

By-Laws of York Preparatory Academy, Inc.

As amended Dec 8, 2016

Article I: Name & Incorporation

The name of the organization will be York Preparatory Academy, Inc. (hereinafter referred to as “YPA” or the “School”). YPA shall have a fiscal year ending June 30 of each calendar year.

Article II: Purpose & Location

YPA is a federally tax-exempt 501(c)(3) non-profit organization whose purpose is to provide a statewide sponsored charter school for the York County, SC and surrounding areas as provided by the South Carolina Charter Schools Act, S.C. Code Ann. §§ 59-40-10, *et seq.*

Article III: Members

YPA is a nonprofit organization without members.

Article IV: Board of Directors

A. General Authority. The Board of Directors (hereafter, the “Board”) is ultimately responsible for the oversight of the management and supervision of the affairs of YPA. To exercise this responsibility, the Board shall establish appropriate and necessary school policies and shall delegate appropriate and necessary authority to YPA’s Managing Director and other administrative staff. The Board shall ensure that YPA accomplishes the outcomes for which the school was chartered while complying with all applicable Constitutional, statutory, regulatory, contractual, financial and ethical parameters. Board authority is always exercised only by a majority vote of the board and never through individual action unless otherwise delegated by the board.

B. Financial Authority. The Board shall approve annual budgets and ensure the financial affairs of the School are managed in such a way that a minimum three percent (3%) of all School operating revenues shall be retained as a perpetually growing contingency fund that shall only be utilized upon a Super Majority Vote of the Board (as defined by these By-Laws). The Board shall establish and abide by clearly defined policies that govern the authority to enter into contracts.

C. Number of Members. The Board will be comprised of seven members, selected in accordance with Article V of these By-Laws. Four members of the Board must have backgrounds in either K-12 education or business.

D. *Quorum & Voting.* Five of the seven members of the Board shall constitute a quorum sufficient for the transaction of the business of the Board. Except where otherwise provided in these By-Laws, all decisions of the Board require a Super-Majority Vote to pass and become effective. The term “Super-Majority Vote” means:

(1) For a Board meeting at which seven Board members are present, the affirmative votes of five Board members shall constitute a “Super-Majority Vote”;

(2) For a Board meeting at which five or six Board members are present, the affirmative votes of four Board members shall constitute a “Super-Majority Vote.”

Article V: Election, Appointment, Resignation and Removal of Directors

A. *Appointment and Election of Board Members.* Four Board members shall be elected and three Board members shall be appointed by the Board, all in accordance with the election and appointment procedures described in this Article V.

B. *Terms of Board Members.* A Board member shall serve a term of two years but may be re-elected and/or re-appointed. To ensure continuity, Board members shall have staggered terms: two members shall be elected and two appointed in years ending with an even number (i.e. 2016); and two members shall be elected and one appointed in years ending with an odd number (i.e. 2017).

C. *Qualification of Board Members.* All candidates for either election or appointment to the Board must meet the qualifications set forth in these bylaws and South Carolina state law and must comply with Internal Revenue Service requirements applicable to 501(c)(3) tax-exempt organizations. In particular, but without limitation, Board members must be residents of South Carolina and must not have been convicted of a felony.

Individuals interested in running for election are required to attend a pre-election workshop at least thirty (30) days prior to the election that will explain what is required and expected of Board members. All individuals who successfully complete the pre-election workshop will then be accepted as valid nominees and be placed on the YPA election ballot. Similarly, individuals being considered for initial appointment to the Board must complete board training prior to being nominated.

The School will abide by all Internal Revenue Service prohibitions on inurement to the benefit of any Board member including those that prohibit any employee or vendor of the organization

from serving as a Board member. For the avoidance of doubt, no full-time or part-time employee of the School may serve on the Board. Additionally, former employees of the School must wait 18 months from their last day of employment or the settlement of any employment-related dispute with the School before he/she may be nominated for election or appointed to the Board.

D. *Election Committee.* The following individuals will comprise the Election Committee: Managing Director and at least one teacher representative from each of the following areas: primary (kindergarten through first grade), intermediate (second through third grade), transitional (fourth through fifth grade), middle level (sixth through eighth grade), and high school (ninth through twelfth grade). The Managing Director will chair the committee and will only vote in the event of a tie. The Committee will carry out the responsibilities set forth herein and supervise each election.

