

**RIDGECREST CHARTER SCHOOL
GOVERNING BOARD
Concurrent Agenda
Wednesday January 25, 2017
Time: 5:30 PM
325 South Downs Street, Ridgecrest, CA 93555**

I. CONCURRENT AGENDA

1. Adoption of the Updated Board Bylaws

Motion: _____ Second: _____ Vote: _____

II. CLOSED SESSION

The meeting will now convene to closed session to discuss the following:

- A. PUBLIC EMPLOYEE – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Brown Act Section 54956.9 (a)
One Case

Open Session was closed at: _____

Closed Session was entered into at _____pm and concluded at _____.

VII. RECONVENE TO PUPLIC SESSION

The meeting was reconvened to Open Session at _____pm.

Report out of closed Session: _____

III. ADJOURNMENT

The meeting was adjourned at _____.

In compliance with the Americans with Disabilities Act (ADA) and upon request, the School may furnish reasonable auxiliary aids and services to qualified individuals with disabilities Individuals who require appropriate alternative modifications of the agenda in order to participate in Board meetings are invited to contact the Director's office. Per Brown Act 54954.3(a) at any special meeting the public has the right to address any item described in the agenda before or during consideration of that item.

Subject:	XX Action
	__ Consent Agenda
Adoption of the Updated Board Bylaws	__ First Read
	__ Information
	__ Presentation
	__ Public Hearing
	__ Roll Call Vote Required

The Board President presents for adoption the 2017 version of the BYLAWS OF RIDGECREST CHARTER SCHOOL.

**BYLAWS OF RIDGECREST CHARTER SCHOOL
(A California nonprofit public benefit corporation)**

**I. MEMBERSHIP; GENERAL AND SPECIFIC PURPOSES; LIMITATIONS:
DEDICATION OF ASSETS**

A. General and Specific Purposes

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes. This corporation is organized exclusively for educational purposes within the meaning of Internal Revenue Code section 501 (c) (3) or the corresponding provision of any future United States internal revenue law. Despite any other provisions in these bylaws, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that do not further the purpose of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on by (a) a corporation exempt from federal income tax under Internal Revenue Code section 501 (c) (3) or the corresponding provision of any future United States internal revenue law; or (b) a corporation, contributions to which are deductible under Internal Revenue Code section 170 (c) (2) or the corresponding provision of any future United States internal revenue law. No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

B. Members

The corporation shall have no voting members within the meaning of the nonprofit corporation law. The rights which would otherwise vest in the members vest in the directors of the corporation (hereinafter "Trustees") of RCS.

Actions which would otherwise require approval by a majority of all members or approval by the members require only approval of a majority of all Trustees or approval by the Board of Trustees (hereinafter "Board").

C. Dedication of Assets

This corporation's assets are irrevocably dedicated to public benefit purposes as set forth in the Charter School's Charter. No part of the net earnings, properties, or assets of the corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any Trustee or officer of the corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Internal Revenue Code section 501(c)(3).

II. BOARD OF TRUSTEES

A. Powers

The Board shall conduct or direct the affairs of the corporation and exercise its powers, subject to the limitations of the California Nonprofit Public Benefit Corporation Law, the Articles of Incorporation and these Bylaws. The Board may delegate the management of the activities of the corporation to others, so long as the affairs of the corporation are managed, and its powers are exercised, under the Board's ultimate jurisdiction.

Without limiting the generality of the powers here granted to the Board, but subject to the same limitations, the Board shall have all the powers enumerated in these Bylaws, and the following specific powers:

1. Appoint and remove, at the discretion of the Board of Trustees, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these bylaws; fix their compensation; and require from them security for faithful service.
2. Change the principal office or the principal business office in California from one location to another, cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; and conduct its activities in or outside California.
3. Borrow money and incur indebtedness on the corporation's behalf and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.
4. Adopt and use a corporate seal.

