

BYLAWS OF CARBON VALLEY ACADEMY

ARTICLE I

NAME AND OFFICES

Section 1.1 *Name*. The name of this corporation is Carbon Valley Academy (hereinafter sometimes referred to as CVA).

Section 1.2 *Principal Office*. The principal office of the Corporation shall be at a location within FREDERICK, Colorado. The Corporation may have such other offices within Colorado as the Board of Directors may designate or as the Corporation may require.

Section 1.3 *Registered Office*. The registered office of the Corporation required by the laws of the State of Colorado to be maintained in Colorado may be, but need not be, identical to the principal office of the Corporation, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II

MEMBERSHIP

Section 2.1 *Membership*. The Carbon Valley Academy (CVA) charter is not a membership corporation but does have the majority of its Board of Directors elected by parents of enrolled CVA students.

ARTICLE III

ELECTION AND APPOINTMENT OF BOARD

Section 3.1 *Election of Directors*. Subject to written procedures that may be adopted or amended from time to time by the Board of Directors, up to five of the Directors shall be elected by a vote of the parents, commencing in the spring of the school year 2007-08 as described in Section 3.2. One ballot for each eligible child enrolled shall be provided to his or her legal guardian(s). Each ballot will provide one vote for each open position. Cumulative voting for Directors is not allowed.

Section 3.2 *Parent-Electors*. The legal guardians of each student who is enrolled as of the time of election and also was enrolled as of April 1st of the Election Year shall be entitled to vote for each position on the Board of Directors up for election. The legal guardian is the person noted as such on the student's enrollment application. Parents shall not vote on any other corporate matters.

Section 3.3 *Appointment of Directors*. The Board may appoint up to two Directors to fill professional capacities as needed in order to allow the Board to function more efficiently and effectively. These appointments may include but are not limited to: experienced educators; certified public accountants; or attorneys.

Directors shall nominate potential candidates for these positions. If seconded, the Board shall vote whether to appoint the nominee(s). The appointments shall require a majority vote of the Board. The appointments shall be reviewed by the Board every six (6) months and will require a majority vote of the disinterested Directors to continue.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.1 *General Powers*. The Corporation shall be governed by a Board of Directors.

Section 4.2 *Number and Qualifications of Directors*. The Board shall consist of not less than five (5) nor more than seven (7) directors, excluding non-voting Ex Officio Directors. Directors need not be a parent. A Director may serve an unlimited number of terms. No Director may be employed by the corporation or the charter school. It is the intent of the corporation that directors provide expertise for the board in the areas of business management (supervised a minimum of at least 15 individuals) and academic experience in addition to general representation of the parents and the community.

Section 4.3 *Initial Directors*. The Initial Directors of the Corporation are listed in the Articles and their term expirations are listed in the Election Procedures. The Initial Directors shall serve on the Board until their respective terms expire or they resign, are removed, or are disqualified as provided in sections 4.4 and 4.5. Vacancies shall be filled as provided in section 4.6.

Section 4.4 *Removal of Directors*. Directors may be removed, with cause, by a majority vote of the disinterested Directors at any meeting of the Directors provided that there shall be notice given of the intention and cause to remove a Director and that the Director be given the opportunity at the meeting to address the identified cause for removal. Cause shall include, but is not limited to:

- unexcused absence at three consecutive Board meetings or more than six Board

- Meetings during any twelve month period;
- a breach of fiduciary responsibilities; or
- a breach of executive session confidentiality.

A majority vote of disinterested Directors shall determine if a Director's absence from a meeting is excused or unexcused.

Eligible voters may demand the recall of a named Director through a petition to that effect signed within a three-week period by 30% of then-eligible voters, and immediately submitted to the Board. Upon receipt of such a petition, the Board shall promptly schedule a recall election and prepare ballots to ask if the named Director should be recalled. A majority of the Parent-Electors voting for recall will suffice to recall the Director named in the ballot.

Section 4.5 *Resignation of Directors*. Any Director may resign at any time by giving written notice to the President or the Secretary of the Corporation. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.6 *Vacancies on Board of Directors*. Any vacancy occurring on the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum as defined in Section 4.9. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor, or until the next annual election.

Section 4.7 *Meetings of Board of Directors*. The Board shall generally meet at least once each month. The Board of Directors may designate any place within Frederick, Firestone, Dacono or Longmont as a place for its meetings. If no designation is made, the place of the meeting shall be the principal office of the Corporation. Meetings of the Board of Directors, publication of scheduled meetings, notice of special meetings, and voting at meetings of the Board shall be subject to the specifications and rules of the Colorado Open Meetings Act.

