

# **East Cooper Montessori Charter School**

**Established 2003**

## **BYLAWS**



## ARTICLE I -NAME, ADDRESS

**Section 1.1 Name of Corporation.** The name of the Corporation shall be as specified in its Articles of Incorporation, as amended, East Cooper Montessori Charter School (hereinafter referred to as the (“Corporation” and/or the “Charter School”).

**Section 1.2. Address of Corporation.** The location and address of the registered office of the Corporation shall be 250 Ponsbury Road, Mount Pleasant, South Carolina 29464. Starting in August 2014, the school will move to 1120 Rifle Range Rd, Mount Pleasant, SC 29464.

## ARTICLE II - NATURE OF CORPORATION

**Section 2.1. Non-Profit.** The Corporation is a non-profit organization incorporated under the South Carolina Nonprofit Corporation Act of 1994, Chapter 31, Title 33, S.C. Code (the "*Nonprofit Act*"). The Corporation is an independent and autonomous organization.

**Section 2.2 . Purposes.** The Corporation is organized exclusively for, scientific, and educational purposes, including, for such purposes, the making of distributions to organizations which qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future United States internal revenue law, and specifically to organize and operate a charter school pursuant to the South Carolina Charter Schools Act of 1996, as amended, Chapter 59, Title 40, S.C. Code (the "*Charter Schools Act*").

**Section 2.3. Non-Discrimination.** The Corporation shall be non-sectarian, non-religious and non-discriminatory, hiring staff and accepting students without discrimination as to race, color, religion, national origin, sex, marital status, sexual orientation, educational affiliation, handicap status, or age, and shall comply with all applicable laws and regulations relating thereto including those specifications regarding admission as to racial composition pursuant to S.C. Code § 59-40-50 (B)(7).

### **Section 2.4 Objectives.**

- (a) To organize, operate, and govern a charter school (the "*School*") pursuant to and in accordance with the Charter Schools Act;
- (b) To promote the recruitment and retention of a superior faculty;
- (c) To promote academic excellence by creating a School that enable students to excel; and
- (d) To promote, support, and aid any and all activities and programs of the School which will further the purposes of the Corporation as provided herein.

**Section 2.5. Enrollment.** Subject to total enrollment limitations, enrollment in the

school shall be open to any child in accordance with the South Carolina Charter School Law of 1996, and any amendments thereto.

**Section 2.6 Operating Policies and Procedures.** From time to time, the Board of Directors (the "**Board**") may adopt, amend, or restate operating policies, procedures and guidelines to carry out the purposes and objectives of the Corporation.

**Section 2.7 Revocation of the charter.** If the charter school commits a material violation of the terms of this Agreement, fails to maintain student achievement, fails to meet the requirements for fiscal management, and/or violates a provision of the law from which the charter was not specifically exempted, the Board of Trustees of the Charleston County School District may revoke the School's

**Section 2.8 Membership** provided in the Corporation's Articles of Incorporation pursuant to S.C. Code § 33-31-603, the Corporation does not have members within the meaning of S.C. Code § 33-31-140(23). Any use of "member" or "membership" in these Bylaws should be understood in its immediate context, and not to refer to "members" within such statutory definition. The Board may also, but without establishing memberships, create an advisory council or honorary board or such other auxiliary groups as it deems appropriate to advise and support the Corporation.

### **ARTICLE III – GOVERNING BOARD OF DIRECTORS**

#### **Section 3.1 Authority.**

- (a) To solicit, receive and acquire property of every kind by gift, devise, bequest or otherwise, and to hold, outright or in trust or otherwise, and to invest and reinvest in real and personal property or any interest therein, wherever situated, without limit as to amount.
- (b) To make contracts, incur liabilities and borrow money; to issue or endorse bonds, notes and other evidences of indebtedness; to execute and deliver deeds, leases, mortgages, pledges and agreements; and to apply for and hold any and all franchises, permits, patents, licenses, consents, grants, rights or interests whatsoever which the Corporation may deem necessary or appropriate for the accomplishment of its purposes and objectives;
- (c) To sue and be sued;
- (d) To construct buildings and other improvements to real property;
- (e) To appoint such officers and agents as the activities of the Corporation require,

prescribe their duties and fix their compensation;

- (f) To establish investment policies and procedures and to establish endowment funds; and
- (g) Prepare I conjunction with the Principal the Annual Report of findings, achievement, challenges and success of the school practices and submitted to the South Carolina Department of Education and the sponsor, Charleston County School District.

