

# *Uncharted Shores Academy*

## **BY-LAWS**

**June 2019**

### **ARTICLE 1 NONPROFIT PURPOSES**

#### **SECTION 1.1 NONPROFIT PURPOSES**

Uncharted Shores Academy (hereinafter the Corporation or USA) is incorporated as a Public Benefit Corporation according to its Nonprofit Articles of Incorporation as filed and registered with the Secretary of State of the State of California on December 28, 2006. The Corporation is organized exclusively for educational purposes and such other purposes that are described under section 501(c) (3) of the Internal Revenue Code.

The Corporation is organized and shall be operated, at all times, to comply with Section 501(c)(3) of the Internal Revenue Code, the California Public Charter Schools laws, and any other federal, state and local laws to qualify it for nonprofit, tax-exempt status as a public charter school.

#### **SECTION 1.2 THE CORPORATION'S PURPOSE**

The specific purpose for which this Public Non-profit Corporation is organized is to guide, direct, and promote a public charter school, Uncharted Shores Academy.

#### **SECTION 1.3 NONDISCRIMINATION POLICY**

The Corporation will be non-sectarian in its programs, admissions policies, employment practices, and all other operations; shall not charge tuition; and shall not discriminate on the basis of race, ethnicity, national origin, gender or disability.

### **ARTICLE 2 OFFICE**

The principal office of the Corporation shall be located at 330 E Street, Crescent City, CA 95531 or other location as approved by the USA Governing Board.

### **ARTICLE 3 GOVERNING BOARD MEMBERS**

#### **SECTION 3.1 BOARD MEMBERS**

The Corporate Governing Board shall consist of a president, a secretary, a treasurer, school representatives, community representatives, and family representatives of students enrolled in Uncharted Shores Academy, as provided in these Bylaws.

### **SECTION 3.2 DELEGATION OF POWERS**

The Corporate Governing Board shall conduct the activities and affairs of the charter school under its direction. The Corporate Governing Board may delegate some or all of its powers to the Executive Director of Uncharted Shores Academy, or other persons as set forth in these Bylaws. (See also Article 6 of these Bylaws with respect to delegation to committees.)

### **SECTION 3.3 NUMBER**

The Corporate Governing Board shall consist of from five (5) to seven (7) members comprised of up to two (2) staff members of the charter school; up to two (2) appointed community members; and up to four (4) family representatives of the students of the school under the Corporation's jurisdiction. A Board President, a secretary and a treasurer will be appointed by the Board. The Board President must be appointed from the current members of the Board. Any board member, USA staff member, or person from the community at large may be appointed to serve as treasurer or secretary. Collectively the corporation's governing board members shall be known as the *Uncharted Shores Academy Governing Board* (also known as the USA Governing Board, the Governing Board, or the Board).

### **SECTION 3.4 TERMS OF OFFICE**

Members of the USA Governing Board shall usually serve for a three (3) year term and may be re-appointed without limit at the discretion of the Board. The terms of members shall be staggered so that no more than two of the board's terms will be terminating in any given year. To ensure this staggering of terms, some board members' terms may be stipulated as terminating in one to five years instead of three at the time of their appointment. All members will serve a specified term of office, but may be re-appointed without limitation.

### **SECTION 3.5 COMPENSATION**

Governing Board Members shall serve without compensation in their position as Governing Board Member. Staff members will receive compensation in their positions with the school, but not as board members. Governing Board Members may receive reasonable advancement or reimbursement of expenses incurred in the performance of their duties provided that the Board approves such expenses. Notwithstanding the above, upon approval of the Board and subject to the conflict of interest provisions of Article 8, a Governing Board Member may receive:

- (a) reasonable compensation from the Corporation for services actually performed,
- (b) reasonable payment for property received by the Corporation,
- (c) reasonable payment of benefits that are in furtherance of the Corporation's purpose
- (d) a reasonable stipend to offset costs incurred by the Board Member in carrying out the performance of his/her duties