Section 4.8 *Notice of Special Meetings--Waiver*. A written waiver of notice signed by the Director entitled to such notice, whether executed before, at, or after the time stated in such waiver, shall be equivalent to the giving of such notice. By attending or participating in a special meeting, a Director waives any required notice of such meeting unless the Director, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting. No notice is required for regular Board meetings.

Section 4.9 *Quorum and Voting at Meetings of the Board*. At all meetings, one-half of the total voting membership of the Board of Directors shall constitute a quorum, but if less than such a majority is present at a meeting, a majority of the Directors present may adjourn the meeting without further notice. Each Director present at the time when the vote is held shall be entitled to one vote and, a quorum being present, all matters brought to a vote shall be decided by the vote of the majority of the Directors present, except as otherwise required by law, the Articles of Incorporation or these bylaws. No Director may participate in, or vote at, a meeting of the Board of Directors by proxy. Directors may participate in, and vote at, a meeting of the

Board of Directors by means of telephone conference or similar communications equipment by which all persons participating in the meeting can simultaneously hear each other. Such participation shall constitute presence in person at the meeting.

Section 4.10 *Conflict of Interest*. No Director shall permit their position on the Board of Directors to create a conflict between personal business activities and the activities of the Corporation. Members of the Board hold a position of trust, created in the interest of the common good and for the benefit of the school. Board members shall disclose any known present or potential conflicts of interest, which disclosure shall be reduced to writing, to the Board prior to or at the time set for voting on any conflicting interest transaction. Conflicting interest transactions shall include those involving any “party related to a director” as that term is defined in COLO. REV. STAT. § 7-128-501(5). Written disclosures shall be attached to the minutes of the meeting at which, or the first meeting after, such disclosure has been made. Board members with conflicting interests may be counted as present for purposes of determining a quorum to act and may discuss such transactions in public session. Board members with conflicting interests shall not vote on such transactions. Failure to abide by this provision may constitute grounds for removal of a Board member. No loans may be made by the corporation to directors or officers. Any director or officer who assents to or participates in making any such loan shall be liable to the corporation for the amount of such loan until it is repaid.

Section 4.11 *Board Member Compensation*. Board members are volunteers and shall receive no compensation for service on the Board, provided that the Board may make provision for the corporation to reimburse Board members for reasonable and appropriate out-of-pocket expenses incurred for the benefit of the corporation and school and properly documented for the records of the corporation. Directors shall not be disqualified from receiving reasonable compensation for services rendered to or for the benefit of the corporation in any other capacity, subject to Section 4.10 of this article.

ARTICLE V

OFFICERS AND AGENTS

Section 5.1 *Title and Number*. The Officers of the Corporation shall be the President, the Vice-President, the Secretary, and the Treasurer, as well as such other Officers as deemed necessary by the Board.

Section 5.2 *Nomination, Election and Term of Office for Officers*. All Officers shall be members of the Board of Directors. Each Officer shall be elected by the Board of Directors for a term of one year and until a successor has been duly chosen.

Section 5.3 *Removal*. Any Officer or agent may be removed by the Board of Directors whenever, in its judgment, removal would serve the best interests of the Corporation. Removal shall be without prejudice to the contract rights, if any, of the person removed. Election or appointment of an Officer or agent shall not in itself create contract rights.

Section 5.4 *Vacancies Among Officers*. Should a vacancy occur among the Officers of the Corporation, the Board of Directors shall appoint a person to fill the vacancy for the unexpired portion of the term.

Section 5.5 *Duties of Officers*. The duties of the Officers shall be as follows:

A. *President*. The President shall preside at all meetings of the Board and at the annual election. The President shall have general directive supervision over the other Officers of the Corporation, subject to the control of the Board of Directors, and will represent the Corporation at public meetings. The President may sign and execute with the Secretary or the Treasurer, in the name of the Corporation; deeds, contracts or other instruments authorized by the Board, except in cases where the signing and execution thereof has been expressly delegated by the Board or by these bylaws to some other Officer or agent of the Corporation. The President shall be an Ex Officio member of all committees.

B. *Vice-President*. In the event of a vacancy in the office of the President or during the President's absence or inability to act for any reason, the powers and duties of the President shall be exercised by the Vice-President. The Vice-President shall also serve as an assistant to the President and shall perform such duties as the President shall assign.

C. *Secretary*. In the event of a vacancy in the office of the President and the Vice-President or during the President's and the Vice-President's absence or inability to act for any reason, the powers and duties of the President shall be exercised by the Secretary. The Secretary shall also keep the minutes of the meetings of the Board of Directors. The Secretary shall also see that all notices are duly given in accordance with these bylaws. The Secretary shall oversee all legal obligations of the Corporation.