**Section 3.2 Qualification for Governing Board of Directors** The School will recruit as Board members those persons who qualify under the South Carolina Charter Schools Act and demonstrate commitment to the School's mission. All prospective and current Board Members will be required to undergo a background check before they officially may serve, and must meet all qualification requirements of the Charter Schools Act. Pursuant to S.C. Code § 59-40-50 (B)(9), a person who has been convicted of a felony must not be elected to the Board of Directors. The Board shall not include employees of the School.

**Section 3.3 Management** The Charter Governing Board means the governing body of the Charter School and also shall be known as the Board of Directors of the Corporation. The business and affairs of the Corporation shall be managed by the Board of Directors (hereinafter sometimes referred to as the “Board”). The members shall act only as a Board.

***The job of teaching is left to the control and decision- making of professional educators.***

**Section 3.4 Responsibilities.**

- (a) The Board shall sign a Charter School Contract,
- (b) Ensure compliance with all of the requirements for a charter school provided by the South Carolina Charter School Law, as amended from time to time,
- (c) Develop & evaluate strategic plans for the school,
- (d) Adopt the annual budget,
- (e) Assist in fundraising activities,
- (f) Approve operating procedures,
- (g) Build community partnerships,
- (h) Comply with all Federal and South Carolina laws,
- (i) Employ and contract with teachers, administrators and non-teaching employees,
- (j) Contract for other services,
- (k) Develop pay scales, performance criteria, and discharge policies for the Charter School employees,
- (l) Oversee the financial health of the school,
- (m) In conjunction with the school’s principal, develop and submit the Annual Report

of school practices along with challenges and success. The annual report will include budget, audit, professional development plans and school improvement plan for inspection by the public or as required and agreed upon by charter school and sponsor.

**Section 3.5. Number.** The Board shall consist of seven (7) directors, selected from two identified groups, in accord with

the following provisions:

- A. Three (3) of the directors, community members who are not parents or guardians or relatives of currently enrolled students or staff of ECMCS, shall be elected for a two year term;
- B. Four (4) of the directors, parents of currently enrolled ECMCS students, shall be elected for a two year term.
- C. One (1) Non-voting, ex-officio Montessori trained teacher member voted by the faculty elected for a two year term.
- D. The Financial Director serves as a non-voting ex-officio member of the Board of Directors.
- E. The Principal of East Cooper Montessori Charter School shall serve on the Board as an advisor and ex-officio member without a vote. The principal of East Cooper Montessori Charter School shall have the authority to issue payment up to a limit of Five Thousand Dollars (\$5,000) without first obtaining authority of the Board of Directors.

**Section 3.6 Election.** The parents and guardians of students enrolled at and employees of East Cooper Montessori Charter School by plurality of the cast votes shall elect the open Governing Board Member positions annually. Parents or guardians of a student shall have one vote for each student enrolled in the charter school. Each employee is given one vote. All employees and all parents or guardians are eligible to participate in the election. No spouse of any nominee may be nominated for membership. The Board shall include such non-voting *ex officio* members as the Board determines from time to time, such as the Principal of the Charter School, President of a parent booster club or similar organization for the charter school, and/or a teacher representative.

The two-year term for each member shall begin on July 1 and expire on June 30 of the second year. Elections shall be held and results posted by May 15 for the upcoming school year.

As of spring of 2014, the positions will b staggered in following way:

As of July 1<sup>st</sup> 2014, the staggering of terms will be accomplished in this manner: Board seats will be assigned as set forth below. Seats 1-5 shall carry a term of one (1) year. Seats 6-9 shall carry a term of two (2) years. Thereafter, the term of office of each director shall be two (2) years.

