



IDEA
Public Schools

BOARD BYLAWS

IDEA Public Schools prepares students from underserved communities for success in college and citizenship.

AMENDED AND RESTATED BYLAWS OF IDEA PUBLIC SCHOOLS

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**AMENDED AND RESTATED BYLAWS OF IDEA PUBLIC SCHOOLS
(A Texas Non-profit Corporation)**

**ARTICLE 1
NAME AND PURPOSE**

- 1.1 Name. The name of the corporation is IDEA Public Schools, (the “Corporation”)
- 1.2 Purposes. The purposes for which this Corporation is formed are to receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof, exclusively for educational and charitable purposes, and to operate schools and other educational support operations that benefit schools, either directly or by contributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

**ARTICLE 2
OFFICES**

- 2.01 Principal Office. The principal office of the Corporation in the State of Texas is 2115 W. Pike Boulevard, Weslaco, TX 78596.
- 2.02. Other Offices. The Corporation may have such other offices, either within or outside of the County of Hidalgo, State of Texas, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.
- 2.03 Registered Office and Registered Agent. The Corporation shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Business Organizations Code. The registered office may be, but need not be identical with the principal office of the Corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

**ARTICLE 3
MEMBERS**

- 3.01 Members. The Corporation shall have no members.

**ARTICLE 4
BOARD OF DIRECTORS**

- 4.01 Management. The business and property of the Corporation shall be managed, controlled and vested in the Board of Directors.

4.02 Number. At all times, the majority of members must reside within the regions served by IDEA Public Schools. In no event, shall the number of Directors be less than five (5) or more than twenty-five (25). Each Director in office shall serve until his term expires, or until he tenders his or her resignation to the Board of Directors, or until he or she is removed.

4.03 Election and Term of Office. Each Director shall be elected to serve a three-year term by a majority vote of those members present at a regular or special meeting of the Board of Directors. Upon election and qualification for his/her first term on the Board, each Director so elected shall serve a term of three (3) years, with the first year being a one-year probation to be followed, if the probation year is successfully completed, by two (2) years of service. Each Director may serve consecutive three year terms and shall hold office until each Director's successor is elected and qualified, as follows: for any term beyond the initial term, the Governance Committee of the Board (established pursuant to Article 6) shall nominate and the Board member must consent to being reappointed; and such member shall then appear on a ballot for re-election by the Board.

4.04 Attendance. Each Director should attend all scheduled meetings of the Board of Directors, either via videoconference (conducted in compliance with the Texas Open Meetings Act) or in person. Any Director that does not attend three consecutive board meetings will automatically signal their voluntary resignation. Any Director that does not attend a minimum of three of the board meetings per academic year by either videoconference or in person will also automatically signal their voluntary resignation.

4.05 Resignation. Any Director may resign at any time by giving written notice, including by text or e-mail, of such resignation to the Chairman of the Board of Directors ("Chair"). Any such resignation shall take effect at the date of receipt of such notice or at any later date specified. The acceptance of such resignation shall not be necessary to make it effective.

4.06 Removal. Any Director may be removed with or without cause upon a two-thirds (2/3) majority vote of all the remaining directors for removal.

4.07 Leave of Absence. Any Director may take a leave of absence at any time by giving written notice to the Chair. Any such leave of absence shall take effect at the date of receipt of such notice or at any later date specified. The vacancy will remain unfilled for a six-month period and may be extended at the Chair's discretion.

4.08 Reinstatement. Any Director that has voluntarily resigned may be reinstated at the Director's request at any time during their term, with a majority vote of the Board of Directors.

4.09 Vacancies. Any vacancy in the Board of Directors occurring during the year, including a vacancy created by an increase in the number of Directors, shall be filled for the unexpired portion of the term by a majority vote of the remaining Directors. Any Director elected to fill a vacancy shall hold office until the election and qualification of a successor.

ARTICLE 5 MEETINGS

5.01 Annual Meeting. Each summer , upon appropriate legal notice and at such time as the Board of Directors shall elect, the Directors shall meet (the “Annual Meeting”) to discuss the purpose of the organization, the election of Directors and officers, and the transaction of other business.