### **SECTION 3.6 APPOINTMENT OF GOVERNING BOARD MEMBERS**

Potential Family, Staff, and Community Board Members shall be recruited by the USA

Governing Board to represent the various entities interested in the continued operation of the school. Representatives shall be appointed by majority vote to the board at the annual USA Governing Board meeting held at the end of each school year. Board members may be recruited from the staff, families of students, or community to fulfill particular functions on the board, or to represent specific entities associated with the school. Members may be appointed at the annual meeting or at a later meeting if recruitment is still in progress. Interviews, resumes, and recommendations may be required of Board Members prior to appointment.

Two of the Governing Board positions are mandated and must be filled as soon as possible after a vacancy occurs. The position of secretary is one of the positions, and may be filled by any member of the Board or any non-board member appointed by the Board. The other mandated position is Board President, which shall be filled at the annual meeting by election of an existing board member by the other members of the board. The position of treasurer is not mandated, but recommended, and may be filled by appointment of one of the members of the board, or by appointment of a non-board member from within the school or general community, excluding the Executive Director.

### **SECTION 3.7 VACANCIES**

A vacancy occurs on the Board if the number of voting Governing Board Members is less than five (5). If the number of Governing Board Members in office is less than five voting members, a vacancy on the Board must be filled as soon as possible by approval of a majority of the Governing Board Members in office at that time. Furthermore, a vacancy in the positions of President or Secretary must be filled as soon as possible, regardless of the number of the remaining board members.

A vacancy may occur for three possible reasons: 1) A current Board Member's term has expired, and the Board Member does not wish, or cannot, continue in his/her position. 2) The Board Member resigns prior to his/her end of the term, or 3) The Board Member is removed from Board duties. During the annual Board meeting at the conclusion of each school year, all positions up to the seven member limit may be filled, but need not be filled if at least five board members remain on the board. Any Board Member who is appointed to fill a vacancy on the board in the interim shall hold such office until the next annual meeting, at which time regular appointments of board members shall occur.

Any Governing Board Member may resign by giving written notice to the Board. The resignation is effective on the date such notice is received unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless the resignation is not accepted by the Board because there would then be less than 5 Board members, which is required to hold a Board meeting. In this case, the resigning Board Member would continue on the Board until such a time as the Board position can be filled by another individual.

Governing Board Members may be removed from office due to a lack of attendance at meetings or if the member is found to be in violation of the Board Affidavit which they signed prior to taking office as a Board Member.

Commitment to attendance at meetings is necessary to the performance of the duties of the Board, and missing three or more meetings within a given year will qualify as an attendance issue, requiring the Board to address the issue and remove the Board member from office at the end of year annual meeting if the attendance issue cannot be remedied.

The USA Governing Board Affidavit requires the Board Member to agree to impartiality, transparency, and ethical judgment to be exhibited in all matters. Violation of this vital role as a Board Member will require the Board to discuss the actions, and possible removal, of the Board Member in a closed Board meeting session.

### **SECTION 3.8 INDEMNIFICATION OF THE BOARD**

The Governing Board is a corporate body, not individual members, and, as such, shall be covered by the same liability insurance which covers the employees of the schools. No member will be liable individually for the actions of the Board

## **ARTICLE 4 MEETINGS**

### **SECTION 4.1 REGULAR MEETINGS**

The Board shall have regular meetings as determined by the Board with notice given to interested persons as provided in section 4.9.

### **SECTION 4.2 ANNUAL MEETING**

An annual meeting shall be held each year at the end of the school year, on the date determined by the Board, and shall be the meeting during which (1) New Board Members are approved for a three year term, or other term as designated by the Board; (2) the Executive Director is evaluated, with a determination of continuance and salary agreement approved; (3) a Board President is appointed to carry out the annual agenda (see Article 5, section 1); and (4) the Board determines the dates of the regular meetings of the board for the following fiscal year. The annual meeting shall take place on the last regular meeting of the fiscal year. Notice of such annual meeting shall be given to interested persons as provided in Section 4.9.