E. *Election Process.* Board elections shall be held during the fourth quarter (Q4) of the fiscal year. Sixty days prior to each election, a request for written nominations for candidates to serve on the YPA Board will be published to all eligible voters by the Election Committee. The Managing Director or his/her designee will immediately begin accepting written nominations and will promptly notify each prospective candidate to determine his/her willingness to serve.

Thirty days prior to each election, an official list of all qualifying candidates, as defined above, will be published to all eligible voters, along with the date, times to vote, place to vote, and instructions to vote. If the school intends to host public forums, debates, or other campaign events, the dates, times, and locations of the events should be published with this notification as well. No candidate may individually campaign on the school campus, except at a school-sponsored forum, debate, or other event.

Voting may be conducted via either online ballots or paper ballots, as determined by the Election Committee.

Paper-ballot voting – Each election should take place in one, easily accessible location on the school’s campus. Polls should remain open from at least 7:00 a.m. until 7:00 p.m. One list of all eligible voters will be maintained; however, the list may be divided into sections (i.e. Last names beginning A through L and M through Z) to make the process as quick and orderly as possible. Each ballot will be made of paper and will clearly identify each candidate in alphabetical order of their last names using the same font and size. No name will have distinguishing feature(s) from the others. Each ballot will also clearly instruct the voter how to vote. Each voter will place his/her ballot into a secure container, which will not be opened until votes are to be tallied. Only the Election Committee will have access to the ballots. The Election Committee will tally all votes from the election at a public meeting and will announce the results.

Online voting – The online ballot method selected by the Election Committee must be secure and be supplied by a credible third-party provider, thus protecting the legitimacy of the election results. Polls should remain open from at least 7:00 a.m. until 7:00 p.m. Each ballot will be made of paper and will clearly identify each candidate in alphabetical order of their last names using the same font and size. No name will have distinguishing feature(s) from the others. The Election Committee will tally all votes from the election at a public meeting and will announce the results. No results are to be published before then.

F. *Voting Eligibility:* All employees of the school and all parents or legal guardians of students enrolled in the school are eligible to vote in an election. Each employee will have one vote. Parents or guardians will have one vote for each student enrolled; however, only one parent or guardian will be eligible to vote in each election.

G. *Irregularities:* All reports of irregularities, fraud, or concerns regarding an election will be made in writing to the Election Committee within 48 hours of the close of the election, and any concerns not properly presented to the committee will be waived. The Election Committee will not announce the results of an election until all appropriately presented concerns have been satisfied within the sound discretion of the committee. An announcement should be made, however, within 10 days of an election.

H. *Seating of Elected Board Members:* Newly elected candidates are seated on the Board during the first quarter (Q1) of the fiscal year following the election. Outgoing Board members serve until such time and may serve as ex officio Board members until the end of the quarter.

I. *Appointments:* Board appointments shall be made during the fourth quarter (Q4) of the fiscal year. The Governance Committee shall screen potential appointees, investigating and assessing their suitability for consideration as Board members, and determining whether to recommend to the Board an individual for nomination. Nominations must result in a board composition where at least fifty-percent (four of seven) of the members of the Board are individuals who have a background in K-12 education or in business as required by statute. Individuals being considered for nomination must attend training that will explain what is required and expected of Board members. The Governance Committee shall submit a biographical summary and such other information it may deem useful of any individual it recommends for membership on the Board. Upon submission of the nomination to the Board, and if the nominee has expressed a willingness to serve, the Chairman of the Board shall conduct a vote. Appointments require a Super-Majority decision.

J. *Resignation of Directors.* Resignations from the Board must be submitted to the Board Chair in writing and are effective upon receipts by the board Secretary.

K. Removal of Directors. Except as specified in Article X below, directors may not be removed from the Board except for “Cause” upon a Super-Majority Vote of the Board. “Cause” shall include: (a) the failure of a Board member to attend at least 80% of the Board’s regularly scheduled meetings over any consecutive six-month period, (b) gross dereliction of the duties of a Board member specified by these bylaws or by applicable law; (c) a violation of conflict of interest policies of YPA; (d) other conduct materially harmful to the reputation or operations of YPA.

