

BYLAWS OF THE COLORADO LEAGUE OF CHARTER SCHOOLS

Revised as of [March 1, 2018]

ARTICLE I. VISION AND MISSION

The Colorado League of Charter Schools (the “**League**”) is a Colorado non-profit corporation with the following vision and mission:

Vision: For all Colorado students to have access to high-quality, publicly-funded school options.

Mission: To improve student achievement by supporting Colorado’s charter schools, positively reshaping the public school landscape, and advancing opportunities for innovation and expanded high-quality public school choice.

ARTICLE II. MEMBERS

SECTION 1. MEMBERS

The League shall have one class of members comprised of schools or group of schools under one charter which have been issued unique school code(s) from the Colorado Department of Education and are current in their payment of dues to the League (such schools, “**Members**”). Any question or dispute regarding membership of any school may be brought before the Board, which, after notice and an appropriate hearing to consider the dispute, shall make a determination on the matter in dispute.

SECTION 2. MEMBERSHIP COUNCIL

The interests of the Members shall be represented by a body which shall be referred to as the “**Membership Council**”. The Membership Council shall be comprised of one person appointed by each Member (a “**Representative**”) who is authorized to vote on behalf of the appointing Member on any matter requiring approval of the Membership Council under these Bylaws at the annual meeting or conference of the Members (“**Annual Meeting**”) or other occasions as may be called by the Board. The Representative shall be an employee or member of the governing board of the appointing Member. In designating its Representative, each Member shall identify the Representative’s name, position with the Member and any other information or documentation required by the League.

ARTICLE III. BOARD OF DIRECTORS

SECTION 1. PURPOSE

The business, affairs and property of the League shall be managed and controlled by the Board of Directors (“**Board**”), and all corporate powers shall be vested in and exercised by the Board, except as otherwise provided by law, the Articles of Incorporation or these Bylaws. The responsibilities and functions of the Board shall include:

(a) Interpreting the League's purposes and objectives as set forth in the Articles of Incorporation and these Bylaws, and developing policies for its effective operations;

(b) Assuring that the League’s programs and activities are directed toward the accomplishment of the League’s vision and mission;

(c) Approving the organizational structure of the League and the general areas of responsibility and authority of executive and administrative personnel;

(d) Electing officers of the League, fixing their duties and approving the general areas of their responsibility and authority;

(e) Approving governing documents of any auxiliary groups;

(f) Overseeing the solvency and financial stability of the League;

(g) To the extent not otherwise prohibited or limited by the Articles of Incorporation or these Bylaws, authorization of any officers to enter into contracts or execute and deliver any instruments in the name of and on behalf of the League;

(h) Evaluating the President of the League at least annually;

(i) Periodically evaluating the operations of the League; and

(j) As applicable and appropriate, assume leadership roles within the League.

SECTION 2. NUMBER OF AND CLASSES OF DIRECTORS

a. The Board shall be comprised of 13 directors, of which 6 shall be School directors and 7 shall be At Large directors. The President of the League (“**President**”) shall be a non-voting ex-officio member of the Board.

b. There shall be two classes of directors on the Board: (i) individuals who are employees or members of the governing board of a Member in good standing and in sound financial and academic standing of a certain quality, as determined by the Board, who shall be selected by the Membership Council (“**School Directors**”) and (ii) other individuals who possess the skills, experience and/or other characteristics helpful to the advancement of the League’s vision or mission, as determined by the Board, who shall be elected by the Board (“**At Large Directors**”).

c. No Member may have more than one director, at any one time, serving on the Board.

- d. As of the date first written above, the Board composition does not satisfy the foregoing ratio between School Directors and At Large Directors; the Board shall ensure such composition is met at the earliest opportunity given the timing of elections for new directors, the pool and quality of available candidates and any other constraints faced by the Board.

SECTION 3. TERMS

- a. Each director shall serve for a term of 3 years.
- b. Each director's term shall begin upon his or her election to the Board which (i) in the case of a School Director, shall be upon his or her election by the Membership Council at the Annual Meeting and (ii) in the case of an At Large Director, shall be upon his or her election by the Board.
- c. Directors may serve no more than two consecutive 3-year terms or more than 6 years in total (or 7 years in total in case of director who fills a vacancy).
- d. Directors shall serve terms that are staggered over a three-year cycle, such that a full slate of 13 newly elected (or re-elected) directors serve over the course of the three-year cycle. The elections shall be staggered over the three-year cycle as follows:
 - Year 1: 4 directors shall be elected, of which 2 shall be School Directors and 2 shall be At Large Directors;
 - Year 2: 4 directors shall be elected, of which 2 shall be School Directors and 2 shall be At Large Directors; and
 - Year 3: 5 directors shall be elected, of which 2 shall be School Directors and 3 shall be At Large Directors.