### **SECTION 4.3 SPECIAL MEETINGS**

Special meetings of the Board may be called by the President or Executive Director or any two of the other Governing Board Members with notice given to interested persons at least 24 hours in advance as provided in section 4.9. Written notice of any special meeting shall be given to each Governing Board Member by the one calling the meeting within at least 24 hours prior to such meeting. Governing Board Members may waive notice of any special meeting if the waiver is in writing, signed by each Governing Board Member, specifies the meeting for which the meeting is waived, and filed with the corporate minutes or records.

### **SECTION 4.4 EMERGENCY MEETINGS**

Emergency meetings may be called by the President or Executive Director or 2 of the remaining Governing Board Members with less than 24 hours notice only if an actual

emergency exists which would not permit the meeting to be a Special Meeting. The minutes of the meeting must describe the emergency justifying less than 24 hours notice. Notice must be given to interested persons as is reasonable and as provided in Section 4.9.

#### **SECTION 4.5 QUORUM FOR MEETINGS & TELECOMMUNICATIONS**

A quorum consists of the presence of a majority of voting Board Members holding office immediately prior to any meeting, excluding any members who have submitted resignations to be accepted at the meeting. A Board Member is considered present if by use of any means of communication, all Board Members participating may simultaneously hear each other during the meeting. No decisions requiring Board action shall be made by the Board at any meeting at which the required quorum is not present. In the event fewer Board Members than a quorum are present, the remaining Board Members may, upon a simple majority, adjourn the meeting to another day and/or time. Notice of the reconvened meeting shall be given to each Board Member and interested persons as provided in this Article.

#### **SECTION 4.6 BOARD ACTION**

The Board will model ethics and promote a cooperative, consensus-driven, decision-making process. However, all decisions will be made by majority vote of the members present at the meeting in which the vote takes place. In the case of a tie, the President's vote will be counted twice to break the tie.

In addition, in the following circumstances, there will be a vote of the majority of Board Members in office (even if not present at the meeting) at the time the vote is taken:

- (a) to establish committees to exercise board functions as provided in Article 3, section 2
- (b) to amend the Articles of Incorporation as provided in Article 10
- (c) to sell assets not in the regular course of business
- (d) to merge
- (e) to dissolve
- (f) in the case of conflicts of interest, a majority of Governing Board Members in office who have no direct or indirect interest in the transaction will be considered a majority, as provided in the policies of Article 7.

A Board Member who is present at a meeting when corporate action is taken is deemed to have assented to the action unless the Board Member's objection or abstention to the vote is entered into the minutes of the meeting or the Board Member delivers written notice of such objection or abstention to the Secretary immediately after adjournment of the meeting.

#### **SECTION 4.7 EXECUTIVE SESSION**

The Board may meet in an executive session during which all or part of the meeting is closed to the public for deliberation on the matters listed below. Notice of such executive session shall be given to interested persons in accordance with Section 4.9 provided that the statutory authority for such executive session be referenced in the notice. No executive session may be held for purpose of taking any final action or making any final decision although a consensus

may be reached by the Board in executive session. The Board may meet in executive session for the following matters:

