronic communication Any or all Directors may participate in any meeting of the Board, and members of any committee appointed by the Board may participate in any meeting of the committee, by means of conference telephone (or similar communications equipment), provided that all participants can simultaneously hear and/or observe each party. Any person who participates in a meeting in this manner shall be deemed present in person at the meeting. When the Board is meeting as the governing body of the MITCH Charter School, it shall also comply with ORS 192.670 by (among other things) providing a place for the public to listen and/or observe.

4.9 Executive Session The Matters Permitted for Executive Session as provided by ORS is as follows:

The Open Meeting Law requires an informed public, aware of the deliberations, decisions and the information upon which such decisions were made. However, a school board may hold an Executive Session, which excludes the public after the Board Chair or Vice Chair has identified one or more of the following reasons:

As per ORS 332.061

- (1) Any hearing held by a district school Board or its hearings Officer on any of the following matters shall be conducted in executive session of the Board or privately by the hearings Officer unless the student or the student's parent or guardian requests a public hearing:
 - (a) Matters pertaining to the expulsion of a minor student from a public elementary or secondary school.
 - (b) Matters pertaining to or examination of the confidential medical records of a student, student's educational program.
- (2) No vote may be taken in Executive Session except for matters concerning student expulsions.

As per ORS 192.660

- (1) The governing body of a public body may hold an executive session:
 - (a) To consider the employment of a public Officer, employee, staff member or individual agent;
 - (b) To consider the dismissal or disciplining of, or to hear complaints or charges brought against, a public Officer, employee, staff member or individual agent, unless such public Officer, employee, staff member or individual agent requests an open hearing;
 - (c) To conduct deliberations with persons designated by the governing body to carry on labor negotiations;
 - (d) To conduct deliberations with persons designated by the governing body to negotiate real property transactions;
 - (e) To consider records that are exempt by law from public inspection;
 - (f) To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed;
 - (g) To review and evaluate, pursuant to standards, criteria and policy directives adopted by the governing body, the employment-related performance of the chief executive Officer of any public body, a public Officer, employee or staff member unless the person whose performance is being reviewed and evaluated requests an open hearing. The standards, criteria and policy directives to be used in evaluating chief executive Officers shall be adopted by the governing body in meetings open to the public in which there has been opportunity for public comment. An executive session for purposes of evaluating a chief executive Officer or other Officer, employee or staff member shall not include a general evaluation of an agency goal, objective or operation or any directive to personnel concerning agency goals, objectives, operations or programs;
 - (h) To carry on negotiations under ORS chapter 293 with private parties regarding proposed acquisition, exchange or liquidation of public investments.
- (2) Labor negotiations shall be conducted in open meetings unless both sides of the negotiators request that negotiations be conducted in executive session. Labor negotiations conducted in executive session are not subject to the notification requirements of ORS 192.640.
- (3) Representatives of the news media are allowed to attend executive sessions other than those held under subsection (1)(c) of this section relating to labor negotiations or executive session held pursuant to ORS 332.061, but the information discussed is not to be made public by the media.
- (4) If the member of the news media is a party to the litigation or is an employee, agent, or contractor of a news organization that is a party to litigation, the member(s) of the media shall be barred from attending.

4.10 Notice ORS 192.640, provides for Public notice required; special notice for executive sessions, special or emergency meetings. These are included here along with specific application to the school:

(1) The Board shall provide for and give public notice, reasonably calculated to give actual notice to interested persons including news media which have requested notice, of the time and place for holding regular meetings. The notice shall also include a list of the principal subjects anticipated to be considered at the meeting, but this requirement shall not limit the ability of a governing body to consider additional subjects.

(2) If an executive session only will be held, the notice shall be given to the members of the Board, to the general public and to news media which have requested notice, stating the specific provision of law authorizing the executive session.