B. Number of Trustees

The number of Trustees of the corporation shall be no less than five (5) and no more than six (6). The Board may fix the number of Trustees by Board resolution or amendment of the Bylaws.

The corporation will strive to compose a Board that includes a city community member, a member appointed by staff election, and three school community members (including the parent or guardian of currently enrolled students). All five members shall be subject to an election process as outlined in Section II.C. and none shall be employed by the School or receive any direct or indirect financial benefit from relationships with the School. The sixth member shall be held aside for charter authorizer appointment. Per Education Code 47604(b), the charter authorizer may designate a voting representative to the Board at the discretion of the authorizer.

C. Nomination, Election of Trustees & Terms of Office

1. Nomination and Election Process.

Not less than sixty (60) days prior to April 30th, the Board Chair shall appoint a Nominating Committee of not more than five (5) members consisting of at least one (1) Trustee, at least one (1) staff member, and at least one (1) parent or guardian of a current RCS student. It shall be the duty of the Committee to return a list of nominees for election to the Board according to eligibility guidelines listed in Section C.2. Eligible individuals may also self-nominate, subject to applicable deadlines, and will be included on the list of nominees. A ballot with all eligible candidates will be prepared and distributed.

The Board of Trustees elections shall be held in May, beginning on the first Monday in May of each year. All current Ridgecrest Charter School staff members shall first vote for the staff-elected Trustee from the list of current board members as well as the list of nominees for the open positions on the board. The staff-elected Trustee shall be elected by majority vote and if they were not a current board member, their name shall be removed from the ballot prior to the school community election and the number of Trustee vacancies shall be reduced by one.

Thereafter, ballots shall be distributed to each school community member. Each school community member is entitled to submit one ballot. School community members include each parent and/or legal guardian of children currently enrolled in Ridgecrest Charter School (not to exceed a total of two ballots per family). The number of nominees equal to the number of upcoming Trustee vacancies who receive the majority of the votes will be considered the elected Trustees.

2. Eligibility. The electing bodies (staff and school community members) may elect any person who in their discretion they believe will serve the interests of the corporation faithfully and effectively. Candidates must accept nomination or be self nominated to be placed on any ballot.
3. Interested Persons. No Trustees serving on the Board may be interested persons. An "interested person" is:
- a. Any person currently being compensated by the corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor or otherwise, excluding any reasonable compensation paid to a Trustee as Trustee; or
 - b. Any sister, brother, ancestor, descendant, spouse, sister-in-law, brother-in-law, daughter-in-law, son-in-law, mother-in-law ,

father-in-law, common law, domestic partner, or any persons or persons of common personal financial interests of any such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the corporation. The Board may adopt other policies circumscribing potential conflicts of interest.

- c. Any Presiding Trustee that becomes or endeavors to become, an interested person, be it intentional or otherwise, is in violation of Ridgecrest Charter School Bylaws Section II, item C-2: Eligibility, and must resign their post to remedy the conflict of interest. If resignation does not occur in a timely fashion the Board may act appropriately under Section II, item D of the RCS Bylaws.
4. Term of Office.
- a. The term of office of all members of the Board of Trustees shall be two (2) years.
 - b. Terms shall be staggered to ensure continuity. Two terms will end on June 30 of the even calendar years and three terms will end on June 30 of the odd calendar years.
 - c. No Trustee may serve for more than four consecutive full-length terms of service (partial terms are not included).
 - d. A Trustee's term of office shall not be shortened by any reduction in the number of Trustees resulting from amendment of the Articles of Incorporation or the Bylaws or other Board action.
 - e. A Trustee's term of office shall not be extended beyond that for which the Trustee was elected by amendment of the Articles of Incorporation or the Bylaws or other Board action.

D. Removal of Trustees

Any Trustee may be removed, with or without cause, by the vote of the majority of the remaining Trustees at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal in question are given in compliance with the provisions of the Ralph M. Brown Act [Chapter 9 (commencing with Section 54950) of Division 2 of Title 5 of the Government Code]. Any vacancy caused by the removal of a Trustee shall be filled as provided in Section F.