SECTION 4. APPOINTMENT AND ELECTION OF BOARD OF DIRECTORS

a. Nominating Committee

- 1) There shall be a Nominating Committee, composed of 3 to 5 directors, for the purpose of recommending nomination of persons to serve as directors of the Board.
- 2) The Nominating Committee shall solicit nominations for School Director seats through communication and request for nomination from Members and communicate the list of all candidates and related qualifications/resumes to the Members no less than 30 days prior to the Annual Meeting.
- 3) The Nominating Committee shall present its nominees for directors to the Membership Council or the Board, as applicable, no later than 30 days prior to the date on which an election or appointment of a director is schedule to occur.

b. School Directors; Election by Membership Council

- 1) School Directors shall be elected by the Membership Council at the Annual Meeting. The Annual Meeting shall be called annually on a date established at least 90 days in advance. The name of all nominees for School Director positions shall be placed on an official

ballot, also indicating the number of available positions. The candidates receiving the highest number of votes shall be elected to the available positions. Each Member will have as many votes as there are vacancies. Modified cumulative voting will be allowed.

- 2) If there is a tie for the last vacancy on the Board, a run off ballot will be conducted between those candidates.
- 3) The tabulation of the ballots will be conducted by an officer of the Board not up for reelection and the President.

c. At Large Director: Election by the Board

- 1) At Large Directors whose terms will expire or any other interested person who wishes to be considered for an At Large Director seat may submit his or her name in writing to the Nominating Committee at any time.
- 2) Individuals seeking At Large Director seats may also be nominated by a Member. Nominations shall be made to the Nominating Committee at least 30 days prior to a meeting of the Board at which At Large Directors are to be elected.
- 3) At Large Directors shall be elected by the affirmative vote of a quorum of the majority of all directors then in office.

SECTION 5. MEETINGS

- a. The Board shall meet at least four times a year.
- b. Special meetings of the Board may be called by the Chair, the President, or any four directors. The person or persons authorized to call such meetings must notify all directors of the meeting by phone or email at least 48 hours in advance of the meeting.
- c. Meetings may be held by tele-conferencing, interactive computer linkages, or other means that allow directors to communicate and vote.
- d. Except when another rule of decision is specifically provided in these bylaws or by law, a majority of the directors then in office shall constitute a quorum for the transaction of business and action taken by a majority of a quorum shall be an act of the Board on all matters before the Board.
- e. An updated version of the Board's meeting schedule shall be maintained on its website for review by Members. Meeting agendas shall be posted on the League's website at least 48 hours prior to each Board meeting. Members are encouraged to attend and participate in Board meetings.
- f. Any director who misses three consecutive regular or special meetings of the Board, without an approved excuse for absence, may be deemed by the Board to have resigned. Discretion to excuse an absence is vested in the Chair.

SECTION 6. INFORMAL ACTION BY DIRECTORS:

- a. Any action required or permitted to be taken by the Board may be taken without a meeting if three-fourths of all directors then in office shall individually or collectively consent in writing to such action.

SECTION 7. VACANCIES

- a. A School Director vacancy shall exist upon the occurrence of any one of the following events

prior to the expiration of such director's term:

- 1) A Member withdraws its support in writing for School Director who is affiliated with such Member.
 - 2) If a School Director submits a written resignation to the Board. Acceptance of such resignation is not necessary to make it effective.
 - 3) If for any reason the Member affiliated with the School Director ceases to be a Member.
 - 4) By vote of three-fourths of the Board, the School Director is, with or without cause, removed as director.
- b. An At Large Director vacancy shall exist upon the occurrence of any one of the following events prior to the expiration of such director's term:
- 1) The director submits a written resignation to the Board. Acceptance of such resignation is not necessary to make it effective.
 - 2) If the director is removed for cause, including conduct injurious to the best interests of the League, by the affirmative vote of two-thirds of all the directors, provided that the notice for such meeting at which such action will be taken specifies that the removal of such director is on the meeting's agenda.
- c. The Board shall fill any vacancy on the Board (whether School Director or At Large Director) no later than 90 days after a director vacancy is created on the Board. The appointed director shall hold such office (i) in the case of a School Directory vacancy, until the next Annual Meeting, at which meeting the Membership Council shall vote on a candidate to serve out the remaining term of the vacant office, and (ii) in the case of an At Large Director, for the remaining term of such vacant office

SECTION 8. COMPENSATION

Persons serving as directors or participants in a committee shall not receive any salary or compensation for their services as directors or committee members.