(3) No special meeting shall be held without at least 24 hours' notice to the members of the Board, the news media which have requested notice and the general public. In case of an actual emergency, a meeting may be held upon such notice as is appropriate to the circumstances, but the minutes for such a meeting shall describe the emergency justifying less than 24 hours' notice.

(4) Regular Board meetings shall have written notice at least five (5) days in advance of the meeting. Electronic communication may be substituted where appropriate and requested by the Board and interested individuals and the media. If notice is sent via electronic mail or other form of computer communication, such notice shall be deemed to be delivered on the day following the sending of such computer communication.

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

4.12 Quorum A majority of the Directors who are in office immediately before a Board meeting begins shall constitute a quorum for the transaction of business at that meeting of the Board. If there is not a quorum at any Board meeting, a majority of the Directors present may adjourn and reconvene the meeting from time to time without further notice, other than announcement at the meeting, until a quorum is present. Appropriate public notice of the meeting shall be provided. No new business shall be introduced after 9:00 PM without quorum approval.

4.13 Manner of Acting; Dissent or Abstention

4.13.1 Manner of Acting If a quorum is present when a vote is taken, the affirmative vote of a majority of the Directors present at the meeting shall be the act of the Board, unless the vote of a greater number is required by law, by the Articles of Incorporation, or by these Bylaws. A Director is considered present regardless of whether the Director votes or abstains from voting.

4.13.2 Dissent or Abstention The right of dissent or abstention is not available to a Director who votes in favor of the action taken. A Director who is present at a meeting of the Board or at a committee of the Board when corporate action is taken is deemed to have assented to the action taken unless:

- (a) The Director objects at the beginning of the meeting, or promptly upon the Director's arrival, to holding the meeting or transacting the business at the meeting;
- (b) The Director's dissent or abstention from the action taken is entered in the minutes of the meeting; or
- (c) The Director delivers written notice of dissent or abstention to the presiding Officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting.

4.14 Compensation Directors shall not receive any salaries for their services as Directors. The Board may decide to reimburse Directors for reasonable and necessary expenses incurred in discharging the Director's duties as a Director or in taking other action on behalf of the Corporation.

4.15 Conflicts of Interest

4.15.1 Conflict of Interest – ORS ORS 65.361 governs Director conflict of interest as follows:

- (1) A conflict of interest transaction is a transaction with the Corporation in which a Director of the Corporation has a direct or indirect interest. A conflict of interest transaction is not voidable or the basis for imposing liability on the Director if the transaction is fair to the Corporation at the time it was entered into or is approved as provided in subsection (2) or (3) of this section.
- (2) A transaction in which a Director of a public benefit or religious Corporation has a conflict of interest may be approved:
 - (a) By the vote of the Board of Directors or a committee of the Board of Directors if the material facts of the transaction and the Director's interest are disclosed or known to the Board of Directors or committee of the Board of Directors; or
 - (b) By obtaining approval of the:
 - (A) Attorney General; or
 - (B) The circuit court in an action in which the Attorney General is joined as party.
- (3) A transaction in which a Director of a mutual benefit Corporation has a conflict of interest may be approved:
 - (a) In advance by the vote of the Board of Directors or a committee of the Board of Directors if the material facts of the transaction and the Director's interest were disclosed or known to the Board of Directors or a committee of the Board of Directors; or
 - (b) If the material facts of the transactions and the Director's interest were disclosed or known to the members and they authorized, approved or ratified the transaction.
- (4) For the purposes of this section, a Director of the Corporation has an indirect interest in if:

- (a) Another entity in which the Director has a material interest or in which the Director is a general partner is a party to the transaction; or
- (b) Another entity of which the Director is a Director, Officer or trustee is a party to the transaction, and the transaction is or should be considered by the Board of Directors of the Corporation.