L. Vacancies. All Board vacancies, except as required by the South Carolina Charter Schools Act, will be filled by a Super-Majority decision of the Board. A Board member who fills a vacancy shall serve until the end of the term of the Board member that he/she succeeded, pending the next election or appointment cycle, at which point such Board member who has filled a vacancy is subject to re-election or reappointment. All Board members shall be a member of the nominating committee for filling Board vacancies resulting from the resignation or removal of a Board member. As a general rule, the Board should consider no fewer than three (3) potential candidates when filling vacancies.

M. Transition Year. In 2016, YPA will begin the transition from its previous board composition and election processes to those articulated in these amended bylaws. Per the previous election process, four Board members’ terms expire in 2016. Of those four seats, two will be filled by Board appointment and two filled by election per Article V. In 2017, the process is repeated for the three Board members elected in 2015. Of those three seats, one will be filled by Board appointment and two filled by election per Article V.

Article VI: Meetings of the Board of Directors

The Board will hold a minimum of nine regular meetings per year, or as often as may be stipulated by current statute or charter, whichever is greater. The Board’s schedule of regular meetings shall be established in August of each year. A special meeting of the Board may be called by the Chair or by a simple majority of the Board. The Board shall give such notice of its meetings as may be required by the South Carolina Freedom of Information Act or other applicable law.

In the normal course of its meetings, the board will follow its own informal procedures, rules and practices, however, in the event that a member perceives that a problem has arisen or that the discussion has gone beyond the bounds of civility and decency or reasonable time limits, he or she may invoke a general adherence to Robert’s Rules of Order Newly Revised in its current edition by citing this clause of the bylaws.

Article VII: Officers and Committees

The Board Officers of York Preparatory Academy, Inc. shall consist of a Chairman, Vice Chairman, Treasurer, and Secretary. The duties of the Board Officers are as follows:

The Chairman or his/her Board approved designee will preside at all Board meetings. The Chairman will be the chair of the Governance Committee. The Chairman will be an authorized joint signer of all checks with the Treasurer. The Board may approve additional Board members or Officers as check signers. The Chairman is a voting member of the board.

The Vice Chairman will assume the role of Chairman on a temporary basis in the event of the Chairman's absence.

The Treasurer will have primary responsibility of financial oversight as well as serve as chair of the Financial Oversight Committee. The Treasurer will ensure the Board receives at least a quarterly account of all transactions and financial condition of the Corporation. The Treasurer will be authorized to sign checks.

The Board Secretary will be responsible for minutes of all meetings and will notify the Board of Directors of all meetings as provided in the By-Laws. The Board Secretary may utilize an Executive Secretary to assist with these responsibilities; however, the selection of any Executive Secretary must be approved by the Board. The Executive Secretary must abide by the same code of conduct as members of the Board but may not participate any board deliberations or votes.

The Board shall form and maintain at all times standing Committees as described below. Each Committee shall include at least two (2) Board members.

Governance Committee The Governance Committee shall be chaired by the Chairman of the Board. The committee is charged with: a) recommending board and committee appointments, b) establishing criteria for Board service and vetting prospective board member candidates, c) providing Board member orientation and in-service training, d) reviewing the performance of Board members, Committee Chairs, the Managing Director and Committee Chairs and the Managing Director.

Audit Committee The Audit Committee shall be chaired by an independent Board member other than the Treasurer for the period under review and is ultimately responsible for the timely presentation to the Board of all audits and evaluations of financial, academic and operational functions as well as board evaluations. The Audit Committee is responsible for receiving, processing and responding to all Whistleblower

submissions per established policy. The Audit Committee shall maintain its independence and objectivity in all its dealings including those matters where the Audit Committee Chair votes as a member of the Board.

Financial Oversight Committee The Financial Oversight Committee shall be chaired by the board's Treasurer. The committee will be assigned to provide detailed review of financial statements and financial issues, including budget, accounting, tax, investment issues, compensation oversight and all audit issues as presented by the Managing Director and his/her designee. The Financial Oversight Committee may assist with audit and evaluation matters for the benefit of the Audit Committee where the Audit Committee shall have ultimate responsibility for all audit matters. No Financial Oversight Committee member other than the Treasurer may sign Corporation checks.

All Committees shall have at least a Chair, a Vice Chair and three other members, one of whom may also serve as Committee Secretary. All Committee members shall be approved by the Board. All Committee members shall abide by the York Preparatory Academy Conflict of Interest Policy. All Committees shall conduct their affairs in the same collaborative, collegial manner as the Board including a required majority vote on all its plans and recommendations prior to submission to the Board.