5.02 Special Meetings. The Chairman of the Board or any three directors, upon request to the Chairman, and appropriate legal notice, may call special meetings of the Board of Directors.

5.03 Regular Meetings: Regular meetings of the Board of Directors may be held at such time and place as shall be determined by the Board and indicated in the notice. Any proper business of the Corporation may be transacted at any Board of Directors meeting, provided the notice requirements of the Texas Open Meetings Act are satisfied.

MEETING RELATING TO CHARTER SCHOOLS

5.04 Texas Charter School Meetings: Meetings shall be conducted in accordance with provisions of the Texas Education and Government Codes, and the Board of Directors shall be subject to the requirements of the Texas Open Meetings Act in all matters respecting the operation of the open-enrollment and campus charter schools, including the following provisions: At no time shall a quorum of the full board meet to deliberate any issue or business of the Corporation without posting notice of a meeting as set forth below. Directors shall normally attend all meetings in person.

- (a) Closed Meetings: The Board may meet in a meeting closed to the public to deliberate on those matters specified in the Texas Open Meetings Act as proper for closed meetings, including but not limited to consultation with attorney, real estate, prospective gifts or donations, personnel matters, security personnel or devices, discipline of a student and complaint against an employee unless the student or employee respectively requests an open meeting.
- (b) Emergency Meetings by Telephone Conference: In the event of an emergency (as defined in the Texas Open Meetings Act as an emergency or an urgent public necessity requiring immediate action because of imminent threat to public health and safety or reasonably unforeseeable situation) and where a quorum of the Board is difficult or impossible to assemble at one location, a meeting may be conducted by telephone conference call. If a meeting involves telephonic participation, the emergency notice must specify the primary place of the meeting and that a conference call will be conducted. The telephonic participation during an emergency meeting must be by conference call in which all persons participating can be heard by all other participants and the public. Two-way communications shall be provided during the entire conference call and each party participating shall be clearly identified prior to speaking.
- (c) Video Conferencing: Meetings may also be conducted by videoconference call if the presiding officer is present at one location open to the public and the notice of the

meeting states the intent to have the presiding officer present. Audio and video must be simultaneously available to the participants and the public and the meeting shall be audio recorded. Each participant shall be clearly visible and audible to other participants and to members of the public in attendance. The meeting must meet other prerequisites and requirements of the Texas Open Meetings Act.

5.05 Meetings Notice: Notice of all meetings of the Board of Directors, except as otherwise provided by state law, regulation, the Certificate of Formation and these Bylaws, will be delivered by mail postmarked, electronic facsimile or e-mail transmission to each Director at least 72 hours before the time of the meeting.

- (a) Posting of Notice: In addition, notice to the public of any meeting shall be posted at the administrative offices of the Corporation in a location convenient to the public at least 72 hours before the time of such meeting.
- (b) Emergency Notice: Emergency meetings as allowed under and subject to the requirements of the Texas Open Meetings Act may be posted up to One Hour before such meeting. At such an emergency meeting, the Board may only address the matter requiring the emergency action. The notice must identify the nature of the emergency and the urgent public necessity requiring emergency action.
- (c) Compliance during Catastrophe: The Board of Director may suspend the applicability of the Open Meetings Act when there is a "Catastrophe" as defined by Section 552.233 of the Open Meetings Act. The Board must meet all requirements of that law and provide notice to the Attorney General as required therein.
- (d) Internet Posting: Notice and the agenda of all meetings of the Board of Directors shall also be posted on the Corporation's internet website, if any, concurrently with the notice posted at the administrative offices, or as otherwise required and authorized by the Texas Open Meetings Act.
- (e) Closed Meetings: The agenda shall clearly state whether the Board intends to convene in a closed meeting and shall identify separately each matter to be deliberated by the Board in the closed meeting and whether the Board may take action on any such matter upon returning to the open meeting. The Secretary shall note the times in the open meeting that the Board convenes to and adjourns from the closed meeting.

5.06 Agenda: At regular meetings of the Board, the order of business shall be established in an Agenda approved by the Chairman and as presented in the notice of the meetings. However, the Chairman may modify the order of business. The agenda shall identify all matters to be presented to and considered by the Board. Matters not disclosed in the agenda and meeting notice available to the public shall not be deliberated or be considered by the Board, except as permitted by the Texas Open Meetings Act.