(5) For purposes of subsections (2) and (3) of this section, a conflict of interest transaction is authorized, approved or ratified if it receives the affirmative vote of a majority of the Directors on the Board of Directors or on the committee who have no direct or indirect interest in the transaction. A transaction may not be authorized, approved or ratified under this section by a single Director. If a majority of the Directors who have no direct or indirect interest in the transaction votes to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking action under this section. The presence of, or a vote cast by, a Director with a direct or indirect interest in the transaction does not affect the validity of any action taken under subsection (2)(a) or (3)(a) of this section if the transaction is otherwise approved as provided in subsection (2) or (3) of this section.

(6) For purposes of subsection (3)(b) of this section, a conflict of interest transaction is authorized, approved or ratified by the members if it receives a majority of the votes entitled to be counted under this subsection. Votes cast by or voted under the control of a Director who has a direct or indirect interest in the transaction, and votes cast by or voted under the control of an entity described in subsection (4) of this section may be counted in a vote of members to determine whether to authorize, approve or ratify a conflict of interest transaction under subsection (3)(b) of this section. A majority of the members, whether or not present, that are entitled to be counted in a vote on the transaction under this subsection constitutes a quorum for the purpose of taking action under this section.

4.15.2 Conflicts of Interest - MITCH Additions Additional requirements added for MITCH school beyond those of ORS 65.361 are as follows:

No Director, Officer, employee, or agent shall participate in the selection, award or administration of a contract where, to his knowledge, he or his immediate family, partners, or organization in which he or his immediate family or partner has a financial interest or with whom he is negotiating or has any arrangement concerning prospective employment. MITCH Directors, Officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value for personal gain or use from contractors or potential contractors. Any violation of these standards shall be grounds for disciplinary action. All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. No Director, Officer, employee, or agent shall engage in contracts or transactions which will result in private benefit, or unreasonable enrichment. Directors and Officers shall exercise duty of care and duty of loyalty to MITCH.

In the event a conflict of interest does arise between a Director or Officer and MITCH, the conflict shall be fully disclosed to the Board, and the member with the conflict shall withdraw from the discussion and abstain from voting on the issue. The Board shall consider whether the transaction is valued at fair market value, and shall approve the transaction only if it is fair, reasonable, and in the best interests of MITCH. A majority of all Board members, whether present or not, shall be necessary to approve the transaction.

5. Officers

5.1 Officers of the Corporation The Officers of the Corporation shall be a Chair, Vice Chair, Secretary and Treasurer. The Board shall appoint such Officers from the Board and may appoint other Officers and assistant Officers. Except for the positions of Chair, Secretary, and Treasurer, the Board may choose not to fill any of the other Officer positions for any period. The same person may simultaneously hold two or more offices, but if so, shall only have one vote.

5.2 Appointment and Term of Office At the regular annual meeting of the Board, the Board shall appoint Officers, who shall serve for a one-year term (except for death, resignation, removal, or other disqualification under Section 5.3). Notwithstanding the foregoing, if a successor has not been duly appointed and qualified when an Officer's term expires, the Officer shall continue to hold office until a successor has been duly appointed and qualified. The Board may determine that an Officer's term will expire on the scheduled date of the Board annual meeting or on any other date that is best in the Board's judgment. If the Board does not appoint any one or more Officers at the annual meeting, it may do so as soon thereafter as is practicable. The Board may create and fill new offices at any Board meeting. The Board shall invite interested parties to apply for Officer positions.

5.3 Resignations, Removal, and Vacancies

5.3.1 Resignations An Officer may resign by giving notice to the Board at least ten (10) days before the effective date of the resignation.

5.3.2 Removal. At any time, with or without cause, the Board may remove any Officer, assistant Officer, or other agent of the Corporation who was appointed by the Board. Such removal shall be without prejudice to the contract rights, if any, of the person removed and shall be in conformance with all applicable Federal, State, and Local laws, codes, and requirements.

5.3.3 Vacancies The Board shall fill the offices of Chair, Vice Chair, Secretary, and Treasurer and may fill other offices, when a vacancy has been created because of death, resignation, removal, disqualification, or any other cause.