Seat

1 Parent Member

2 Community Member

3 Parent Member

4 Community Member

5 Parent Member

6 Community Member

7 Parent Member

The Parent Member receiving the most votes will be assigned seat number one (1). The Parent Member receiving the second most votes will be assigned seat number three (3). The Parent Member receiving the third most votes will be assigned seat number five (5). The Parent Member receiving the fourth most votes will be assigned seat number seven (7).

The Community Member receiving the most votes will be assigned seat number two (2). The Community Member receiving the second most votes will be assigned seat number four (4). The Community Member receiving the third most votes will receive seat number six (6).

Nothing herein shall preclude any member from seeking a maximum of two consecutive full terms on the board of directors.

**Section 3.7 Removal of Board Member.** Any Board member may be removed at any time with or without cause at any meeting of the Board by a vote of the Board of the Corporation called for that purpose by an affirmative vote of 2/3rds of the board. Cause can be considered failure to organize, poor participation, lack of support to the organization or neglect of duty according to the South Carolina Charter School Law. Directors shall be expected to attend at least sixty- six percent (66%) of all Board meetings and of all meetings of the committee or committees on which he or she has agreed to serve. Director shall be removed for conviction of a felony crime or a crime of moral turpitude.

**Section 3.8 Resignation of a Board Member** - Any member may resign at any time by serving written notification to the Chairman of the Corporation. At the discretion of the Chairperson, Board action may be approved telephonically and ratified at the next subsequent meeting.

**Section 3.9 Vacancies.** In the event any vacancy occurs in the Board of Directors, caused by any increase in the number of members or by the death, resignation or removal of any member, the Board may, within 30 days, elect a member to fill such vacancy. The board elected director shall serve for the remainder of the unexpired term of the director whose

departure created the vacancy.

**Section 3.10. Compensation and Expenses.** Members shall serve without compensation but may be reimbursed for expenses incurred when acting at the request of and on behalf of the Board.

#### **ARTICLE IV - MEETING OF THE GOVERNING BOARD OF DIRECTORS**

**Section 4.1 Regular Meetings.** The Board of Directors shall hold regular meetings according to such schedule and at such times and places as it may fix by resolution or otherwise. The board will meet 11 times annually. Meetings of the Board shall be general meetings and open for the transaction of any business within the powers of the Board without special notice of such business except in any case where special notice is required by law or by the Bylaws.

**Section 4.2 Place and Time of Meetings.** All meetings of the Board shall be held at such places within or without the State of South Carolina, and at such times as shall be specified in the respective notices of such meetings or waivers thereof.

**Section 4.3 Special & Emergency Meetings.** Special meetings of the Board shall be called at any time by the Secretary upon the written request of either the Chairperson or three voting members of the Board.

**Section 4.4 Notice of Meetings.** Notices of meetings of the Board shall be posted in the School and provided to the public in accordance with the requirements of the Freedom of Information Act, as amended, Chapter 4, Title 30 of the S.C. Code of Laws. A special meeting may be held with a minimum of two days notice to the Directors. Public notice, however shall, not be required in the case of emergency meetings or a conference as defined in the Freedom of Information Act.

Every Notice of meeting of the Board shall be served personally or by either e-mail or postal mail on each member of the Board not less than 2 nor more than 15 days before the meeting. Such notice shall state the time, when, and the place where the meeting is to be held, and for special meetings, in addition, the purpose or purposes for which the meeting is called.

**Section 4.5 Open Meetings.** All official actions and all deliberations by a quorum of the Board shall take place at a meeting open to the public, as provided in the Freedom of Information Act, except in cases where executive sessions are authorized pursuant to the Freedom of Information Act. Generally speaking, and subject to the provisions of the Freedom of Information Act, the Board may conduct in executive session meetings or portions of meetings devoted solely to matters involving:

(a) ) discussions of employment, appointment, termination of employment, terms

and conditions of employment, evaluation of performance, promotion or discipline of any specific prospective or current or former employee;

- (b) discussions of employment labor relations or arbitration;
- (c) ) discussions of the purchase or lease of real property;
- d) consultation with the Corporation's attorney or other professional advisors regarding litigation or potential litigation;
- (e) ) discussions of confidential information regarding current, prospective or former students;

and

- (f) discussion of the Corporation's business which, if conducted, would violate a lawful privilege or lead to the disclosure of information or confidentiality protected by law.