The electing bodies shall also reserve the right to recall any Trustee at its discretion by majority vote following the submission to the Board of a majority signed petition (signed by either a majority of the staff for the staff-elected Trustee, or a majority of the parents/guardians of currently enrolled students for all other Trustees).

E. Resignation by Trustee

A Trustee may resign by giving signed written notice to the Board Chair or Board President or Secretary. The resignation becomes effective when given, and/or at any later date specified in the written notice of resignation. A Trustee may not resign if the Trustee's resignation would leave the corporation without a duly elected Trustee in charge of its affairs, without first giving notice to the California Attorney General.

F. Vacancies

A vacancy is deemed to occur on the effective date of the resignation of a Trustee, upon the removal of a Trustee, upon declaration of vacancy pursuant to these Bylaws, or upon a Trustee's death. A vacancy is also deemed to exist upon the increase by the Board of the authorized number of Trustees.

When a vacancy occurs, a nominating committee shall be appointed as specified in Section C.1. The committee shall select a nominee for proposal to the remaining Trustees. Vacancies on the Board of Trustees may be filled by vote of the Board of Trustees, or, if the number of Trustees then in office is less than a quorum, by (1) the affirmative vote of a majority of the Trustees then in office at a meeting held according to notice complying with Corporations Code Section 6211, or (2) a sole remaining Trustee.

G. Compensation of Trustees

Trustees shall serve without compensation. However, the Board may approve reimbursement of a Trustee's actual and necessary expenses while conducting corporation business.

III. PRINCIPAL OFFICE

The corporation's principal office shall be at 325 South Downs Street, Ridgecrest, California, 93555, or at such other place as the Board may select by resolution or amendment of the Bylaws. The Secretary shall note any change in principal office on the copy of the Bylaws maintained by the Secretary.

IV. MEETINGS OF THE BOARD

All meetings of the Board shall be called, held, and conducted in accordance with the terms and conditions of the Ralph M. Brown Act, California Government Code Sections 54950, et seq., as said chapter may be modified by subsequent legislation.

A. Place of Meetings

Meetings shall be held at the principal office of the Corporation. The Board of Trustees may designate that a meeting be held at any place within the Charter

School's jurisdiction that has been designated by resolution of the Board of Trustees or in the notice of the meeting. All meetings of the Board of Trustees shall be called, held and conducted in accordance with the terms and provisions of the Ralph M. Brown Act, California Government Code Sections 54950, et seq, as said chapter may be modified by subsequent legislation.

B. Annual Meetings

An Annual Meeting shall be held in July of each year for the purpose of swearing in Trustees, electing board positions, making and receiving reports on corporate affairs, and transacting other business as comes before the meeting. This meeting shall be held at a time, date, and place as may be specified and noticed by resolution of the Board of Trustees.

C. Regular Meetings

Regular meetings of the Board of Trustees, including annual meetings, shall be held at such times and places as may from time to time be fixed by the Board of Trustees. At least 72 hours before a regular meeting, the Board of Trustees, or its designee shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting.

D. Special Meetings

Special meetings of the Board for any purpose may be called at any time by the Chair of the Board or a majority of the Board of Trustees. The party calling a special meeting shall determine the place, date, and time thereof.

E. Adjournment

A majority of the Trustees present at a meeting may adjourn the meeting to another time and place. If a meeting is adjourned for more than twenty-four (24) hours, notice of such adjournment to another time or place shall be given, prior to the time schedule for the continuation of the meeting, to the Trustees who were not present at the time of the adjournment, and to the public in the manner prescribed by any applicable public open meeting law.