- a. To consider employment of officer, employee, staff member or agent if:
  - (1) the job has been publicly advertised;
  - (2) regular procedures for hiring have been adopted; and
  - (3) there is an opportunity for public input into the employment of an officer.(Otherwise, open meeting)
- b. To consider dismissal, discipline or complaints/charges against an officer, employee, staff member or agent *unless* the individual requests an open meeting.
- c. To conduct deliberations with persons the Corporation has designated to carry on labor negotiations.
- d. To conduct deliberations with persons the Corporation has designated to negotiate real property transactions.
- e. To consider records that are exempt from disclosure under the Public Records Law, including written advice from the Corporation's attorney (Attorney- Client Privilege).
- f. To consider preliminary negotiations regarding trade or commerce in which the Corporation is in competition with other states or nations.
- g. To consult with the Corporation's attorney regarding legal rights and duties in regard to current litigation or likely litigation.
- h. To review and evaluate the employment performance of an officer, employee or staff member pursuant to standards, criteria and policies adopted at an open meeting *unless* the person requests an open meeting.
- i. To carry on negotiations with private persons or businesses regarding proposed acquisition, exchange or liquidation of public investments.
- j. To consider student expulsions and confidential medical records of students.

#### **SECTION 4.8 NOTICE**

Any written notice that is to be delivered to a Governing Board Member pursuant to these Bylaws may be delivered by electronic mail (e-mail) provided that the Secretary has received the consent of the Governing Board Member to such form of delivery.

#### **SECTION 4.9 PUBLIC MEETING NOTICE AND OTHER REQUIREMENTS**

Meetings of the Board shall endeavor to comply with the Brown Act. The Board shall provide for and give public notice, reasonably calculated to give actual notice to interested

persons including any news media which have requested notice, of the time, place and principal subjects to be considered at the meeting. Notice may be provided in any manner, including (but not limited to) mail, fax, e-mail, website posting, telephone, newspaper, outdoor postings, and bulleting boards, to interested persons. All meetings shall be open to the public (except in the case of executive sessions as described in Section 4.7), accessible to the disabled, and held within the geographic boundaries of the Corporation.

## **ARTICLE 5 DUTIES OF BOARD AND DIRECTOR**

### **SECTION 5.1 DUTIES OF EXECUTIVE DIRECTOR**

The Executive Director shall be present at all Board meetings to address the Board on the state of the schools under the board's jurisdiction. The Executive Director will be hired to be the spokesperson for the Corporation to the community, sign legal documents as directed by the board, direct the daily functions of the Corporation, hire and direct personnel as designated by the Corporation, be responsible for the financial soundness of the Corporation, and have such other duties and responsibilities as determined by the Board. The Executive Director will advise the Board concerning the business of the corporation, establish board agendas, and carry out the recommendations of the Board.

### **SECTION 5.2 DUTIES OF SECRETARY**

The Secretary shall have overall responsibility for all record keeping and for notices to the Board of any Board meeting. The secretary shall keep on file for public viewing the signed notice of the meetings, agendas, minutes, packets, handouts, resolutions, budgets, and other documents which were distributed at each meeting.

The Secretary shall be responsible for compliance with the notice requirement of public meeting law as set forth in Article 4, Section 9. The Secretary may delegate these responsibilities provided that he or she supervises such delegation.

The Secretary shall record and/or supervise the recording of the minutes of all meetings of the Board and present the transcribed minutes at or before the next proceeding Board meeting. Minutes, except in the case of executive session, shall include at least the following:

- a) Names of all Board members present;
- b) All motions, proposals and resolutions proposed and their disposition;
- c) The results of all consensus decisions and, if voting, the results of the votes.
- d) The substance of any discussion, and
- e) Reference to any document discussed.

### **SECTION 5.3 DUTIES OF TREASURER**

The Treasurer of the Governing Board shall be responsible for an annual check of proper records of all financial transactions of the Corporation, evaluation of the reconciliation of the Corporation's books, direct the establishment of an annual audit by an appropriate auditor, and check the corporation's compliance with all financial policies of the Board. The Treasurer shall report the results of these oversight activities to the Board. The Treasurer shall direct the Financial Committee of the Board, or in absence of such a committee, may perform the duties of the committee.