ARTICLE IV. OFFICERS

SECTION 1. CHAIR

The Chair of the Board shall be a director chosen by the Board at the first meeting prior to or following the vacancy of the Chair. The Chair shall serve as Chair for the lesser of (i) a term of 3 years, (ii) the expiration of his or her term as director or (iii) his or her removal as Chair in discretion of the Board for any reason by the affirmative vote of two-thirds of all the directors. The Chair shall have the following powers and responsibilities, in addition to any others that may be delegated to the Chair by these Bylaws or the Board:

- Oversees Board and Executive Committee meetings
- Works in partnership with the President to ensure Board resolutions are carried out
- Calls special meetings of the Board if necessary
- Assists the President in preparing agendas for Board meetings
- Assists President in conducting new director orientation
- Oversees searches for a new President

- Coordinates President's annual performance evaluation
- Work with the nominating committee to recruit new Directors
- Acts as an alternate spokesperson for the organization
- Periodically consults with directors on their roles and help them assess their performance

SECTION 2. VICE CHAIR

The Vice Chair shall be a director chosen by the Board at its first meeting following the Annual Meeting and shall serve for one year or until his successor is be chosen. The vice-Chair shall have the following powers and responsibilities, in addition to any others that may be delegated to the Chair by these Bylaws or the Board:

- Serve on the Executive Committee
- Carry out special assignments as requested by the board Chair
- Understand the responsibilities of the Chair and be able to perform these duties in the Chair's absence

SECTION 3. SECRETARY

The Secretary of the League shall be a director chosen by the Board at its first meeting following the Annual Meeting. The Secretary shall serve for one year or until his successor shall be chosen. The Secretary shall have the following powers and responsibilities, in addition to any others that may be delegated to the Chair by these Bylaws or the Board:

- Attend all Board meetings unless excused by the Chair
- Serve on the Executive Committee
- Ensure the safety and accuracy of all Board records
- Review Board minutes
- Assume responsibilities of the Vice Chair in the absence of the Vice Chair, and the responsibilities of the Chair in the absence of the Chair and Vice Chair
- Provide notice of meetings of the Board and/or of a committee when such notice is required

SECTION 4. TREASURER

The Treasurer of the League shall be a director chosen by the Board at its first meeting following the Annual Meeting. The Treasurer shall serve one year or until his successor shall be chosen. The Treasurer shall have the following powers and responsibilities, in addition to any others that may be delegated to the Chair by these Bylaws or the Board:

- Attend all Board meetings unless excused by the Chair
- Understand financial accounting for nonprofit organizations
- Serve as the chair of the Finance Committee
- Manage, with the finance committee, the Board's review of and action related to the Board's financial responsibilities
- Work with the President and the chief financial officer to ensure that appropriate financial reports are made available to the Board on a timely basis
- Present the annual budget to the Board for approval
- Review the annual audit and answer directors' questions about the audit

SECTION 5. ELECTION OF OFFICERS

- a. A director may not serve as the Chair for consecutive terms.
- b. To be nominated and conferred as the Chair, a director must first serve as an officer other than Chair.
- c. Prior to serving as the Treasurer, the director must serve for a minimum of one year on the Finance Committee.
- d. Officers may be nominated or self-nominated 30 days prior to the selection of the officer. Nominations must be made in writing and submitted to the Nominating Committee or director delegated by the Chair.
- e. Officers will be elected at the Board meeting following the Annual Meeting or another meeting of the Board on which election of an officer(s) is designated in the agenda for the meeting.

SECTION V. PRESIDENT

The President shall be the chief executive officer of the League and shall have general and day to day control of the affairs and business of the League, including the supervision of all its employees and contractors, execution of Board actions and directives, and performance of all duties necessary or proper for the carrying out of the office of President of the League. The President shall be entitled to fully participate in all Board meetings, including intra-Board email communications or electronic meetings, excepting those concerning the President's contract, compensation, evaluation or any investigation or grievance concerning the President.