D. *Treasurer*. In the event of a vacancy in the office of the President, the Vice-President and the Secretary or during the President's, the Vice-President's and the Secretary's absence or inability to act for any reason, the powers and duties of the President shall be exercised by the Treasurer. The Treasurer shall also manage the funds of the Corporation and shall deposit these funds in such banks or other depositories as shall be designated by the Board of Directors. The Treasurer shall render a financial report at all regular meetings of the Board of Directors and at such other times as shall be requested by the Board of Directors, and shall provide an annual financial report to be distributed to the parents.

Section 5.6. *Chief Academic Officer*. The Board of Directors will appoint by majority vote a Chief Academic Officer of the School. The Board of Directors shall have complete authority over the hiring, firing, and benefits of the Chief Academic Officer. The Chief Academic Officer will be an employee at will reporting directly to the Board of Directors. The

job duties of the Chief Academic Officer may be more specifically described by the Board from time to time through the Position Description for the Chief Academic Officer.

Section 5.7 *Chief Operations Officer* The Board of Directors will appoint by majority vote a Chief Operations Officer of the School. The Board of Directors shall have complete authority over the hiring, firing, and benefits or contracting of services of the Chief Operations Officer. The Chief Operations Officer will be an employee at will or contracted vendor and will report directly to the Board of Directors and will be responsible for the oversight and direction of the school's financial and business operations, human resource operations, risk management, and compliance with state, federal, and local policies and contracts. The Chief Operations Officer will also carry out other directives as identified by the Board of Directors through the Position Description for the Chief Operations Officer.

ARTICLE VI

COMMITTEES

Section 6.1 *Committees*. The Board of Directors may, by resolution, per policy or governance policies, establish one or more committees which shall have the authority as set forth in the resolution and 'committee charge statement' or the bylaws. Committee members shall serve terms as specified in the resolution or the bylaws. All committee members shall serve at the will of the Board of Directors, and may be removed by a majority of the Board of Directors without cause.

The designation and appointment of any such committee and the delegation of authority to the committee shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon them by law.

Section 6.2 *Limitations*. No such committee shall have the authority of the Board of Directors in reference to amending, altering, or repealing bylaws; electing, appointing, or removing any member of any such committee or any Officer or Director of the Corporation; amending the Articles of Incorporation; restating the Articles of Incorporation; adopting a plan of merger or adapting a plan of consolidation with another corporation; authorizing the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefore; adopting a plan for the distribution of the assets of the Corporation; or amending, altering, or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee; or other limitations stated expressly in the Colorado Nonprofit Corporation Act as amended from time to time.

Section 6.3 *Accountability Committee*: The Board of Directors will approve annually a School Accountability Committee charge statement that includes language that will comply with applicable district policy and state statute. Membership of the School Accountability will be

consistent with district policy and state statute. The School Accountability Committee will make annual recommendations to the CAO who will in turn report to the BOD.

The Accountability Committee will advise the Board of Directors on all requirements established under Colorado law regarding the Carbon Valley Academy charter school's accountability to the St. Vrain School Board, Colorado Department of Education and compliance with the Carbon Valley Academy charter school Contract.

Section 6.4 *Other Committees*. The Board of Directors may establish such other committees as it may from time to time deem necessary per policy governance policies. The Board of Directors shall establish the number and qualifications of all such committee members through Committee Charge Statements.

Committees may be utilized for Nominating / Election of Board of Directors, Finance, Marketing / Community Relations, Staff Appreciation, Event Planning, Fund Raising, Playground, Safety & Security, and other as deemed necessary by the Board. Committees shall be identified as Board Committees, Staff Committees, or Joint Committees.

ARTICLE VII

AMENDMENTS

These bylaws may be altered, amended or repealed and new bylaws may be adopted by a majority of Directors in office at any regular or special meeting, provided that no such action shall be taken if it would in any way adversely affect the Corporation's qualification under Section 501(c)(3) of the Internal Revenue Code of 1986 (or any successor provision), and provided that notice of the substance of the proposed addition, alteration, amendment, or repeal has been communicated in writing, not less than ten days prior to said meeting to each Director entitled to vote.

ARTICLE VIII

LIMITATIONS

Section 8.1 *No Personal Benefit*. No Director, Officer or Employee of the Corporation shall be entitled to any interest in any property, funds, or net earnings of the Corporation which shall vest solely in the Corporation, and shall not inure to the benefit of any such person.

Section 8.2 *No Political Activity*. The Corporation shall not participate or intervene (including the publishing of or distribution of statements) in any political campaign on behalf of any candidates for public office.