F. Notices

Notices of Board Meetings shall be given as follows:

1. Annual Meetings and Regular Meetings: At least 72 hours before a regular meeting, the Board of Trustees, or its designee shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting.
2. Special Meetings. In accordance with the Brown Act, special meetings

of the Board of Trustees may be held only after at least twenty-four (24) hours' notice is given to each Trustee and to the public through the posting of an agenda. Pursuant to the Brown Act, the Board shall adhere to the following notice requirements for special meetings:

- a. Any such notice shall be addressed or delivered to each Trustee at the Trustee's email or physical address as it is shown on the records of the Corporation, or as may have been given to the Corporation by the Trustee for purposes of notice, or, if an address is not shown on the Corporation's records or is not readily ascertainable, at the place at which the meetings of the Board of Trustees are regularly held.
- b. Notice by mail shall be deemed received at the time a properly addressed written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed received at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or is actually transmitted by the person giving the notice by electronic means to the recipient. Oral notice shall be deemed received at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient whom the person giving the notice has reason to believe will promptly communicate it to the receiver.
- c. The notice of special meeting shall state the time of the meeting, and the place if the place is other than the principal office of the Corporation, and the general nature of the business proposed to be transacted at the meeting. No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

V. ACTION BY THE BOARD

A. Quorum

A majority of the voting Trustees then in office shall constitute a quorum. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be a decision of the Board of Trustees. Should there be less than a majority of the Trustees present at any meeting, no quorum exists and a meeting will not be held. Voting Trustees may not vote by proxy.

B. Action by the Board

1. **Actions Taken at Board Meetings.** The actions done and decisions made by a majority of the Trustees present at a meeting duly held at which a quorum is present are the actions and decisions of the Board, except for purposes of electing Trustees, appointing committees and

delegating authority thereto, or amending the corporation's Bylaws, where the action of a majority of Trustees then in office is required by the California Nonprofit Public Benefit Corporation Law or as set out in these Bylaws.

2. Board Meeting by Conference Telephone. Members of the Board of Trustees may participate in teleconference meetings so long as all of the following requirements in the Brown Act are complied with:
 - a. At a minimum, a quorum of the members of the Board of Trustees shall participate in the teleconference meeting from locations within the boundaries of the school district in which the Charter School operates;
 - b. All votes taken during a teleconference meeting shall be by roll call;
 - c. If the Board of Trustees elects to use teleconferencing, it shall post agendas at all teleconference locations with each teleconference location being identified in the notice and agenda of the meeting;
 - d. All locations where a member of the Board of Trustees participates in a meeting via teleconference must be fully accessible to members of the public and shall be listed on the agenda;¹
 - e. Members of the public must be able to hear what is said during the meeting and shall be provided with an opportunity to address the Board of Trustees directly at each teleconference location; and
 - f. The agenda shall indicate that members of the public attending a meeting conducted via teleconference need not give their name when entering the conference call.²

C. Committees

1. Appointment of Committees. The Board may appoint one or more Board Committees by vote of the majority of Trustees. A Board Standing Committee will consist of not less than two Trustees, who shall serve at the pleasure of the Board.
2. Authority of Board Committees. The Board may delegate to a Board committee any of the authority of the Board, except with respect to:

¹ Members of the Board of Trustees who choose to utilize their homes or offices as teleconference locations must open these locations to the public and accommodate any members of the public who wish to attend the meeting at that location.

² The Brown Act prohibits requiring members of the public to provide their names as a condition of attendance at the meeting.

- a. The election of Trustees.
 - b. Filling vacancies on the Board or any committee which has the authority of the Board.
 - c. The fixing of Trustee compensation for serving on the Board or on any committee.
 - d. The amendment or repeal of any Board resolution.
 - e. The amendment or repeal of Bylaws or the adoption of new Bylaws.
 - f. The appointment of other committees of the Board, or the members of the committees.
 - g. The expenditure of corporate funds to support a nominee for Trustee.
 - h. Approve any contract or transaction to which the corporation is a party and in which one or more of its Trustees has a material financial interest.
3. Procedures of Committees. Meetings and actions of committees of the Board of Trustees shall be governed by, held, and taken under the provisions of these bylaws concerning meetings, other Board of Trustees' actions, and the Brown Act, if applicable, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by Board of Trustees' resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The Board of Trustees may adopt rules for the governance of any committee as long as the rules are consistent with these bylaws. If the Board of Trustees has not adopted rules, the committee may do so.