ARTICLE VI. COMMITTEES

SECTION 1. EXECUTIVE COMMITTEE

The Executive Committee shall consist of the officers. The Executive Committee shall be responsible for the following:

- President evaluation, performance goals, compensation, periodic check-ins
- Set agenda for board meetings with President
- Liaison with President on organizational structuring and personnel matters
- Protection of the League from reputational or legal exposure
- Crisis management

The Executive Committee shall have no power to adopt, and or repeal these Bylaws, nor remove nor appoint directors, nor alter any action taken by the Board as a whole. The President shall be a non-voting participant in the Executive Committee. All actions of the Executive Committee shall be subject to ratification or rejection by the Board as a whole.

SECTION 2. MEETINGS OF THE EXECUTIVE COMMITTEE

Meetings of the Executive Committee shall be held at such time and at such place as determined by a resolution of such committee, without notice other than such resolution. Special meetings of the Executive Committee may be called by the President or the Chair, upon written or personal notice to all directors. The affirmative vote of all those present and not less than three officers is required for the Executive Committee to take action on any matter.

SECTION 3. FINANCE COMMITTEE

The Treasurer shall chair the Finance Committee. The Finance Committee, together with such professional accountants and auditors as may be retained by the Board, is charged with assuring prudent financial management of the League. To that end, the Finance Committee shall make recommendations to the Board on all matters bearing on League finances, including each annual budget, all sources of revenue, all expenditures, all savings or investment policies, selection of an independent auditing firm and any and all financial control or other practices. The Finance Committee shall recommend any written financial policies to the Board necessary or appropriate to fulfill its charge.

SECTION 4. COMMITTEES — GENERAL

- a. The Board may create other committees in its sole discretion. Each committee so created shall be given a written charge defining its purpose and operation. Written charge may be in the form of Board meeting minutes.
- b. Committee members and committee chairs are filled in discretion of the Board or the committee if authorized by the Board.
- c. General committees may solicit expert consultants with approval of the Board.
- d. Each committee will be chaired by a director. Committees are advisory and of assistance to the Board and subject to the charge given to the committee by the Board.
- e. The Board may alter, amend, abolish, or otherwise oversee all committees in its sole discretion.
- f. Except to the extent expressly delegated in a charge, no committee may exercise any power that could be exercised by the Board, and in no event may a committee amend these Bylaws, appoint or remove directors, take action inconsistent with action of the Board, or expend any League funds except those, if any, specifically allocated for expenditure by the Board.

ARTICLE VII. LEAGUE FINANCES

SECTION 1. MEMBERSHIP FEE

The Board will establish a fee schedule for the various categories of Members. The fee will be assessed annually.

SECTION 2. FEES FOR SPECIAL SERVICES

The Board may establish, from time to time, fees to be levied for specified services that are not included within the annual fee.

SECTION 3. EXPENDITURES

League funds shall be expended as directed by the Board. The Board may authorize the President and his or her designee(s) to sign checks on League accounts in amounts not exceeding such limits as may be established by the Board. Any expenditure in excess of such limits must be authorized by prior formal action of the Board or persons delegated by the Board for that purpose.

ARTICLE VIII. DIRECTOR INDEMNIFICATION

SECTION 1. DEFINITIONS

For purposes of this Article:

- a) The terms “director or officer” shall include a person who, while serving as a director or officer of the League, is or was serving at the request of the League as a director, officer, partner, participant, manager, trustee, employee, fiduciary or agent of the League. The term “director or officer” shall also include the estate or personal representative of a director or officer, unless the context otherwise requires.
- b) The term “proceeding” shall mean any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative or whether formal or informal, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.
- c) The term “party” includes an individual who is, was, or is threatened to be made a named defendant or respondent in a proceeding.
- d) The term “liability” shall mean any obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expense incurred with respect to a proceeding.
- e) When used with respect to a director, the phrase “official capacity” shall mean the office of director in the League, and, when used with respect to a person other than a director, shall mean the office in the League held by the officer or the employment, fiduciary or agency relationship undertaken by the employee or agent on behalf of the League, but in neither case shall include service for any other person or entity.