CORPORATE BOARD MEETINGS NOT RELATING TO CHARTER SCHOOLS

5.07 Non-Texas Charter Meetings. Only when conducting any other Corporate business not related, *in any way*, to the operations or affairs of the Corporation's Texas open-enrollment charter schools, Board meetings shall be conducted in accordance with provisions of Chapter 22 of the Texas Business Organizations Code, the Certificate of Formation and these bylaws. The Secretary shall cause to be mailed at least forty-eight hours in advance, or sent by electronic means at least twenty-four (24) hours in advance to every director at his/her address (email address) of record with the Corporation, a notice stating the time and place of every meeting. Notice of such meetings shall state the reasons that such meeting has been called and the business to be transacted at such meeting.

5.08 Board Action By Unanimous Written Consent. Only when conducting any Corporate business not related, *in any way*, to the operations or affairs of the Corporation's Texas open-enrollment charter schools, the Board may take any action required or permitted to be taken at a meeting of the Board of Directors or committee of the Corporation, without an actual meeting if a consent, in writing, setting forth the action to be taken, is signed by all directors or committee members entitled to vote (unanimous written consent) subject to all requirements of applicable law. The unanimous written consent for any such action by the Board or committee must state the date of each Director's or committee member's signature and memorialize the action to be taken. The written consent of each of the Directors or committee members must be delivered to the Corporation no later than the tenth (10th) day after the earliest date of consent, and must be delivered to the Chairman or Secretary of the Board. Delivery must be by hand delivery or by certified or registered mail, return receipt requested.

MEETINGS & RECORDS GENERALLY

5.09 Quorum. At any meeting of the Board of Directors or at any designated committee of the Board, the appearance of a majority of the Directors or committee members duly appointed, serving, and qualified to vote, will be necessary to constitute a quorum to transact any business of the respective body. The act of the majority of the Directors present via videoconference (as described above) or in person at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Certificate of Formation or these Bylaws.

5.10 Compensation. Except as permitted by law and as described in the Corporation's Ethics and Conflicts of Interest Policy, Directors shall serve without compensation except that they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties, in accordance with local procedures and applicable State law. No Director will be entitled to any dividend or any part of the income or principal of the Corporation or to share in the distribution of the assets upon dissolution of the Corporation.

5.11 Powers. All corporate powers, except, such as are otherwise provided for in these Bylaws, the contract for charter and in the laws of the State of Texas, are hereby vested in and shall be exercised by the Board of Directors. Without limiting the Board's authority, the following powers

and duties must generally be exercised by the Board, acting as a body corporate in meetings posted in compliance with Texas Government Code, Chapter 551:

- (a) Final authority to hear or decide employee grievances, citizen complaints, or parental concerns;
- (b) Final authority to adopt or amend the budget of the charter holder or the charter school;
- (c) Final authority to authorize the expenditure or obligation of state funds or the use of public property;
- (d) Final authority to direct the disposition or safekeeping of public records;
- (e) Final authority to adopt policies governing charter school operations;
- (f) Final authority to approve audit reports; and
- (g) Initial or final authority to select, employ, direct, evaluate, renew, nonrenew, terminate, or set compensation for the Superintendent/Chief Executive Officer.

5.12 Conflict of Interest and Interested Directors and Officers. The Board shall adopt (and periodically review) an Ethics and Conflicts of Interest Policy satisfying the requirements of federal and state law governing conflicts of interest and interested transactions among charter school and charter holder board members and officers, as described in Texas Education Code chapter 12 and 19 T.A.C. §§ 100.1131, 100.1132, 100.1133, 100.1134, and as required by Local Government Code chapter 171 and 176 and Government Code chapter 573.

5.13 Resolutions: All motions and resolutions of the Board will be written or recorded in the minutes of the Board and certified copies will be placed in a journal of proceedings of the Board. Such records shall be maintained in accordance with state law and Article 5.13 herein.