**Section 4.6 Quorum.** At all meetings of the Board, the presence of a majority of the Board members shall be necessary and sufficient to constitute a quorum and, except as otherwise provided by law or by the Bylaws, the act of a majority of the members present shall be the act of the Board. In the absence of a quorum, no business shall be transacted except to take measures to obtain a quorum, fix a time to adjourn, or to take a recess. Members of the Board may appoint a proxy to act and/or vote in their behalf.

**Section 4.7 Informal Actions by All Directors** Any action required by law to be taken at a meeting of the Board, or any action that may be taken at the meeting of the Board or of any committee of the Board may **be** taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote on the subject thereof. Such consent shall have the same force and effect as a unanimous vote of the Board and shall be recorded with the minutes of the Corporation.

**Section 4.8 Electronic Meetings** Any one or more Directors may participate in a meeting of the Board of Directors by means of electronic device via, telephone, FaceTime, Skype or other devices. A meeting of this type is one which allows all persons participating in the meeting to hear each other, and such participation in a meeting shall be deemed presence in person at such meeting. Additionally, in the event the meeting itself is a conference call, without a specific meeting location, notice of the meeting shall include a toll-free number by which members of the public may "attend" the meeting.

## **ARTICLE V - OFFICERS OF THE GOVERNING BOARD OF DIRECTORS**

**Section 5.1 Officers and Duties.** The officers of the Corporation shall be a Chairman, a Vice Chairman, a Secretary, and a Treasurer. All officers shall be Directors who are entitled to vote on matters before the Board of Directors. All officers shall serve without compensation. These officers shall perform the duties prescribed by these Bylaws.

(a) **Chairman** - The Chairman shall perform all the duties conventionally

associated with the office including, but not limited to, chairing all board meetings, developing agendas for board meetings, working to ensure board participation, soliciting financial support in the form of grants and donations, managing the operations of the Corporation in accordance with policies established by the board of directors, assisting the treasurer in dispersing and managing the funds which will support the programs and activities of the Corporation and having a high level of commitment to the work of the organization.

The Chairman shall serve as the president of the Corporation and the principal volunteer officer of the Corporation. He or she shall represent the Corporation generally in the community. He or she may sign, with any other proper officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the governing board of directors has authorized to be executed, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated by the governing board of directors to some other officer or agent.

(b) **Vice Chairman** - The Vice Chairman shall assist the Chairman in the duties of that office and shall perform all duties of the Chairman during his or her absence or departure from office.

(c) **Secretary** - The Secretary shall keep a correct record of all the proceedings of the meetings of the Board of Directors, and if necessary, any committee meetings. He or she shall attend to the giving of notices, have custody of the corporate records as well as load electronic minutes and agendas to the Cloud services. S/He shall perform such other duties as are incident to the office of Secretary, and shall have such other powers and duties as may be conferred upon him by the Board of Directors.

(d) **Treasurer** - The Treasurer shall oversee of all the moneys and securities belonging to the Corporation. He or she shall be a signatory and deposit said property in the name of the Corporation with such banks as the Board of Directors shall designate. He or she shall keep a record of all receipts and disbursements, and shall have charge of all records of the Corporation relating to its finances. He or she shall perform such other duties as are incident to the office of Treasurer, and shall have such other powers and duties as may be conferred upon him by the Board of Directors. He or she will work with the Chairman to develop an annual budget, as well as oversee the work of Financial Director, auditors and accountants to develop quarterly and year-end financial statements to be distributed to all members of the Board of Directors. The Treasurer shall assist with filing all required reports with the Internal Revenue Service, the state of South Carolina, and any financial institutions deemed necessary. The Treasurer will assist with all

compliance requirements associated with the application for/ maintenance of Section 501 (c)(3) status of the Corporation. The Treasurer will serve as the chair of the Finance Committee

**Section 5.2 Attendance.** It is the expectation that all officers shall attend the Board meetings. If unable to attend, he or she must notify the Chairman, who will ensure all duties are fulfilled.

