

BYLAWS OF WOODS CHARTER SCHOOL COMPANY

Previously filed with the N.C. Secretary of State - March 10, 2004

Amended by the Board of Directors - April 19, 2011

Amended by the Board of Directors – June 4, 2020

ARTICLE I: NAME

The name of the non-profit corporation is Woods Charter School Company (sometimes referred to herein as "Woods" or the Corporation).

ARTICLE II: PURPOSE

The purpose of Woods is to engage in all lawful activities in which nonprofit Corporations may engage under the North Carolina Nonprofit Corporation Act (as it may be amended from time to time), including, but not limited to, the following:

(a) To operate the Corporation as a North Carolina charter school, to be chartered under Chapter 115C, Article 14A (§115C-218 *et seq.*; “Charter School Act”) of the North Carolina General Statutes; and

(b) To engage in any and all other lawful activities that are appropriate to carry out and fulfill any or all of the foregoing purposes.

ARTICLE III: MEMBERSHIP

Membership in the Corporation is composed only of (i) parents or legal guardians of children attending Woods and (ii) all full-time faculty members. Each parent or legal guardian of a child attending Woods and each full-time faculty member who is neither parent nor legal guardian of a child attending Woods shall have the right to cast one vote in the annual Board of Directors elections. The term, "parent," is used hereafter in these bylaws to refer both to custodial, noncustodial, biological and adoptive parents, and to legal guardians. The term, “full-time faculty member”, is used hereafter in these bylaws to refer to all faculty members at 70% or more employment.

ARTICLE IV: BOARD OF DIRECTORS

Section 1: Powers

The activities, affairs and business of the Corporation shall be conducted by or under the direction of the Board of Directors (referred to herein as the "Board").

Section 2: Duties

(a) The Board shall perform any and all duties imposed on it collectively and individually by law, the Articles of Incorporation, or by these bylaws. Members of the Board shall stand in a fiduciary relation to the Corporation and shall discharge their duties in good faith, and with that diligence and care that reasonably prudent men and women would exercise in similar circumstances and in like positions.

(b) The Board has the power to appoint, employ and remove the Principal.

(c) The Board shall meet at such times and places as required by these bylaws.

(d) The Board may determine that a member, after three consecutive unexcused absences from regular meetings, has resigned.

(e) Board members shall provide their home and business addresses, telephone, e-mail, facsimile and cell phone numbers to the secretary of the corporation.

Section 3: Mission

The mission of the Board is to make policy decisions regarding the operation of Woods and to provide it with oversight rather than day-to-day management of operations.

Section 4: Number, Qualifications, Election, and Tenure

(a) The Board shall consist of ten persons (eleven persons in the event the Board appoints a Community Board Member), seven of whom will have voting authority, distributed as follows:

Seven parents of current students. However, no more than one parent of a particular student may serve simultaneously on the Board, and parent members of the Board shall not include anyone who is an employee or the spouse of an employee at Woods. These shall be the seven Board members with voting authority. One person who is at the time a full-time faculty member at Woods.

One person who is at the time a full-time student at Woods.

At the election of the Board in any year, one additional person appointed by the Board, who may or may not be a member of Woods. This appointee shall be known as the "Community Board Member."

The Principal of Woods.

The full-time faculty and student member of the Board, the Community Member, and the Principal, will not have voting authority on the Board.

(b) Members of the Board, except for the student member, shall be at least twenty-one (21) years of age.

(c) Board elections shall be held once each year in or around May.

(d) The membership of the Board shall be determined as follows:

Beginning with the Board election of May, 2011, the Board shall be divided into three (3) classes as follows:

CLASS I shall consist of three (3) parent members elected in 2011 and every three years thereafter.

CLASS II shall consist of two (2) parent members elected in 2012 and every three years thereafter.

CLASS III shall consist of two (2) parent members elected in 2013 and every three years thereafter.