5.14 Records: The Corporation will maintain at its principal office all financial books and records of account, all minutes of the Board meetings and committee meetings, the list of Directors, and copies of all other material Corporate records, books, documents and contracts as required by state record retention laws. All such records will be made available for inspection at any reasonable time during usual business hours for any lawful purpose to any officer, Director, or person authorized by law or the Board to inspect such records and in accordance with the Texas Public Information Act. Upon leaving office, each Director, officer or agent of the Corporation will turn over to the Chairman in good order any Corporation monies, access devices, books, records, minutes, lists, documents, contracts or other property of the Corporation in his or her custody or control.

5.15 Procedures: For all matters of parliamentary procedures, the Board shall be guided by *Robert's Rules of Order Newly Revised*, 11th ed. (Cambridge, Mass.: Perseus Publishing, 2011).

ARTICLE 6 OFFICERS

6.01 Titles and Term of Office. The Officers of the Board shall include a Chairman, a Vice-Chair, a Secretary and a Treasurer, and such other officers as the Board of Directors may from time to time elect or appoint. The Officers of the Board shall be elected at the annual meeting

of the Board of Directors. The term of office of each officer shall commence with his or her election and shall expire with the election of his or her successor. Any two (2) or more offices may be held by the same person except the offices of Chairman and Secretary.

6.02 Removal. The Board of Directors may, at a duly called, noticed and posted meeting, remove any Director from office, with or without cause.

6.03 Vacancies. A vacancy of the office of any Director shall be filled by a vote of a majority of the Directors present at a Board Meeting, and the officer so elected shall hold office until the next annual meeting of the Board of Directors or until a successor is elected and qualified.

6.04 Chairman. The Chairman shall call to order, set the agenda (with the input, advice and counsel of the Superintendent/CEO) and preside over meetings of the board of directors and in general he shall perform all duties incident to the office of chairman and such other duties as may be prescribed by the Board of Directors from time to time.

6.05 Vice-Chair. The Vice-Chair, unless otherwise determined by the Board of Directors shall, in the absence of the Chairman or in the event of the Chairman's inability or refusal to act, perform the duties and possess and exercise the powers of the Chairman.

6.06 Treasurer. The Treasurer shall keep or cause to be kept adequate and correct accounts of the Board of Director's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The Treasurer shall also render to the Chairman, whenever requested, an account of any or all of his/her transactions as Treasurer and of the financial condition of the Board.

6.07 Secretary. The Secretary shall keep or cause to be kept, the minutes of the meetings of the Board of Directors in books provided for that purpose. He/she shall cause to be given all notices of the meetings of the Board. The Secretary shall certify and keep the original, or a copy of, these Bylaws as amended or otherwise altered to date. The Secretary may sign in the name of the Corporation and/or attest the signatures thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation. In general, the Secretary shall perform all duties incident to the office of the Secretary and such other duties as may be required by law, by these Bylaws or which may be assigned to him/her from time to time by the Board.

6.08 Employed Corporate Officers. The Board of Directors shall employ a Superintendent/Chief Executive Officer for and to be employed by the Charter Schools and to oversee the Corporation's charter school operations and affairs. The Superintendent/Chief Executive Officer shall report directly to the Board of Directors of the Corporation and shall serve under such terms and conditions as the Board determines to be in the best interest of the Corporation. The Superintendent/Chief Executive Officer shall perform such duties as delegated and assigned by the Corporation's Board or as required by state law and rules promulgated by the Texas Commissioner of Education

6.09 Other Employed Officers. The Board of Directors, at its discretion, may hire or appoint or

authorize the Superintendent/CEO to hire such other central administration and executive staff as determined necessary by the Board to carry out the day to day functions and the mission of the Corporation and the operation of its charter schools.

6.10 Compensation of Employed Corporate Officers. Officers who have been employed by the Board of Directors may receive reasonable compensation that is not excessive for performance of their duties to the Corporation as determined by the Board and based on appropriate comparability documentation complying with TEA rules and IRS Guidelines for determining fairness.

6.11 Agents and Representatives. The Board of Directors may appoint such agents and representatives of the Corporation with such powers and to perform such acts or duties on behalf of the Corporation as the Board of Directors may see fit, so far as may be consistent with the purposes of the Corporation as set forth in its Certificate of Formation and with these Bylaws, to the extent authorized or permitted by law.