5.4 Compensation Officers, assistant Officers, and agents of the Corporation shall not receive any salaries for their services, unless otherwise provided by law, the Articles of Incorporation, or these Bylaws.

5.5 Chair of the Board The Chair shall, if present, preside at all meetings of the Board, and shall exercise and perform such other powers and duties as the Board may assign to the Chair from time to time. The Chair shall be the principal executive Officer of the Corporation. Subject to the control of the Board, the Chair shall, in general, supervise and control all of the business and affairs of the Corporation, shall perform all duties incident to the office of Chair, and shall perform such other duties as the Board

may assign from time to time. Specifically, the Chair may sign or execute, on behalf of the Corporation, any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be signed or executed; except the Chair shall not do so (i) in cases where the Board or these Bylaws expressly delegate the signing and execution of such documents to some other Officer or agent of the Corporation, or (ii) in cases where the law requires such documents to be otherwise signed or executed. In cases where such documents are required to be signed or executed together with the Secretary or any other proper Officer of the Corporation, the Chair shall ensure that such documents are fully and properly executed by all required Officers.

5.6 Vice Chair The Vice Chair shall (a) perform the duties of the Chair when the Chair is absent, refuses to act, is unable to act, or has died; in which cases the Vice Chair shall have all the powers of the Chair and shall be subject to all restrictions on the Chair; and (b) perform such other duties as either the Chair or the Board may assign from time to time.

5.7 Secretary The Secretary shall oversee and/or (a) prepare the minutes of Board meetings and keep them in one or more books provided for that purpose; (b) authenticate such records of the Corporation as shall be required from time to time; (c) see that all notices are duly given in accordance with these Bylaws or as required by law or Board policy; (d) be custodian of the corporate records; (e) keep a register of the address, telephone, fax numbers, and electronic mail addresses of each Director; (f) in general, perform all duties incident to the office of Secretary and such other duties assigned by the Board or the Chair from time to time, (g) maintain a publicly stored and publicly available library of Board documents and minutes, and (h) provide timely public notice of all meetings.

5.8 Treasurer The Treasurer shall oversee and/or perform the entire duties incident to the office of Treasurer and such other duties assigned by the Board or the Chair from time to time. The Board may require the Treasurer to give a bond for the faithful discharge of the Treasurer's duties, in such sum and with such surety or sureties as the Board shall determine. Such bond, if required, shall be paid for by MITCH School. The duties that the Board may assign to the Treasurer may include: (a) have charge and custody of and be responsible for all funds and securities of the Corporation; (b) receive and give receipts for money due and payable to the Corporation from any source; and (c) deposit all such money in the name of the Corporation in such banks (Federal Deposit Insurance Corporation, "FDIC"), trust companies, or other depositories as shall be selected in accordance with of these Bylaws or as directed by the Board.

5.9 Executive Director The Executive Director shall be hired and retained by the Board of Directors and shall be responsible to the Board. The Board shall supervise and otherwise direct the activities of the Executive Director. The Executive Director shall be a member of all committees appointed by the Chair, but without a vote. The Board or the Chair shall prescribe the duties and responsibility of the Executive Director. The Executive Director shall be an "ex-officio" (non-voting) member of the Board.

5.10 Additional School Directors Additional School Directors may be hired for future schools that may be established. Such School Directors shall be responsible to the Board. The Board shall supervise and otherwise direct the activities of the School Director. The Board or the Chair shall prescribe the duties and responsibilities of the School Director.

5.11 Other Officers The Board may create other Officers and assistant Officers, may appoint people to fill such offices and assistant offices, and may appoint agents of the Corporation; the Board shall determine the powers and duties of each from time to time. Each such Officer and agent shall perform such duties. Unless otherwise specified by the Board, any Assistant Secretary or Assistant Treasurer shall have authority to exercise any powers delegated to them by, respectively, the Secretary or Treasurer, and in the absence of the Secretary or Treasurer the assistant shall assume all powers and discharge all duties ordinarily exercised by such Officer.