### **SECTION 5.4 DUTIES OF THE PRESIDENT OF THE GOVERNING BOARD**

The Governing Board President shall be responsible for overseeing compliance with these Bylaws, and shall have such other duties and responsibilities as determined by the Board. The Board President shall preside over the Board meetings and ensure that the agenda prepared by the Executive Director reflects the Board Calendar. The Board president will be responsible for presiding over the selection and hiring of an Executive Director, presiding over the annual evaluation of the Director, and ensuring that the Director fulfills his/her responsibilities in completing reports to the USA Board, the Del Norte County Office of Education, and the California Department of Education. Furthermore, the President will ensure that an appropriately experienced individual is selected as Treasurer and that both the Treasurer and Secretary carry out their duties. The President will work with the Executive Director to identify community individuals to fulfill particular functions of the Board, and will research appropriate individuals to recommend as consultants to the Board. The President shall ensure that individuals with a conflict of interest are recused from voting, and the President's vote shall double count in the case of a tie in order to break the tie.

## **ARTICLE 6 COMMITTEES**

### **SECTION 6.1 ADVISORY**

The following Advisory Councils may assist the Governing Board in performing its functions. Advisory Councils will report activities to the Board, but will not exercise Board functions. The following are examples of advisory committees.

**Parent Club:** The Parent Club (all parents, guardians, caregivers, or other family members of the students of the school) may exist to promote parental involvement, advise the Governing Board concerning parental concerns, promote positive public relations, promote activities which benefit the students, and assist with fundraising for the Corporation. Adult family members of the students of the school are responsible for organizing and promoting the Parent Club if the club is desired.

**Financial Committee:** By June 1 of each year, the Governing Board may appoint a financial committee composed of at least one member of the Governing Board with a financial background, along with appropriate community members, staff, and/or parents. Any persons with expenditure authorization or recording responsibilities within the



Corporation may not serve on the committee. The committee shall perform a general review of the Corporation's finances, financial documents, and financial recordkeeping at least once a year prior to an independent audit by an outside firm. The committee shall, with the board's direction, annually oversee the services of an independent certified public accountant to perform an annual fiscal audit. The audit shall include, but not be limited to (1) an audit of the accuracy of school's financial statements (2) an audit of the school's attendance accounting and revenue claims practices, and (3) an audit of the school's internal controls practices. The Audit shall be completed within 100 days of the close of the fiscal year and its results shall be reviewed by the financial committee and forwarded to the Board.

## **SECTION 6.2 OTHER COMMITTEES**

The Governing Board may establish such other committees or councils as it deems necessary and desirable. Such councils may exercise functions of the Board as allowed in this document, or may be advisory councils.

## **SECTION 6.3 LIMITATIONS ON POWERS OF COMMITTEES**

No committee may:

- (a) authorize payment of a dividend or any part of the income or profit of the Corporation
- (b) approve dissolution, merger or the sale, pledge, or transfer of any of the Corporation's assets
- (c) elect, appoint or remove Governing Board Members or fill vacancies on the Board or on any of its committees; or
- (d) adopt, amend, or repeal the Articles, Bylaws, or any resolution of the Board.

## **ARTICLE 7 CONFLICT OF INTEREST**

### **SECTION 7.1 BOARD MEMBER'S CONFLICT OF INTEREST DEFINED**

A conflict of interest is a transaction with the Corporation in which a Governing Board Member has a direct or indirect interest. For the purposes of this section, a Governing Board Member has an indirect interest in a transaction if:

- (a) another entity in which the Governing Board Member has a material interest or in which the Governing Board Member is a general partner is a party to the transaction;
- (b) another entity of which the Governing Board Member is a Board Member, officer or trustee is a party to the transaction, and the transaction is or should be considered by the Board.

### **SECTION 7.2 BOARD TRANSPARENCY WITH POTENTIAL CONFLICTS**

Prior to accepting a position on the Board, a member must disclose in writing all economic and community interests which may cause a potential conflict of interest with his/her duties on the Board. To ensure that full transparency is disclosed, Board Members must sign a Board affidavit of conduct and a statement of economic interest prior to serving on the Board.