ARTICLE 7 COMMITTEES

7.01 Committees. The Board of Directors may establish committees from time to time in furtherance of the Corporation's purposes. The Chairman of the Board shall designate and appoint committee members subject to review of the Board. Such committees shall have and exercise the authority as assigned by the Board of Directors. Such committees and committee members shall serve at the sole-discretion of the Board. Each such committee shall consist of two (2) or more persons, at least one of whom must be a Director of the Board; the remainder need not be Directors. The designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or him/her by law. No such committee shall have the authority of the Board of Directors to amend, alter or repeal the Bylaws, the Certificate of Formation or any other governance document of the Corporation; to perform any non-delegable function of the Board; to elect, appoint or remove any member of any such committee or any Director or officer of the Corporation; adopt a plan of merger or adopt a plan of consolidation with another corporation; authorize the sale, lease, exchange, or mortgage any personal or real property and assets of the Corporation; authorize the voluntary dissolution of the Corporation or revoke proceedings therefore; adopt a plan for the distribution of the assets of the Corporation; or amend, alter, or repeal any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on it or him/her by law. Any non-Director who becomes a member of any such committee shall have the same responsibility with respect to such committee as a Director who is a member thereof.

7.02 Regional Boards(s). The Board of Directors may, from time to time, establish Regional Board(s) that shall serve at the direction of the Board of Directors. At least one member of the Board of Directors shall serve on each Regional Board. Regional Board(s) shall be advisory only with no delegated authority.

7.03 Other Advisory Committees. The Board of Directors may establish such other committees as it deems appropriate. The Chairman of the Board may appoint committee members and membership on such committees may, but need not be, limited to Directors.

7.04 Term of Office. Each member of a committee described in 6.01 and 6.02 above, shall continue as such until the next annual meeting of the Board of Directors of the Corporation or until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such committee member be removed from such committee at the discretion of the Board, or unless such member shall cease to qualify as a member thereof.

7.05 Chairman of Committees. One member of each committee shall be designated as chairman of the committee by the person or persons authorized to appoint the members thereof.

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

7.07 Notice: Any committee meeting at which a quorum of the Board of Directors attends, or at which a deliberation as defined by the Open Meetings Act takes place, shall give written notice of the meeting and shall keep and deliver a copy of minutes of its proceedings to the Secretary of the Board, in accordance with the Texas Open Meetings Act. Committees that are advisory only without delegated authority or power may not fall under the Open Meetings Act. If however, a committee has delegated authority or it has power to make final decisions, to adopt rules regarding school business, or if the Board of Directors usually approves its recommendations in full, then it must meet in accordance with the Open Meetings Act.

ARTICLE 8 INDEMNIFICATION

8.01 Liability: A Director or committee member will not be required to furnish any bond or surety for his services as a Director or committee member, and will not be liable for the act or omission of any other Director.

8.02 Policy of Indemnification and Advancement of Expenses. Subject to the limitations described below, the Corporation shall indemnify a Director, officer or committee member of the Corporation to the fullest extent permitted by law, who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of his or her official capacity in the Corporation. The Corporation shall indemnify a person who was, is or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a Director only if it is determined that the person (1) conducted himself/herself in good faith; (2) reasonably believed the conduct was in the person's official capacity; (3) the person reasonably believed that his/her conduct was in the Corporation's best interests and that his/her conduct was not opposed to the Corporations' best interest; and (4) in the case of any criminal proceeding, had no reasonable cause to believe his/her conduct was unlawful. INDEMNIFICATION UNDER THIS SECTION IS SUBJECT TO ANY AND ALL PROHIBITIONS, RESTRICTIONS AND LIMITATIONS IMPOSED BY LAW.

Except as described below, a Director, officer or committee member of the Corporation may not be indemnified in respect to a proceeding in which the person is found liable on the basis that personal or private benefit was improperly received by him which for purposes of these Bylaws includes a private benefit of a the person's family member (within the 3rd degree of affinity or consanguinity), whether or not the benefit resulted from an action taken in the persons official capacity; or in which the person is found liable to the Corporation. A person shall be deemed to have been found liable in respect of any claim, issue or matter only after the person shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom.