The parent members of the Board shall be elected each year by the parents of current Woods students and the current full-time faculty members. Voting may take place in person or virtually. Any otherwise-eligible parent of a current Woods student shall be eligible to seek election to the

Board. The parents receiving the highest number of votes shall be deemed elected. However, if more than one parent of a student should be among those seven parents receiving the highest number of votes, only the parent receiving the larger number of votes shall be deemed to be elected.

(i) The full-time faculty member of the Board shall be elected each year by the Woods full-time faculty members. Any otherwise qualified full-time faculty member shall be eligible to seek election to the Board.

(ii) The student member of the Board shall be the Student Council President or his/her designee and shall be identified at the beginning of each academic year for that year.

(iii) At its first regular meeting following Board elections, or as soon thereafter as is feasible, the Board may exercise its right to appoint a Community Member of the Board.

(iv) Parent members of the Board shall serve three-year terms and no parent board member may serve more than two (2) consecutive three-year terms. Additional terms, beyond the two three-year terms, must be separated by a period of at least one academic year.

(v) The Principal, Faculty, Student and Community members of the board shall be elected or filled annually based on the criteria above and there is no limit to the number of consecutive terms that may be served.

Section 5: Attendance by Remote Communication

In circumstances when all Board members are not reasonably able to meet in person, they may participate in or conduct a meeting through the use of any reasonable and legal means of electronic communication by which all Board members participating in the meeting may simultaneously hear each other during the meeting. All Board members participating in a meeting by this means are deemed present at the meeting unless otherwise determined by the Board or required by law. Otherwise, when an in person meeting for all Board members is feasible, all Board members must be physically present to participate.

Section 6: Regular Meetings

Regular meetings of the Board shall be held at Woods Charter School on a monthly basis as determined at the June meeting of the Board. The Board shall meet at least eight (8) times per

year. The Board may amend or change its schedule of regular meetings. The regular meeting in the month of June shall be the regular annual meeting of the Board.

Section 7: Special Meetings

Special meetings of the Board for a specific purpose may be called at any time by its chairperson or by written request to the chairperson of at least two (2) members of the Board. The specific purpose must be stated in the notice. Unless actual notice is not required by the laws of the State of North Carolina or these Bylaws for the validity of the Board members' actions at any such special meeting, notice must be given not less than forty-eight (48) hours prior to any special meeting. Such notice may be given by any usual means of communication. Meetings shall be held in such a manner and at such time as shall be fixed by the chairperson or Board members calling the meeting. At such meetings the Board may only conduct business related to the purpose(s) for which the meeting was called.

Section 8: Emergency Meetings

When urgent circumstances arise, the Board may meet on less than forty-eight (48) hours' notice. Board members and the public shall be given notice in compliance with open meetings laws. At such meetings the Board may only conduct business related to the purpose(s) for which the meeting was called.

Section 9: Open Meetings and Public Records Laws

All meetings of the Board shall at all times comply with Article 33C of Chapter 143 (Open Meetings) and Chapter 132 (Public Records) of the North Carolina General Statutes (and any subsequently amended provisions related to those statutes).

Section 10: Notice of Meetings

At its regular annual meeting in June, the Board shall establish the schedule of dates and times for its regular meetings for the academic year, including its regular annual meeting to be held the following June. This schedule shall be made available to the Board and the public. Board members shall be given telephone and/or email notice of substitute regular meetings and of special and emergency meetings. For substitute regular meetings and special and emergency meetings, the school community and the public shall be given the best notice practicable under the circumstances, including notice by newspaper, school website or postings at the school.

Section 11: Quorum

A majority of the Board members having voting authority and currently in office shall constitute a quorum for the transaction of business. If a quorum is not present, except as otherwise provided by law or in these bylaws, the Board members present shall adjourn the meeting until a quorum is present. For purposes of determining whether a quorum is present, the chairperson shall be considered to be a member having voting authority and shall, therefore, be counted for purposes of determining the presence of a quorum.

Section 12: Voting

Except as otherwise provided by law, by the articles of incorporation or charter of the Corporation, or by these bylaws, the action of a majority of the members of the Board having voting authority who are present at a meeting at which there is a quorum shall be the action of the Board. The chairperson shall vote at Board meetings only when his or her vote is necessary to resolve what would otherwise be a tie vote.