6. Committees

6.1 Committees of Directors The Board may create Board committees, appoint Directors as members of such committees (who serve at the pleasure of the Board of Directors), and assign to the committees responsibilities and functions, except those items prohibited by Section 6.2. Each committee shall have and exercise the authority of the Board in the management of the Corporation and shall carry out responsibilities and functions assigned to it by the Board. Each committee shall consist of two or more Directors. The creation of a committee and appointment of Directors to the committee must be approved by a majority of all the Directors in office when the action is taken. Committees are expected to take minutes and report recommendations to the Board with copies to the Board Secretary for the record.

6.2 No Relief of Responsibility; Limits on Authority of Committees

6.2.1 No Relief of Responsibility The creation of a committee and delegation to the committee of authority shall not relieve the Board or any individual Director of any responsibility imposed by law.

6.2.2 Limits on Authority of Committees As provided in ORS 65.354(5), a committee of the Board may not:

- (a) Authorize distributions;
- (b) Approve or recommend to members dissolution, merger or the sale, pledge or transfer of all or substantially all of the Corporation's assets;
- (c) Elect, appoint or remove Directors or fill vacancies on the Board or on any of its committees; or
- (d) Adopt, amend or repeal the articles or Bylaws.

6.3 Term of Office Each member of a committee shall continue as such until the next regular annual meeting of the Board; except that if a successor has not been appointed at such annual meeting, the Director shall continue as a member of the committee until a successor has been appointed. If the Board does not appoint committee members at the annual meeting, it may do so as soon thereafter as is practicable. Notwithstanding the foregoing, the Director shall discontinue serving as a committee member at any time (a) the Board terminates the committee; (b) the Board removes the Director as a committee member; or (c) the Director is no longer on the Board or for any other reason is no longer qualified as a member of the committee.

6.4 Chair and Vice Chair The Board shall appoint a member of the committee for its chair and for its vice chair.

6.5 Vacancies The Board shall fill vacancies in the membership of any committee in the same manner as provided in the case of the original appointment.

6.6 Quorum; Meetings; Notice; Miscellaneous Unless when the Board creates a committee it sets forth a different quorum or vote requirement, (a) a majority of the whole committee shall constitute a quorum, and (b) the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee. Except as otherwise provided in this Section 6, the provisions of Section 4 relating to resignation, meetings, public notice, and waiver of notice apply to Board committees and their members.

6.7 Rules Each committee may adopt rules for its own governance, as long as those rules are consistent with these Bylaws or with rules adopted by the Board.

6.8 Other Committees The Board may appoint other committees, some or all of whose members may be persons who are not Directors. Such committees shall not have or exercise the authority of the Board in the management of the Corporation. The Board may request such committees to give the Board reports and recommendations from time to time. These will be provided to the Board Secretary as part of the record. The Board may also designate a method of selecting committee members and may designate who will make such selections. The Board may determine rules governing such committees, but if it does not do so, Sections 6.3 through 6.7 shall apply. Such committees shall not be subject to ORS Chapter 65 governing meetings, notice and waiver of notice, and quorum and voting requirements of the Board.

7. Financial Matters; Books and Records

7.1 Financial Statements At the close of each taxable year, the Board shall engage a Certified Public Accountant to prepare financial statements for the Corporation as specified by the Board.

7.2 Charter School Requirements With respect to MITCH Charter School for which the Board is the governing body, the Board shall ensure that the requirements of ORS Chapter 338, other laws, and applicable charter agreements are fulfilled, including without limitation the following: (a) application to the IRS for a determination letter stating that the Corporation is qualified as an exempt organization under Section 501(c)(3) of the Internal Revenue Code; (b) maintain the Corporation as an Oregon nonprofit Corporation throughout the term of the charter agreement; (c) provide the annual report required by ORS 338.095(1); (d) provide the annual audit required by ORS 338.095(2); (e) fulfill record keeping requirements; (f) submit budgets; (g) maintain and retain financial records; and (h) maintain proper accounting procedures.