**Section 5.3 Appointment.** A majority of the Board of Directors shall appoint all officers annually.

**Section 5.4 Vacancies.** In the case of a resignation of an officer, the removal of an officer, or for any other reason, with the exception of the Chairman, the Board of Directors will select a replacement Board member to complete the current Term. In the case of the resignation or the removal of the Chairman, the Vice-Chairman will serve as the replacement Chairman until such time as the Board of Directors has appointed another individual to act as Chairman of the Corporation.

**Section 5.5 Resignations.** Any officer may resign at any time by serving written notice to the Chairman. Such resignation shall take effect at the time specified therein or, if no time is specified, upon receipt of the notice by the Chairman.

**Section 5.6 Removal.** Any officer may be removed from their position at any time by a vote of two-thirds (2/3rds) of the members of the Board of Directors.

## ARTICLE VI COMMITTEES

**Section 6.1 General.** Committees may not be authorized to approve or recommend extraordinary corporate acts, adopt, amend or repeal the Corporation's Articles of Incorporation or Bylaws, or otherwise act in contravention of the Nonprofit Act, specifically S.C. Code § 33-31-825. Unless the Board shall provide otherwise, each Committee shall enact rules and regulations for its governance.

**Section 6.2 Nominating Committee.** The Nominating Committee shall consist of the Chairman and three (3) Directors of the Corporation, appointed by the Chairman with the approval of the Board. The Nominating Committee shall propose the slate of Board nominations in a ballot form thirty (30) days prior to the annual election of Directors.

**Section 6.3 Grievance Committee.** The Grievance Committee shall consist of five members. The committee shall consist of: two (2) of the committee shall be qualified former board parent members, one shall be a community member of the Board, and two (2) of the

committee shall be a teacher. The Grievance Committee shall be empowered to hear complaints regarding either a violation of, misapplication of, or interpretation of an ECMCS policy. In the case of the grievance brought against teacher serving on the committee an alternate teacher will be appointed by the Board President to serve.

**Section 6.4 Leadership Team.** The Leadership Team may be made up of the Principal, Assistant Principal, Guidance Counselor, Nurse, Special Education Coordinator plus one teacher representative from each level. Levels include – primary, lower elementary, upper elementary and middle school – level chairs can represent more than one area if trained in Montessori for the multiple levels. The Principal shall appoint Level Chairs.

**Section 6.5 Leadership Team Duties.** The Leadership Team is entrusted with the duty to provide decision-making on matters pertaining to the education of students enrolled in the charter school. In carrying out that duty, the Leadership Team shall perform the following functions within the East Cooper Montessori Charter School.

1. Address curriculum issues;
2. Advise the administration on budgetary issues;
3. Plan school direction for implementation of learning programs;
4. Serve on HR hiring teams when necessary;
5. Create and maintain extra-curricular student programs;
6. Establish school schedules; and
7. Respond to matters delegated to it by the Board.

**Section 6.6 Standing Board Committees.** By resolution adopted by a majority of the Directors in office, the Board may designate one or more Standing Committees as described below or as otherwise designated by the Board. Each board member serves as the chairperson of one committee and the vice chairperson on the other committee.

- (a) **Finance Committee.** The Treasurer will chair this committee. This committee will develop a yearly budget for the board's programs and oversee the expenditure of funds.
- (b) **Development & Fundraising Committee.** This committee will be charged with the task to initiate fundraising programs, annual giving and solicit grants to finance the work of the Corporation. This committee will also develop the budget for expenditures of fundraising monies.
- (c) **Facilities Committee** The facilities committee oversees the planning, development and use of facilities. This committee will make annual recommendations for use of the contingency budget.
- (d) **Enrollment and Diversity.** The enrollment and diversity committee will develop goals and objectives for the diversity of the Corporation as well as

oversee enrollment and attrition.