The Corporation shall pay or reimburse reasonable expenses incurred by a Director, officer or committee member of the Corporation in connection with the person's appearance as a witness or other participation in a legal proceeding involving or affecting the Corporation when the person is not a named defendant or respondent in the proceeding.

To the extent permitted by law, the Corporation through its Board of Directors may at its sole discretion decide to indemnify a Director, officer, committee member, employee or agent who, as a result of his or her action or omission is sued in his or her individual capacity. However, the Corporation shall not indemnify any person in any situation in which indemnification is prohibited. The Corporation shall not pay indemnification expenses to a person before the final disposition of a proceeding if: the person is a named defendant or respondent in any proceeding brought by the Corporation, or the person is alleged to have improperly received a personal or private benefit (described above) or committed other willful or intentional misconduct.

Before the Corporation may pay any indemnification expenses (including attorney's fees), the Corporation shall specifically determine that indemnification is permissible, authorize indemnification and determine that the expenses to be reimbursed are reasonable. The Corporation may make these determinations and decisions by any one of the following procedures:

- a. By a majority vote of a quorum consisting of Directors who, at the time of the vote, are not named defendants or respondents in the proceedings;
- b. If such a quorum cannot be obtained, then by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all Directors, consisting solely of two or more Directors who at the time of the vote are not named defendants or respondents in the proceeding;
- c. By special legal counsel selected by the Board of Directors or a committee of the Board by vote as set forth in (a) and (b) of this section, or if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors; or
- d. By the members in a vote that excludes the vote of Directors who are named defendants or respondents in the proceeding.

The Corporation shall authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether indemnification is permissible. If the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination of reasonableness of expenses shall be made in the manner specified in paragraph (c) above.

The Corporation shall pay indemnification expenses before final disposition of a proceeding only after the Corporation determines that the facts then known would not preclude indemnification and the Corporation receives a written affirmation and undertaking from the person to be indemnified. The person's written affirmation must state that he or she has met the standard of conduct necessary for indemnification under these Bylaws. The written undertaking shall provide for repayment of the amount paid or reimbursed by the Corporation if it is ultimately determined that the person has not met the requirements for indemnification. The undertaking shall be an unlimited general obligation of the person, but it need not be secured and it may be accepted without reference to financial ability to make repayment.

8.03 Definitions. For purposes of this Article VII:

- a. “Expenses” includes court costs and attorney’s fees.

“Representative” means any person who is or was a Director and any person who, while a Director, is or was serving at the request of the corporation as a Director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of the corporation or of another foreign or domestic association, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise or any person who is or was an officer and any person who, while an officer, is or was serving at the request of the corporation as a Director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of the corporation or of another foreign or domestic association, partnership, trust, employee benefit plan, or other enterprise.

- b. “Proceeding” means any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, arbitative, or investigative, any appeal in such action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

8.04 Non-Exclusive; Continuation. The indemnification provided by this Article VII shall not be deemed exclusive of any other rights to which the person claiming indemnification may be entitled under any agreement, any vote of disinterested Directors or otherwise, both as to any action in his or her official capacity and as to any action in another capacity while holding such office, and shall continue as to a person who shall have ceased to be a Representative engaged in any other enterprise at the request of the corporation and shall inure to the benefit of the heirs, executors, and administrators of such person.

8.05 Insurance or Other Arrangement. The Corporation shall have the power to purchase and maintain insurance or to the extent permitted by applicable law another arrangement on behalf

of any person who is or was a Representative, Director, officer, employee, or agent of the corporation, or who is or was serving at the request of the Corporation as a Director, officer, employee, or agent or any other capacity in another association, or a partnership, joint venture, trust, or other enterprise against any liability asserted against such person and incurred by such person in such capacity, arising out of such person's status as such, whether or not such person is indemnified against such liability by the provisions of this Article VII.