No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation. However, if the Corporation is an organization to which section 501(h) of the Internal Revenue Code applies and the Corporation has effectively elected to have such section apply, the Corporation shall have power to carry on the activities permitted by such section, but only to the extent that such activities shall not result in the denial of exemption under such section 501(h) or the imposition of tax under section 4911 or section 4945 of the Internal Revenue Code.

Section 8.3 *Public Analysis, Studies, or Research*. All analysis, studies, or research shall be of a nonpartisan nature and available to the public upon completion and final approval of the Board of Directors. The Corporation shall conduct all meetings and operations in compliance with the Colorado Open Meetings Law, Colorado Revised Statutes section 24-6-401, et. seq.

Section 8.4 *TABOR Compliance and Exercise of TABOR Powers*. Pursuant to Article X, Sec. 20 of the Colorado Constitution, the Board may not enter into “any multiple-fiscal year direct or indirect district debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years.” All contracts entered by the Board shall comply with this section. In complying with this section, the Board may enter into multiple-fiscal year arrangements, including the lease for its initial location, that have non-appropriation clauses allowing the Board to escape such obligations in each future fiscal year. In balancing the factors that bear upon its fiduciary duties to the school, the Board finds that the exercise of its powers under a non-appropriation clause for what is otherwise a multiple-fiscal year obligation would be likely to have a significant adverse impact on its business and financial reputation. Accordingly, the Board will exercise its TABOR powers only when insufficient funds are available, in the sole judgment and discretion of the Board, to both adequately carry out the school’s educational mission and continue to support what are otherwise one or more multiple-fiscal year obligations. This provision shall not be subject to amendment during the initial term of the first lease entered by the charter school. This section is adopted as an internal guide to future Board action and does not create any property right, vested right, right of good faith or fair dealing, or any right of any other description whatsoever in any person associated with the school, nor in any third party, nor does it in any way modify, amend, add to, or subtract from the terms of any contract with third parties, including the first lease entered by the school.

ARTICLE IX

DISSOLUTION

Section 9.1 *Dissolution*. In the event of the dissolution of the Corporation, the residual assets will be turned over to an organization which is itself exempt under Section 501 of the Internal Revenue Code, and none of its assets shall be distributed to or inure to the benefit of

any private individual.

ARTICLE X

INDEMNIFICATION

Section 10.1 *Indemnification*. The corporation shall indemnify any person who was, is or is threatened to be made party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that this person is or was an officer or Board member of the corporation and acting in that capacity, unless such indemnification is prohibited by law. Any indemnification under this Article shall be made only as authorized on a specific case by a determination of the Board on whether such indemnification is legally permissible, by majority vote of a quorum of Board members, with only Board members not parties to the proceeding counted in satisfying the quorum, or, if a quorum cannot be so obtained, by independent legal counsel selected by majority vote of the full board of directors. The determination made before indemnification is provided shall conform to the requirements of COLO. REV. STAT. § 7-129-102 (1998). An advance of expenses in aid of indemnification shall only be made as allowed by COLO. REV. STAT. § 7-129-104, and as otherwise required by this Article for indemnification generally. The corporation may seek to purchase, maintain or otherwise participate in an insurance plan to enable it to carry out any indemnification called for in this article.

ARTICLE XI

MISCELLANEOUS

Section 11.1 *Waiver of Notice*. Whenever notice is required by law, by the Articles of Incorporation or by these bylaws, a waiver in writing signed by the Director or other person entitled to said notice, whether before, at, or after the time stated therein, shall be equivalent to such notice.

Section 11.2 *Fiscal Year*. The fiscal year of the Corporation shall be July 1 to June 30 each year.

Section 11.3 *Conflicts*. In the event of any conflict between these bylaws and either the Articles of Incorporation or applicable law, the Articles of Incorporation or applicable law shall control.

Section 11.4 *Definitions*. Except as otherwise specifically provided in these bylaws, all terms used shall have the same definition as in the Colorado Revised Nonprofit Corporation Act.

The above bylaws are adopted as the bylaws of the Carbon Valley Academy.

Dated: NOVEMBER 5, 2007

Wesley LaVancy, President
Merrie Harper, Vice President
John Mohr, Secretary
Monique Miller, Treasurer
Dustin Jones, Director

The undersigned, as Secretary of the Corporation, certifies that the foregoing is a true and correct copy of the bylaws adopted by the Corporation.

ATTEST:

A handwritten signature in black ink, appearing to read "J. Mohr", is written over a horizontal line. The signature is stylized and cursive.

John Mohr - Secretary