- (e) **Policy and HR Committee.** The policy and HR Committee shall oversee the development and revision of personnel policies and grievance procedures for approval of the Board as well the guidelines for the performance review of the administrator. This committee shall be responsible for reviewing job descriptions, vacation and leave policies, establishing salary structure, annually reviewing staff salaries with the administrator, and reviewing benefits packages. This committee shall hear written grievances that have gone through the established grievance channels and make recommendations to the Board for action.
- (f) **Education Committee.** The Education Committee shall work with the administrator to ensure that the curriculum of the School is meeting the School's stated mission. This committee shall review any major curricular changes and make recommendations to the Board.
- (g) **Community/ Public Relations** The Public Relations Committee shall fulfill the role of communicating with parents and the community about the activities and needs of the Corporation.

**Section 6.7 Other Committees.** The Board of Directors may establish such other standing committees or special committees, as it deems necessary or appropriate.

## **ARTICLE VII – IDEMNIFICATION**

**Section 7.1 General.** The Corporation shall indemnify each officer, Board member, employee and representative (“Indemnitee”) from the expenses and risks as set forth in Sections 2 and 3 below if such Indemnitee has acted in good faith or in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation and with respect to criminal action proceeding had no reasonable cause to believe his or her conduct was unlawful. A member shall not be considered to be acting in good faith if he/she has knowledge concerning the matter in question that would cause his/her reliance to be unwarranted or, absent breach of fiduciary duty, lack of good faith or self-damaging actions taken as a member or any failure to take any action shall be presumed to be in the best interests of the Cooperation.

**Section 7.2 Insurance.** The Board of Directors may cause the Corporation to purchase and maintain insurance on behalf of any person who is or was a Director or Officer of the Corporation, or is or was serving at the request of the Corporation as a Director or Officer of another corporation, or as its representative in a partnership, joint venture, trust, or other enterprise, against any liability asserted against such person and incurred in any such capacity or

arising out of such status, whether or not the Corporation would have the power to indemnify such person.

**Section 7.3 Expenses.** Indemnities shall be indemnified against all expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the Indemnatee in connection with any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that the Indemnatee is or was a representative, officer or director of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise.

## **ARTICLE VIII -LIMITATION OF PERSONAL LIABILITY**

**Section 8.1. Personal Liability.** A member of the Board of the Corporation shall not be personally liable for monetary damages for any action taken or any failure to take any action, unless (a) such member has breached or failed to perform his/her duties as a member, including his/her duties as a member of any committee of the Board upon which he/she may serve, pursuant to the standard of care set forth in Section 2 of this Article IX, and (b) such breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness.

**Section 8.2. Standard of Care.** (a) Each member of the Board of the Corporation shall stand in a fiduciary relation to the Corporation and shall perform his/her duties as a member, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a member shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

1. One or more officers or employees of the Corporation whom the members reasonably believe to be reliable and competent in the matters presented.
2. Counsel, public accountants, or other persons as to matters which the member reasonably believes to be within the professional or
3. A member shall not be considered to be acting in good faith if he/she has knowledge concerning the matter in question that would cause his/her reliance to be unwarranted. Absent breach of fiduciary duty, lack of good faith or self-damaging, actions taken as a member or any failure to take any action shall be presumed to be in the best interests of the Corporation.

## **ARTICLE VIII - MISCELLANEOUS**

**Section 9.1 Employee and Student Records.** Employee and student records are privileged documents to be maintained under locked conditions. East Cooper Montessori

Charter School will strive to respect the privacy of both employees and students in all matters. Parents may request and examine their children's records in accordance with the Family Education and Privacy Rights Act (FERPA – 20 USC 1232). A written request with a signature of a parent or guardian is required to release any student's records to a third party. Employee records are available for review only to the employee.

**Section 9.2 Student Discipline & Expulsion.** ECMCS outlines the expectations and outcomes in the ECMCS Code of Student Conduct. ECMCS will expel any student who brings a firearm to school pursuant to SC Code Sec. 59-63-235. The Board will further hear an appeal from the decision by the Administration who recommends any student for expulsion

**Section 9.3 Amendments.** Subject to South Carolina law and the Articles, these Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by a majority vote of the Board of Directors.