Section 13: Resignation of Board Members

Except as otherwise provided by law, including the fiduciary duties owed by Board members to the Corporation, a Board member may resign at any time by giving notice in writing to the chairperson or secretary of the Corporation. Such resignation shall take effect at the time specified, or if no time is specified, at the time the chairperson or secretary receives such resignation.

Section 14: Board Vacancies

(a) Parent Board Members: When a vacancy occurs in a Board position occupied by a parent Board member, either by death, resignation, removal from office, or for any reason other than the completion of a term in office (the "Vacant Term"), the remaining Board members shall give appropriate notice to the school community of such vacancy, shall allow appropriate time for persons to respond to such notice, shall accept applications or expressions of interest from persons regarding such vacancy, shall allow interested persons to make reasonable presentations to, and/or be interviewed by, the remaining Board members. Thereafter, the remaining Board Members shall elect an eligible person to fill the vacancy. Parent member vacancies shall be filled only by current Woods parents. Any person elected to fill a Vacant Term shall serve until June 30th of the current fiscal year or the end of the Vacant Term, which is shorter. If there are remaining years in the Vacant Term, the balance of the Vacant Term shall be filled by a parent elected at the next regularly scheduled Board election to serve out the remainder of that term.

(b) Teacher Member: When a vacancy occurs in the Board position occupied by a full-time teacher at Woods, either by death, resignation, removal from office, or for any reason other than the completion of a term in office, the remaining Board members shall give appropriate notice to the school community of such vacancy and the Woods full-time teaching faculty shall accept applications or expressions of interest from full-time teachers regarding such vacancy and shall elect another full-time Woods teacher to fill the vacancy. The teacher elected to fill any such vacancy shall be eligible to serve to the completion of the term of the teacher replaced and shall be eligible for re-election to the Board by the Woods full-time faculty.

(c) Student Member: If a vacancy should occur in the Board position occupied by a Woods student, the remaining Student Council officers shall appoint a student to serve the completion of the term of the departing student member. In the absence of such an appointment, the remaining Board members shall make such an appointment.

Section 15: Compensation

Members of the Board shall serve without compensation for their services to the Board.

ARTICLE V: CONDUCT STANDARDS

Directors shall conduct themselves and the performance of their Board duties in accordance with G.S. § 55A-8-30 and as otherwise regulated by law or Board policy or action.

(a) A Director shall discharge his duties as a Director, including his duties as a member of a committee:

(1) In good faith;

(2) With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and

(3) In a manner the Director reasonably believes to be in the best interests of the Corporation.

(b) In discharging his duties, a Director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

(1) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;

(2) Legal counsel, public accountants, or other persons as to matters the Director reasonably believes are within their professional or expert competence; or

(3) A committee of the Board of which he is not a member if the Director reasonably believes the committee merits confidence.

(c) A Director is not entitled to the benefit of subsection (b) of this section if he/she has actual knowledge concerning the matter in question that makes reliance otherwise permitted by subsection (b) of this section unwarranted.

(d) A Director is not liable for any action taken as a Director, or any failure to take any action, if he performed the duties of his office in compliance with this section.

(e) A Director's personal liability for monetary damages for breach of a duty as a Director may be limited or eliminated only to the extent provided in G.S. § 55A8-60 or permitted in G.S. § 55A-2-02(b)(4), and a Director may be entitled to indemnification against liability and expenses pursuant to Part 5 of Article 8 of Chapter 55A of the General Statutes

(f) A Director shall not be deemed to be a trustee with respect to the Corporation or with respect to any property held or administered by the Corporation, including without limit, property that may be subject to restrictions imposed by the donor or transferor of such property.

ARTICLE VI: OFFICERS

Section 1: Designation of Officers

Officers of the Corporation shall be chairperson, vice-chairperson, secretary and treasurer. The Board may designate and fill other corporate officers as needed. Any two offices, except for the office of chairperson, may be held by one person. No officer shall sign or execute any document in more than one capacity.