7.3 Budget The Treasurer shall prepare and submit to the Board for its review and approval an annual budget and other financial statements and information.

7.4 Fiscal Year The fiscal year of the Corporation shall begin on the first day of July and end of the last day of June of each year.

7.5 Books and Records

7.5.1 Generally The Corporation (a) shall keep correct and complete books and records and shall maintain appropriate accounting records; (b) shall keep as permanent records the minutes of the meetings of its Board and Board committees having any authority of the Board; (c) shall keep as permanent records a record of all corporate action taken by the Directors; (d) shall keep at its registered or principal office a record giving the names and addresses of the Directors entitled to vote; and (e) All books and records of the Corporation may be inspected by any Director, or his or her agent or attorney, for any proper purpose at any reasonable time. The Corporation shall keep a copy for inspection of the records described in ORS 65.771(5), including IRS Form 990. Records shall be kept in a location accessible to the public.

7.5.2 Charter School Subject to Public Records Law ORS 338.115(1)(b) states that public charter schools are subject to ORS 192.410 to 192.505 (public records law). The Board shall have the duty to ensure compliance with such laws for any Charter School for which the Board is the governing body. Such public records laws govern, among other things, inspection rights, the duty to make records available for inspection, providing copies and certified copies, requests for nondisclosure, procedures if right to inspect is denied, and records exempt or conditionally exempt from disclosure (such as certain student records, and employee and volunteer personal information). All requests for copies of the corporate records must be submitted in writing to the Secretary of the Board. Duplication of records beyond minimal may require a charge to cover the cost of copying such records.

7.6 Contract Authority The Board may authorize any Officer(s) or agent(s) to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances and must be in the best interest of the school.

7.7 Loans No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless the Board authorizes this by resolution. Such authority may be general or confined to specific instances.

7.8 Checks, Drafts, Other All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness, issued in the name of the Corporation shall be signed by such Officer(s) or agent(s) of the Corporation and in such manner as shall from time to time be determined by resolution of the Board.

7.9 Deposits All funds of the Corporation not otherwise employed shall be deposited in a timely manner to the credit of the Corporation in such banks (FDIC Insured), trust companies, or other depositories as the Board may select.

7.10 Share of stock and dividends prohibited The Corporation shall not have or issue shares of stock. No dividend shall be paid and no part of the income of the Corporation shall be distributed to its Directors or Officers. The Corporation does not pay compensation to its Officers for services, as stated in Section 4.14.

7.11 Loans to Directors and Officers generally prohibited The Corporation shall not make a loan, guarantee an obligation, or modify a preexisting loan or guarantee to or for the benefit of a Director or Officer of the Corporation, except as permitted under ORS 65.364. The Directors who vote for or assent to the loan, the guarantee, or the modification in violation of this Section, and any Officers participating in such a violation, shall be jointly and severally liable to the Corporation for the amount or value of such action until the repayment thereof.

8. Indemnification of Officers, Directors, employees, and agents

The Corporation shall indemnify (and shall pay for or reimburse any reasonable expenses incurred by) Directors, Officers, employees, and agents of the Corporation to the fullest extent permitted under ORS Chapters 65 and 338, and under other applicable laws, in the proceedings and circumstances described in such laws. Indemnification (and payment or reimbursement) provided under this Section shall continue to cover any Director, Officer, employee, or agent after such person ceases to serve in said capacity and shall inure to the benefit of such person's heirs, executors, and administrators.

9. Amendments of Bylaws

These Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted by a majority of the Directors present at any regular meeting or special meeting. The notice given to Directors for the meeting must also state that the purpose or one of the purposes, of the meeting is to consider a proposed amendment to the Bylaws; and the notice must contain or be accompanied by a copy or summary of the amendment or state the general nature of the amendment. Notwithstanding the foregoing, with respect to MITCH Charter School for which the Board is the governing body, the Board shall ensure that the requirements of the applicable