**Section 9.4. Corporate Records.** The Corporation shall keep as permanent written records a copy of the minutes of all meetings of its members and Board of Directors, a record of all actions taken by the members or Directors without a meeting, and a record of all actions taken by committees of the Board of Directors. The Corporation shall maintain appropriate accounting records. The Corporation or its agent shall maintain a record of the name and address, in alphabetical order, of each member. The Corporation shall keep a copy of the following records at its Principal Office:

Its articles or restated articles of incorporation and all amendments thereto currently in effect;

1. Its bylaws or restated bylaws and all amendments thereto currently in effect;
2. Resolutions adopted by its Board of Directors relating to the characteristics, qualifications, rights, limitations, and obligations of the members or any class or category of members;
3. The minutes of all meetings of members and records of all actions approved by the members for the past three (3) years;
4. All written communications to members generally within the past three (3) years, including financial statements furnished for the past three (3) years;

**Section 9.5 Severability.** If any provision of these Bylaws or the application thereof to any person or circumstances shall be held invalid or unenforceable to any extent by a court of competent jurisdiction, such provision shall be complied with or enforced to the greatest extent permitted by law as determined by such court, and the remainder of these Bylaws and the application of such provision to other persons or circumstances shall not be affected thereby and shall continue to be complied with and enforced to the greatest extent permitted by law.

**Section 9.6 Conflict Between Bylaws, Articles and South Carolina Law.** The Articles of Incorporation of the Corporation and South Carolina law including, without

limitation, the South Carolina Nonprofit Corporation Act of 1994, as amended, and the South Carolina Charter Schools Act of 1996, as amended, together with the regulations, are incorporated herein by reference. Any conflict within the terms of these Bylaws, the Articles, and South Carolina law should be resolved in the following order: (1) South Carolina law, (2) the Articles, and (3) these Bylaws.

**APPENDIX A**  
**BYLAWS**  
**EAST COOPER MONTESSORI CHARTER SCHOOL**

**CONFLICT OF INTEREST POLICY**

**Purpose**

The purpose of this conflicts of interest policy is to protect the interest of Coastal Montessori Charter School (hereinafter the "Corporation") when it is contemplating entering a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation. This policy is intended to supplement but not replace Sections 33-31-831 or 33-31-832 of the South Carolina Code or other applicable state laws governing conflicts of interest applicable non-profit and charitable corporations.

**Article I**

**Definitions**

**1. Interested Person**

Any director, officer, or member of a committee with Board-delegated powers who has a direct or indirect Financial Interest, as defined below, is an Interested Person.

**2. Financial Interest**

A person has a Financial Interest if the person has, directly or indirectly, through business, investment, or family:

- a. an ownership or investment in any entity with which the Corporation has a

- transaction or arrangement;
- b. a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
- c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A Financial Interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a Financial Interest may have a conflict of interest only if the appropriate Board or committee decides that a conflict of interest exists.

## **Article III Procedures**

### **1. Duty to Disclose**

In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of his or her Financial Interest and all material facts to the Directors and members of committees with Board-delegated powers considering the proposed transaction or arrangement.

### **2. Determining Whether a Conflict of Interest Exists**

After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, he or she shall leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

### **3. Procedures for Addressing the Conflict of Interest**

- a. An Interested Person may make a presentation at the Board or committee meeting, but after such presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.
- b. The chairperson of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the Board or committee shall determine

whether the Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

#### **4. Violations of the Conflicts of Interest Policy**

- a. If the Board or committee has reasonable cause to believe that a member has failed to disclose an actual or possible conflict of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. ,after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the Board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

### **Article IV Records of Proceedings**

The minutes of the Board and all committees with Board-delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

### **Article V**

## Compensation Committees

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

## Article VI Annual Statements

Each director, principal officer, and member of a committee with Board-delegated powers shall annually sign a statement, which affirms that such person-

- (a) Has received a copy of the Conflicts of Interest Policy,
- (b) Has read and understands the policy,
- (c) Has agreed to comply with the policy, and
- (d) Understands that the Corporation is a charitable organization and that In order to maintain its federal tax exemption it must engage primarily in activities, which accomplish one or more of its tax-exempt purposes.