Section 2: Election, Term of Office and Qualifications

Officers shall be elected at the annual meeting of the Board and shall hold office for the fiscal year following their election. The officers shall be members of the Board. However, no employee of the Corporation may be an officer.

Section 3: Subordinate Officers and Agents

The Board may appoint other officers or agents to chair committees or perform certain other duties. Each such officer or agent shall hold office for such period, have such authority, and perform such duties as the Board determines. The Board may delegate to any officer or agent the authority to appoint subordinate officers or agents and to prescribe their respective authorities or duties.

Section 4: Duties

Officers shall stand in a fiduciary relation to the Corporation and shall discharge the duties of their respective positions in good faith, and with that diligence and care which reasonably prudent men and women would exercise in similar circumstances and like positions.

Section 5: Removal

The persons who are officers pursuant to Section 1 of this Article may be removed by majority vote of the Board or by a two-thirds vote by ballot of the Woods parents and faculty. The persons who are officers or agents pursuant to Section 3 of this Article may be removed by majority vote of the Board.

Section 6: Resignations

Except as otherwise provided by law, including any fiduciary duties owed the Corporation, an officer may resign at any time by giving notice in writing to the Board or to the chairperson or secretary of the Corporation. If the officer or agent was appointed by another officer or agent pursuant to Section 3 of this Article, the resigning officer or agent may give the notice to the officer or agent who appointed him or her. Any such resignation shall take effect at the time specified, or if no time is specified, at the time the chairperson or secretary receives such resignation.

Section 7: Vacancies

A vacancy in any office because of death, resignation, removal or disqualification, or any other cause, shall be filled for the unexpired portion of the term of such office in the manner prescribed by these bylaws for regular appointments or elections to such offices. The Board may also reassign some or all of the duties of an absent officer as provided in Section 8 of this Article.

Section 8: Reassignment of Officer Duties

Should an office become vacant or should an officer of the Corporation be absent, or for any other reason the Board deems sufficient, the Board may reassign the duties of such officer to any other officer or to any member of the Board.

Section 9: Principal

The Board shall appoint the Principal by entering into a contract with a person to serve in that capacity. The contract shall specify the period of time for which the person is employed as Principal, as well as his or her authority and duties. The Principal shall generally be responsible for the business and affairs of the Corporation and shall be authorized to hire and have control over its employees. In addition to the management of day-to-day operations of the Corporation, the Principal shall perform such other duties as are assigned by the Board. The Principal may be removed, with or without cause, by a majority vote of the full membership of the Board that has voting authority. However, the removal of the Principal shall be in accordance with any relevant provisions of the contract entered into between the Principal and the Corporation.

Section 10: Chairperson

The chairperson shall be the principal person charged with supervising, organizing and managing the business of the Board and shall have the responsibility of conducting Board meetings. The chairperson shall perform such other duties as are assigned by the Board. As is provided above in Article IV, Section 10, the chairperson shall vote at Board meetings only when his or her vote is necessary to resolve what would otherwise be a tie vote.

Section 11: Vice-Chairperson

At the request of the chairperson, or in the absence or disability of the chairperson, the vice-chairperson shall perform the duties of the chairperson and when so acting shall have all the powers of, and be subject to all the restrictions upon, the chairperson.

Section 12: Secretary

The secretary shall keep the minutes of the meetings of the Board and shall see that all notices are given in accordance with the provisions of these bylaws or as required by law. The secretary shall also be the custodian of the statements, books, records, reports, certificates and other documents of the Corporation and the seal of the Corporation, and shall see that the seal is affixed to all documents requiring such seal. The secretary shall perform all duties and possess all authority incident to the office of secretary, and shall perform such other duties and have such other authority as may be assigned by the Board.

Section 13: Treasurer

Since, pursuant to Section 9 of this Article, the Principal is responsible for the business and affairs of the Corporation and for its day-to-day operations, the treasurer shall be that member of the Board with the primary duty and authority to oversee the management of the funds, receipts, disbursements and securities of the Corporation. The treasurer shall perform such other duties and have such other authority as may be assigned or granted by the Board. The treasurer may be required to give a bond for the faithful performance of the duties of the office in such form and amount as the Board may determine.