D. Standard of Care

1. Performance of Duties. Each Trustee shall perform all duties of a Trustee, including duties on any Board Committee, in good faith, in a manner the Trustee believes to be in the corporation's best interest and with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use under similar circumstances.
2. Reliance on Others. In performing the duties of a Trustee, a Trustee shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, presented or prepared by:
 - a. One or more officers or employees of the corporation whom the Trustee believes to be reliable and competent in the matters presented;
 - b. Legal counsel, independent accountants or other persons as to

matters that the Trustee believes are within that person's professional or expert competence; or

- c. A Board Committee on which the Trustee does not serve, as to matters within its designated authority provided the Trustee believes the Committee merits confidence and the Trustee acts in good faith, after reasonable inquiry when the need is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.
3. Investments. In investing and dealing with all assets held by the corporation for investment, the Board shall exercise the standard of care described above and avoid speculation, looking instead to the permanent disposition of the funds, considering the probable income, as well as the probable safety of the corporation's capital. The Board may delegate its investment powers to others, provided that those powers are exercised within the ultimate direction of the Board. No investment violates this section where it conforms to provisions authorizing such investment contained in an instrument or agreement pursuant to which the assets were contributed to the corporation.

E. Rights of Inspection

Every Trustee has the right to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation, provided that such inspection is conducted at a reasonable time after reasonable notice, and provided that such right of inspection and copying is subject to the obligation to maintain the confidentiality of the reviewed information, in addition to any obligations imposed by any applicable federal, state or local law.

F. Participation in Discussions and Voting

Every Trustee has the right to participate in the discussion and vote on all issues before the Board or any Board Committee, except Trustees shall adhere to the provisions of the RCS Conflicts Code, these bylaws, and any Trustee shall be excused from the discussion and vote on any matter involving: (a) a self-dealing transaction; (b) a conflict of interest, (c) indemnification of that Trustee; or (d) any other matter at the discretion of a majority of the Trustees then present.

G. Duty to Maintain Board Confidences

Every Trustee has a duty to maintain the confidentiality of all Board actions, including discussions and votes. Any Trustee violating this confidence may be removed from the Board. Moreover, the Trustee may be disciplined, including immediate dismissal, if Board information is disclosed without the Chair's prior approval.

VI. OFFICERS

A. Officers

The officers of the corporation consist of a President (hereinafter "Chair"), Vice President (hereinafter "Vice Chair"), a Secretary and a Chief Financial Officer (hereinafter "Treasurer"). The corporation also may have such other officers as the

Board deems advisable.

1. Chair. Subject to Board control, the Chair has general supervision, direction and control of the affairs of the corporation, and such other powers and duties as the Board may prescribe. If present and able, the Chair shall preside at Board meetings.
2. Vice Chair. If the Chair is absent or disabled, the Vice Chair shall perform all the Chair's duties and, when so acting, shall have all the Chair's powers and be subject to the same restrictions. The Vice Chair shall have other such powers and perform such other duties as the Board may prescribe.
3. Secretary. The Secretary shall: (a) keep or cause to be kept, at the corporation's principal office, or such other place as the Board may direct a book of minutes of all meetings of the Board and Board Committees, noting the time and place of the meeting, whether it was regular or special (and if special, how authorized), the notice given, the names of those present, and the proceedings; (b) keep or cause to be kept a copy of the corporation's Articles of Incorporation and Bylaws, with amendments; (c) give or cause to be given notice of the Board and Committee meetings as required by the Bylaws; and (d) have such other powers and perform such other duties as the Board may prescribe.
4. Treasurer. The Treasurer shall: (a) keep or cause to be kept adequate and correct accounts of the corporation's properties, receipts and disbursements; (b) make the books of account available at all times for inspection by any Trustee; (c) deposit or cause to be deposited the corporation's monies and other valuables in the corporation's name and to its credit, with the depositories the Board designates; (d) disburse or cause to be disbursed the corporation's funds as the Board directs; (e) render to the Chair and the Board, as requested but no less frequently than once every fiscal year, an account of the corporation's financial transactions and financial condition; (f) prepare any reports on financial issues required by an agreement on loans; and (g) have such other powers and perform such other duties as the Board may prescribe.