ARTICLE 9

CONTRACTS WITH DIRECTORS AND OFFICERS

9.01 Insider Dealing. Subject to any applicable law or regulation, no Director, officer or committee member will be interested directly or indirectly in any contract or program involving Corporation assets, relating to the operation conducted by it or in any contract for furnishing services or supplies to it, unless (a) the contract is authorized by a majority of Directors present at a meeting in which there is a quorum and vote without the interested Director's presence, (b) the facts and nature of the Director's interest is fully disclosed to the whole Board of Directors before the meeting in which the contract will be considered and (c) the Corporation could not have obtained a more advantageous arrangement with reasonable effort under the circumstances. Furthermore, in accordance with Texas law and commissioner Rule, a transaction with a current or former board member or officer of the charter school, who served within 5 years of the transaction, may require an independent appraisal, audit and prior notice to the TEA for TEA's review and approval prior to entering into such transaction.

9.02 Insider Loans. No loans or grants will be made by the Corporation to its Directors, officers or committee members during their term of office. The Directors who vote for or assent to, and any officer who participates in, the making of a loan to a Director or officer will jointly and severally be liable to the Corporation for the amount of the loan until it is repaid.

ARTICLE 10

MISCELLANEOUS PROVISIONS

10.01 Fiscal Year. The fiscal year of the corporation shall be from July 1 through June 30 or as determined by the Board of Directors.

10.02 Seal. The seal of the corporation shall be such as from time to time may be approved by the Board of Directors.

10.03 Notice and Waiver of Notice. Whenever any notice is required to be given under the provisions of the Bylaws, such notice may be given personally, by mail, e-mail or by facsimile transmission. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail addressed to the person at his or her address as it appears on the records of the corporation, with postage prepaid. If transmitted by facsimile or e-mail, notice is deemed to be delivered on successful transmission of the facsimile or e-mail.

10.04 Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the corporation in addition to the officers so authorized by these Bylaws, to enter into any

contract and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

10.05 Checks and Drafts. All checks, drafts, or orders for payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by either the Chairman or Vice-Chair of the Corporation.

10.06 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may elect and as authorized by State law.

10.07 Gifts. The Board of Directors may accept on behalf of the Corporation, any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

10.08 Nondiscrimination. The Corporation shall maintain a nondiscriminatory policy as to participation in its programs and in employment practices as required by Title VI and Title VII of the Civil Rights Act of 1964 and state law.

10.09 Exempt Activities. Notwithstanding any other provision of these Bylaws, no Director, officer, employee or Representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code and its Regulations and they now exist or as they may hereafter be amended, or by an organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as they now exist or as they may hereafter be amended. Except as otherwise permitted by law, no part of the net earnings of the Corporation shall inure to the benefit of any maker, founder, contributor or individual.

10.10 Voting Upon Shares of Other Corporations. Unless otherwise directed by the Board of Directors, the Chairman shall have full power and authority on behalf of the Corporation to vote either in person or by proxy at any meetings of shareholders of any Corporation in which this Corporation may hold shares, and at any such meetings may possess and exercise all of the rights and powers incident to the ownership of such shares which, as the owner thereof, this Corporation might have possessed and exercised if present. The Board of Directors may confer like powers upon any other person and may revoke any such powers as granted at its pleasure.

10.11 Federal Tax Filing. The officers of the Corporation will be responsible for ensuring timely annual filing of IRS Form 990 within the timeframes of IRS rules.

10.12 Construction. Whenever the context requires, the masculine will include the feminine and neuter, and the singular will include the plural, and vice versa. If any portion of these Bylaws is declared invalid or inoperative, then so far as is reasonable the remainder of these Bylaws will be


considered valid and operative and effect will be given to the intent manifested by the portion held invalid or inoperative.

10.13 Statutory And Other Authority. These Bylaws are subject to and governed by any applicable federal or state laws and regulations, including pertinent local ordinances and the Certificate of Formation.

**ARTICLE 11
AMENDMENTS**

11.01 Amendments. These Bylaws may be altered, amended, or repealed, or new Bylaws may be adopted, by the Board of Directors acting by the affirmative vote of a majority of the Board of Directors at any annual or regular meeting, or at any special meeting if at least 72 hours prior written notice is given of the intention to alter, amend, or repeal these Bylaws or to adopt new Bylaws at such meeting and the notice specifies that an alteration, amendment or repeal will be considered at the meeting.

ADOPTED this 17th day of July

DocuSigned by:

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Chairman of the Board