ARTICLE VII: COMMITTEES

Section 1: General Provisions

Committees of the Board may be created and members appointed by a majority of the Board. The Board may request that the Board Chairperson appoint Board members or other members of the School community, as necessary, to serve as representatives of the Board on such committees. The purpose and terms of such committees shall be determined by a majority vote of the Board.

Section 2: Standing Committees

The Board shall establish and annually assign members to the standing committees set forth below in Sections 3 through 6. Each standing committee shall adopt annual goals, identify benchmarks and recommend membership for the Board's approval. Annual goals should be discussed at the annual Board retreat and presented for adoption at the next occurring Board meeting. Each standing committee shall be chaired by a member of the Board

Section 3: Finance Committee

The Board Treasurer shall chair the Finance Committee. The Finance committee shall consist of Board member(s), the Principal, and representatives, respectively, of the school's administration, the parent community, the Woods Charter School Foundation and at least one faculty member. The Board shall appoint each representative. If a representative from any identified constituency is unavailable to serve in any given year, the vacancy may remain unfilled until the following year.

Section 4: Board Development

The Board Development committee will have the primary responsibility for developing Board policy and ensuring Board members comply with the bylaws and applicable law as it relates to their service on the Board. The Board Development committee shall consist of the Board chair and such other Board member(s), parent(s) or faculty, as the Board shall approve.

Section 5: Communications

The Communications committee will work with the appropriate school personnel to develop communication and marketing plans for the benefit of the School. The Communications committee shall consist of a Board Member(s) and such other school personnel and parent(s) as the Board shall approve.

Section 6: Personnel

The Personnel committee is charged with the responsibility for performing the annual review of the Principal. The Principal's annual review shall be conducted pursuant to school policy. The Personnel committee shall consist of the Board chair, the Faculty Representative to the Board, and such other Board member(s) as the Board shall approve.

ARTICLE VIII: PROCEDURES AND RESTRICTIONS

Section 1: Contracts

Except as otherwise provided in these bylaws, the Board may authorize any officer or agent or the Principal to enter into any contract or to execute or deliver any instrument on behalf of the Corporation, and such authority may be general or confined to specific transactions.

Section 2: Loans

The Board must authorize in advance the borrowing of any funds by the Corporation and the issuance of any promissory notes or other evidence of indebtedness in the name of the Corporation. Any officer or agent of the Corporation authorized by the Board to do so may obtain loans or advances on behalf of the Corporation and, in order to obtain such loans and advances, may make, execute, and deliver promissory notes, bonds, or other evidences of indebtedness of the Corporation.

Section 3: Deposits

All funds of the Corporation shall be deposited to the credit of the Corporation in such banks or trust companies or with such bankers or other depositories as the Board may select, or as may be selected by any officer or agent of the Corporation authorized by the Board to do so.

Section 4: Checks, Drafts

All (i) notes, drafts, acceptances, checks and endorsement or other evidences of indebtedness and (ii) any endorsements for deposit to the credit of the Corporation in any of its duly authorized depositories will be made by the Principal, or treasurer, or by any officer or agent who may be authorized by the Board to do so.

Section 5: Gifts

The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for general purposes or for any special or educational purposes of Woods.

ARTICLE IX: GENERAL PROVISIONS

Section 1: Corporate Seal

The corporate seal shall be in such form as shall be approved by the Board.

Section 2: Fiscal Year

The fiscal year of the corporation shall be established by resolution of the Board.

Section 3: Amendments to Bylaws

These bylaws may be altered, amended, or repealed, and new bylaws adopted by a two-thirds vote of the Board members then in office who have voting authority, or by the vote of a majority of all the members of the Corporation entitled to vote. If the action is taken by the Board, notice shall be given of the purpose of the Board meeting to consider alteration, amendment or repeal, or the adoption of new bylaws, at such meeting at least seven (7) days prior to such meeting delivered personally or sent by mail, email, telegram or fax to the address of each Board member as shown on the records of the Corporation. If the vote is by the members of the Corporation, notice shall be given of the meeting of the members to consider alteration, amendment or repeal, or the adoption of new bylaws, at such meeting at least twenty (20) days prior to such meeting

delivered by mail, email, telegram, fax, student messages or other appropriate and effective means to all members of the Corporation.