B. Election, Eligibility and Terms of Office

1. Election. The Board shall elect the officers annually at the Annual Meeting or a Regular Meeting designated for that purpose or at a Special Meeting called for that purpose, except that officers elected to fill vacancies shall be elected as vacancies occur.
2. Eligibility. A Trustee may hold any number of offices, except that neither the Secretary nor Treasurer may serve concurrently as the Chair.
3. Terms of Office. Each officer serves at the discretion of the Board, holding office until resignation, removal or disqualification from service, or until his or her successor is elected.

C. Removal and Resignation

The Board may remove any officer, either with or without cause, at any time. Such removal shall not prejudice the officer's rights, if any, under an employment contract. Any officer may resign at any time by giving written notice to the corporation, the resignation taking effect on receipt of the notice or at a later date as specified in the notice.

VII. NON-LIABILITY OF TRUSTEES

The Trustees shall not be personally liable for the corporation's debts, liabilities or other obligations.

VIII. INDEMNIFICATION OF CORPORATE AGENTS

To the fullest extent permitted by law, this corporation shall indemnify its Trustees, officers, employees, and other persons described in Corporations Code Section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the corporation by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the Board of Trustees by any person seeking indemnification under Corporations Code Section 5238 (b) or Section 5238 (c) the Board of Trustees shall promptly decide under Corporations Code Section 5238 (e) whether the applicable standard of conduct set forth in Corporations Code Section 5238 (b) or Section 5238 (c) has been met and, if so, the Board of Trustees shall authorize indemnification.

IX. INSURANCE FOR CORPORATE AGENTS

The Board may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any Trustee, officer, employee or other agent of the corporation, against any liability other than for violating provisions of law relating to self-dealing asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of the California Nonprofit Public Benefit Corporation Law.

X. SELF-DEALING TRANSACTIONS

A. Self-Dealing Transactions

The Corporation shall not enter into a contract or transaction in which a Trustee directly or indirectly has a material financial interest (nor any other corporation, firm, association, or other entity in which one or more of this Corporation's Trustees are Trustees have a material financial interest) unless

all of the following apply:

- a. The Trustee with a material financial interest in the proposed contract or transaction fully discloses his/her financial interest in such contract or transaction in good faith and said disclosure is noted in the Board of Trustees meeting minutes.
- b. The Trustee with a material financial interest in the proposed contract or transaction recuses himself/herself from any participation whatsoever in the proposed contract or transaction (i.e., the interested Trustee who recuses himself/herself shall refrain from voting on the matter and shall leave the room during Board discussion and when the final vote is taken).
- c. Such contract or transaction is authorized in good faith by a majority of the Board of Trustees by a vote sufficient for that purpose.
- d. Before authorizing or approving the transaction, the Board of Trustees considers and in good faith decides after reasonable investigation that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances.
- e. The corporation for its own benefit enters into the transaction, which is fair and reasonable to the corporation at the time the transaction was entered into.

This Section does not apply to a transaction that is part of an educational or charitable program of this corporation if it (a) is approved or authorized by the corporation in good faith and without unjustified favoritism and (b) results in a benefit to one or more Trustees or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this corporation.