## APPENDIX B

## BOARD CONFIDENTIALITY AMENDMENT

### Board Confidentiality Policy

(Source: Adapted from Board Orientation Manual published by Aspen Publishers)

**Directions: Read this policy, and then sign at the bottom acknowledging you read, understand and agree to follow it.**

No board director at this charter school shall knowingly disclose confidential information gained by reason of information shared at a board meeting. This includes details about:

- Children enrolled and their families
- Property

- Operations
- Personnel
- Policies
- Affairs of the charter school

Board directors shall not use information to advance any personal interest, financial or otherwise.

The charter school shall maintain confidentiality of employee and student records, and no board director shall accept employment or engage in any business or professional activity that might be expected to induce him or her to disclose confidential information acquired by reason of serving this board.

A breach of this policy will be reviewed by the Executive Committee and, in accordance with the provisions of the By-laws, may result in dismissal from the Board.

**UNANIMOUS WRITTEN CONSENT OF  
THE BOARD OF DIRECTORS OF  
EAST COOPER MONTESSORI CHARTER  
SCHOOL**

WHEREAS, the Board of Directors of EAST COOPER MONTESSORI CHARTER SCHOOL, a South Carolina nonprofit corporation (the “Corporation”), wishes to enact certain amendments to the Articles of Incorporation and Bylaws of the Corporation in order to amend certain provisions contemplating the distribution of assets upon the dissolution of the Corporation.

NOW, THEREFORE, the undersigned, being all of the members of the Board of Directors of the Corporation, hereby resolve that Revised Bylaws 2014 and the Appendix A, Conflict of Interest and Appendix B, Confidentiality Agreement to the Articles of Incorporation (“Articles”), attached hereto and incorporated herein, are hereby adopted;

FURTHER RESOLVED, the undersigned, being all of the members of the Board of Directors of the Corporation, hereby resolves that amendments to the Bylaws of the Corporation (“Bylaws”), attached hereto and incorporated herein, are hereby adopted;

FURTHER RESOLVED, that any officer of the Corporation, is authorized by and on behalf of the Corporation to execute and deliver such agreements, instruments, certificates and documents as he or she deems necessary or advisable in order to consummate the transactions contemplated by the foregoing Resolution;

FURTHER RESOLVED, that any officer of the Corporation, is authorized to take such further actions as he or she deem necessary or advisable to carry out the purpose and intent of the foregoing Resolutions.

The undersigned, being all the members of the Board of the Corporation, do hereby consent that the actions set forth in the foregoing preambles and resolutions shall have the same force and effect as if taken at a duly constituted meeting of the Board of the Corporation, and do hereby direct that this document be filed with the minutes of the Corporation as part of the permanent records of the Corporation.

**\*\*\*Remainder of Page Intentionally Left Blank\*\*\*  
Signature Pages to Follow**

This Unanimous Written Consent may be executed in any number of counterparts, all of which, when executed and delivered, shall have the force and effect of an original; and it shall be effective as of the date of the last signature obtained below. Counterparts to this Unanimous Written Consent may be executed and delivered by electronic transmission, and for purposes of this Unanimous Written Consent signatures transmitted by electronic transmission shall be deemed to be original signatures.

**SIGNATURES OF DIRECTORS:**

\_\_\_\_\_  
**Kim Durst**                      **Date**

\_\_\_\_\_  
**Jody Swanigan Principal**      **Date**

\_\_\_\_\_  
**David Douglass**              **Date**

\_\_\_\_\_  
**Josh Caplea**                      **Date**

\_\_\_\_\_  
**Andrew Craig**                  **Date**

\_\_\_\_\_  
**Deanna Cunnane**              **Date**

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**Stephanie Lucas      Date**

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**Ladene Conroy                      Date**

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**Rosie Herold (Exofficio)    Date**

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**Joel Sandstom (Exofficio)    Date**