Section 4: Books and Records

The Corporation shall keep correct and complete books and records of accounts and shall keep minutes of the proceedings of its Board.

Section 5: Officer and Director Indemnification

The Corporation shall indemnify any present or former member of the Board, officer, Principal or other employee or agent against liabilities and reasonable litigation expenses, including attorneys' fees, incurred in connection with any action, suit or proceeding in which that person is made or threatened to be made a party by reason of being or having been such Board member, officer, Principal or other employee except in relation to matters as to which the person shall be adjudged in such action, suit or proceeding (i) to have acted in bad faith, (ii) to have been liable or guilty by reason of willful misconduct in the performance of duty, (iii) to have taken actions known or believed by the person to be clearly in conflict with the best interests of the Corporation, (iv) to have received an improper personal benefit, or (v) in connection with a proceeding by or in the right of the Corporation, where the person was adjudged liable to the Corporation. The indemnification authorized by this section shall be in addition to that permitted by the North Carolina General Statutes, or otherwise as authorized in these bylaws.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a member of the Board, officer, Principal or other employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against and incurred by the person in such capacity, or arising out of the person's (Board member's, officer's, employee's or agent 's) status as such, whether or not the Corporation would have the power to indemnify that person against such liability.

Expenses incurred by a Board member, officer, Principal, or other employee or agent in defending a civil suit, or criminal action or other proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board upon receipt of an undertaking by or on behalf of the Board member, officer, Principal or other employee or agent to repay such amount unless it shall ultimately be determined that the person is entitled to be indemnified by the Corporation as authorized by Section 55A-17.2 or 55A-17.3 of the North Carolina General Statutes, or as authorized in these bylaws.

Section 6: Meeting Regulation

All meetings of the Board shall at all times comply with Article 33C of Chapter 143 (Open Meetings) and Chapter 132 (Public Records) of the North Carolina General Statutes (and any subsequently amended provisions related to those statutes).

While the Board may elect not to proceed in full compliance with Roberts Rules of Order, those procedures may be invoked at any time for use during part or all of a particular meeting upon motion supported by a majority vote.

Section 7: Gender

The masculine and feminine gender used in these bylaws shall include both the feminine and the masculine persons.

Section 8: Prohibited Activities

The Corporation shall comply with all prohibitions against substantial lobbying and involvement in political campaigns for public candidates, contained in Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provisions of any later federal tax laws. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Board members or officers. Notwithstanding any other provisions of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by corporations exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provisions of any later federal tax laws or (b) by a corporation, contributions to which are deductible under Section 17Q(c)(2) of the Code.

Section 9: Disposal of Assets

Upon dissolution of the Corporation, all assets of the Corporation other than those required to be returned, transferred or conveyed subject to the provisions of N.C.G.S. Sec. 55A-14-03(a)(1), shall be transferred or conveyed to a person that is exempt under section 501(c)(3) of the Internal Revenue Code of 1986 or any successor section

ARTICLE X: MISCELLANEOUS

Section 1: Suspension or Waiver of Policy

In extenuating circumstances any Board policy not required by law or contract may be temporarily suspended by a two-thirds vote of all members present at a Board meeting, provided all Board members have received notice of the meeting and the notice included a proposal to suspend the policy and an explanation of the purpose. If such proposal is not made in writing in advance of the meeting, a policy may be suspended or waived only by a unanimous vote of all Board members present.

Section 2: Absence of Policy

In cases where action is necessary that involves a matter of significant policy import, but for which there is no policy, or the application of a policy is vague or ambiguous, the Principal may exercise, in good faith, his or her discretion to act in the manner he or she believes best serves the School. The Principal shall inform the Board promptly of such action and make any recommendation for ratification of the action by the Board and/or a change to the current Board policy.