### **SECTION 7.3 BOARD ACTION WHEN CONFLICT**

In the event of a conflict of interest between a Governing Board Member and the

Corporation's transaction, the Board shall follow the conflict of interest policy adopted by the Board, which specifically states that the board member who has the conflict shall recuse him or herself from discussing or voting on any issue when a conflict of interest exists.

## **ARTICLE 8 FINANCES AND CONTRACTS**

### **SECTION 8.1 FISCAL YEAR**

The Corporation's fiscal year is July 1 -June 30.

### **SECTION 8.2 FUNDS**

All funds of the Corporation shall be under the supervision of the Governing Board and shall be handled and disposed of in such manner and by such officers or agents of the Corporation in accordance with the financial policies adopted by the Board. Public Funds shall be accounted for separately from other funds of the Corporation.

### **SECTION 8.3 CONTRACTS**

All contracts for the Corporation shall be under the supervision of the Governing Board and shall be handled in such manner and by such officers or agents of the Corporation in accordance with policies adopted by the Board, as indicated in the *USA Policies and Procedures Manual*. The Executive Director shall be the official to sign legal documents for the corporation.

### **SECTION 8.4 AUTHORITY TO BIND CORPORATION**

Unless the Governing Board authorizes the execution of instruments as described in its policies, no Governing Board Member, officer, committee, employee or agent shall have the authority to bind the Corporation by any contract or instrument or pledge its credit or render it liable monetarily for any amount beyond \$25,000.

### **SECTION 8.5 BONDING**

The Chief Financial Officer, the treasurer, and other persons handling funds for the Corporation may be bonded at Corporation expense, in such amounts and with such surety as shall be determined or approved by the Governing Board, or the Governing Board may authorize insurance coverage to incur losses that may incur.

### **SECTION 8.6 ANNUAL AUDIT**

The Corporation shall have an annual audit of accounts of all the public charter schools under the jurisdiction of the USA and such audit shall be forwarded to the authorizing entity and the California State Department of Education.

## **ARTICLE 9 CORPORATE RECORDS AND REPORTS**

### **SECTION 9.1 MAINTENANCE OF CORPORATE RECORDS**

The Executive Director shall keep at the principal office for the corporation, or such other location as designated by the Board:

1. Articles of Incorporation and Bylaws as amended to date;
2. Minutes of all meetings of the Board, with attachments.
3. Budgets, books, and records of all financial accounts
4. A list of the names and business or home addresses of its current Board;
5. Copies of the annual financial statements and annual audits (State and Federal) for the three most recent years;
6. Copies of the federal, state, and local tax records and reports for the three most recent years.
7. Copies of the most recent annual report delivered to the Del Norte County Office of Education;
8. Copies of federal and state tax exemption materials and any other document or information necessary to the maintenance and operation of the Corporation;
9. Copies of all other public records as necessary

### **SECTION 9.2 INSPECTION RIGHTS**

Each Governing Board Member, or designated agent of such Governing Board Member, shall have the right during regular business hours to inspect, copy and make extracts of all books, records and documents of every kind and to inspect the physical properties of the Corporation. The general public has the right to inspect any public record of the Corporation if a request is made 24 hours prior to inspection for the documents to be made available during the usual business hours of the Corporation. The Corporation may adopt reasonable rules necessary for the protection of the records and to prevent interference with the duties of the Corporation.

## **ARTICLE 10 AMENDMENT OF ARTICLES OF INCORPORATION AND BYLAWS**

The Board, by a majority vote of the Governing Board Members in office, may amend and/or restate the Articles of Incorporation and/or these Bylaws provided that notice is given to all board members, presented to the Del Norte County Office of Education, and such amendments and/or restatement is filed with the Office of the Secretary of State of the State of California. Notice shall be provided to the Board members and noted in the agenda that states that a purpose of the meeting is to consider a proposed amendment and the notice must contain or be accompanied by a copy or summary of the amendment.