SECTION 2. GENERAL PROVISIONS

The League shall indemnify any person who is or was a party or is threatened to be made a party to any proceeding by reason of the fact that such person is or was a director or officer of the League, against expenses (including attorneys, fees), liability, judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such proceeding if such person (a) acted in good faith, (b) reasonably believed, in the course of conduct in an official capacity with the League, that the conduct was in the best interests of the League, and in all other cases, that the conduct was at least not opposed to the best interests of the League, and (c) with respect to any criminal proceeding, had no reasonable cause to believe that the conduct was unlawful. However, no person shall be entitled to indemnification under this section either (a) in connection with a proceeding brought by or in the right of the League in which the director or officer was adjudged liable to the League, or (b) in connection with any other proceeding charging improper personal benefit to the director or officer, whether or not involving action in that person’s official capacity, in which the officer or director is ultimately adjudged liable on the basis that the director or officer improperly received personal benefit. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction or upon a plea of solo contender or its equivalent shall not of itself be determinative that the person did not meet the standard of conduct set forth in this section.

SECTION 3. SUCCESSFUL DEFENSE ON THE MERITS; EXPENSES

To the extent that a director or officer of the League has been wholly successful on the merits in defense of any proceeding to which he or she was a party by reason of the fact that such person is or

was a director or officer of the League, such person shall be indemnified against reasonable expenses (including attorneys' fees) actually and reasonably incurred in connection with such proceeding.

SECTION 4. DETERMINATION OF RIGHT TO INDEMNIFICATION

Any indemnification under Article VIII, Section 2 (unless ordered by a court) shall be made by the League only as authorized in each specific case upon a determination that indemnification of the director or officer is permissible under the circumstances because such person met the applicable standard of conduct set forth in this Article. Such determination shall be made (a) by the Board by a majority vote of those present at a meeting at which a quorum is present, and only those directors not parties to the proceeding shall be counted in satisfying such quorum; or (b) if such a quorum cannot be obtained, by the vote of a majority of a committee of the Board designated by the Board, which committee shall consist of two or more directors who are not parties to the proceeding (except that members who are parties to the proceeding may participate in the designation of members to serve on such committee); or (c) if such a quorum of the Board cannot be obtained or such a committee cannot be established, or even if such a quorum is obtained or such a committee is so designated, but such quorum or committee so directs are unable or unwilling to make such a determination, then by independent legal counsel selected by the Board. Authorization of indemnification and evaluation as to the reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that, if the determination that indemnification is permissible is made by independent legal counsel, authorization of indemnification and evaluation of legal expenses shall be made by the body that selected such counsel.

SECTION 5. ADVANCE PAYMENT OF EXPENSES; UNDERTAKING TO REPAY

The League shall pay for or reimburse the reasonable expenses (including attorneys' fees) incurred by a director or officer who is a party to a proceeding in advance of the final disposition of the proceeding if (a) the director or officer furnishes the League a written affirmation of the director's or officer's good faith belief that the person has met the standard of conduct set forth in Article VIII, Section 2; (b) the director or officer furnishes the League with a written undertaking, executed personally or on the director's or officer's behalf, to repay the advance if it is determined that the person did not meet the standard of conduct set forth in Article VIII, Section 2, which undertaking may be an unlimited general obligation of the director or officer but which, in the Board's reasonable discretion, need not be secured and which may be accepted without reference to financial ability to make repayment; and (c) a determination is made by the Board that the facts then known to it would not preclude indemnification.

SECTION 6. OTHER EMPLOYEES AND AGENTS

The League may indemnify such other employees and agents of the League to the same extent and in the same manner as is provided above in Article VIII, Section 2 with respect to directors and officers, by adopting a resolution of the Board specifically identifying by name or by position the employees or agents entitled to indemnification.

SECTION 7. NON-EXCLUSIVITY OF ARTICLE

The indemnification provided by this Article shall not be deemed exclusive of any other rights and procedures to which an indemnified party may be entitled under the Articles of Incorporation, law, resolution of disinterested directors, or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer, and shall inure to the benefit of such person's heirs, executors, and administrators.

ARTICLE IX. AMENDMENTS

SECTION 1. PROCESS

- a. The Articles of Incorporation and Articles 1, 2, 3, and 9 of these Bylaws may be amended through a recommendation adopted by two-thirds vote of the Membership Council, ratified by two-thirds vote of the Board.
- b. All other provisions of these bylaws may be amended by a two-thirds vote of the Board at any special or regular meeting.