B. Loans to Trustees and Officers

This corporation shall not lend any money or property to or guarantee the obligation of any Trustee or officer without the approval of the California Attorney General; provided, however, that the corporation may advance money to a Trustee or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that Trustee or officer would be entitled to reimbursement for such expenses of the corporation.

XI. OTHER PROVISIONS

A. Fiscal Year.

The fiscal year of the corporation begins on July 1 of each year and ends on June 30 of the following year.

B. Execution of Instruments.

Except as otherwise provided in these Bylaws, the Board may adopt a resolution authorizing any officer or agent of the corporation to enter into any

contract or execute and deliver any instrument in the name of or on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized, no officer, agent or employee shall have any power to bind the corporation by any contract or engagement, to pledge the corporation's credit, or to render it liable monetarily for any purpose or any amount.

C. Checks and Notes.

Except as otherwise specifically provided by Board resolution, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation may be signed by the Chair, Treasurer or RCS Executive Director.

D. Construction and Definitions.

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the California Nonprofit Corporation Law and the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the foregoing, words in these Bylaws shall be read as the masculine or feminine gender, and as the singular or plural, as the context requires, and the word "person" includes both a corporation and a natural person. The captions and headings in these Bylaws are for convenience of reference only and are not intended to limit or define the scope or effect of any provisions.

E. Conflict of Interest

The corporation shall comply with the provisions of the California Corporations Code applicable to nonprofit public benefit corporations, as well as the Political Reform Act as applicable to public charter schools.

Any Trustee, officer, key employee, or committee member having an interest in a contract, other transaction or program presented to or discussed by the Board or Board Committee for authorization, approval, or ratification shall make a prompt, full and frank disclosure of his or her interest to the Board or committee prior to its acting on such contract or transaction. Such disclosure shall include all relevant and material facts known to such person about the contract or transaction which might reasonably be construed to be adverse to the corporation's interest. The body to which such disclosure is made shall thereupon determine, by majority vote, whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, such person shall not vote on, nor use his or her personal influence on, nor be present during in the discussion or deliberations with respect to, such contract or transaction (other than to present factual information or to respond to questions prior to the discussion). The minutes of the meeting shall reflect the disclosure made, the vote thereon and, where applicable, the abstention from voting and participation. The Board may adopt conflict of interest policies requiring:

1. Regular annual statements from Trustees, officers, key employees to disclose existing and potential conflict in interest; and,

2. Corrective and disciplinary actions with respect to transgressions of such policies.

For the purpose of this section, a person shall be deemed to have an "interest" in a contract or other transaction if he or she is the party (or one of the parties) contracting or dealing with the corporation, or is a director, trustee or officer of, or has a significant financial or influential interest in the entity contracting or dealing with the corporation.

F. Interpretation of Charter

Whenever any provisions of these Bylaws are in conflict with the provisions of the Charter, the provisions of the Charter and the Conflicts Code control.

G. Compliance with Laws Governing Student Records

The Board shall comply with all applicable provisions of the Family Education Rights and Privacy Act ("FERPA") as set forth in Title 20 of the United States Code Section 1232g.

XII. AMENDMENT

The Board of Trustees may adopt, amend or repeal any of these Bylaws by a majority of the Trustees present at a meeting duly held at which a quorum is present, except that no amendment shall change any provisions of the Charter that created the Ridgecrest Charter School or make any provisions of these Bylaws inconsistent with that Charter, the corporation's Articles of Incorporation, or any laws.

Certificate of Secretary

I certify that I am the duly elected and acting Secretary of Ridgecrest Charter School, a California nonprofit public benefit corporation; that these Bylaws, consisting of 15 pages, are the Bylaws of this corporation as adopted by the Board of Directors in 2001 and amended on 25 January 2017 and that these Bylaws have not been amended or modified since that most recent date.

Executed on 25 January 2017 at Ridgecrest, California.

Valerie Karnes, Secretary