Article VIII: Managing Director

The Managing Director will:

- A. Serve as the Chief Executive Officer (CEO) of the Corporation and report to the Board of Directors;
- B. Exercise such authority as may be delegated by the Board of Directors to achieve the goals set forth by YPA in its charter and Annual Operating Plan and in such other such other strategic initiatives as the Board may establish;
- C. Operate the School within all applicable Constitutional, statutory, regulatory, contractual, financial and ethical parameters;
- D. Supervise the day-to-day operation of the School and be responsible for all personnel matters and determinations to include but not limited to hiring, discipline, promotion, and termination within legal, prudent, and ethical practices;
- E. Prepare and submit to the Board annually an Annual Operating Plan (hereafter referred to as "AOP") for the School, where the AOP shall be a collaborative effort led by the

Managing Director in conjunction with the School staff, not later than ten business days before the board's scheduled regular meeting in March. Such AOP shall include an annual budget and a list of measurable student outcomes, and shall be formally approved by the Board not later than May 31 of each School year;

- F. Be authorized to make purchases, commitments, and expenditures in accordance with:
 - (i) prudent management practices,
 - (ii) the AOP approved by the Board of Directors,
 - (iii) the annual budget approved by the Board of Directors, and
 - (iv) the directives and written policies of the Board of Directors;
- G. Be an authorized joint signer of all Corporation checks where at least one signature must be that of a Board member;

Article IX: Annual Certificate of Compliance

The York Preparatory Academy, Inc. Conflict of Interest Policy is incorporated herein by reference, as if set forth more fully verbatim. All Board members, the Managing Director, the Chief Financial Officer, and all other management personnel of the School shall ANNUALLY submit a signed Certificate of Compliance (see appendix) that affirms that he/she has read and agrees to abide by the YPA Conflict of Interest Policy. Additionally, each Board member shall acknowledge by signature of the certificate that he/she has read the By-Laws of York Preparatory Academy, Inc.; understands the expectations of board members; and authorizes the School to obtain a personal background check following his/her election or appointment. Each individual shall submit the certificate to the Board Chairman or the Board Secretary.

Article X: Open Meetings

The Board will observe all "open meetings" provisions and other provisions of the South Carolina Freedom of Information Act, S.C. Code Ann. §§ 30-4-10, *et seq.* ("FOIA").

Article XI: Minimum Board Duties

All Board members shall acknowledge and agree that each Board member has a reasonable duty of care to help ensure that YPA reach its full potential. Each Board member agrees that they will actively participate in those basic processes, assessments, development and responsibilities necessary to School success including those described in the YPA Board Evaluation Criteria (see appendix). Such basic Board responsibilities include, but are not limited to, the following:

- 1) Actively maintaining and advocating the organization's mission and purpose;

- 2) Selecting, developing, supporting and formally assessing (when scheduled by the board) the Managing Director;
- 3) Providing oversight as a fiduciary of the corporate organization within the parameters of board policy and state statute;
- 4) Assisting the board in ensuring that the school's fiscal and material property is used only in pursuit of the school's mission and that it is properly accounted for and protected (i.e., insured);
- 5) Ensuring legal and ethical integrity, maintaining measurable standards and accountability and assuring annual compliance certification by all Board members and School management as required by the authorizer;
- 6) Ensuring effective organizational planning and metrics via the Annual Operating Plan (AOP);
- 7) Recruiting and orienting new Board members and assessing the Board's own performance objectives via annual YPA Board Evaluation Criteria (see appendix) and individual member reviews;
- 8) Enhancing the organization's public standing;
- 9) Actively and methodically evaluating the ongoing improvement and progress of the School via the AOP and other board-adopted measures.

Article XIII: Amendments

These bylaws may be amended when necessary by a Super-Majority Vote of the Board of Directors. Within five (5) business days of passage, the Board must notify its authorizer (i.e. South Carolina Public Charter School District) in writing of the amendment. The Board acknowledges the authorizer's right to disapprove changes to YPA's charter, which includes its bylaws. Upon written receipt of disapproval, the Board shall take the appropriate corrective action at its next regularly scheduled Board meeting.

Article XIV: Non-discrimination

YPA shall not discriminate on the basis of race, religion, national origin, gender or age in either the hiring and other employment practices of the school or in its admission policies for students. Further, YPA shall be open to all students in its authorized geographic area on a space available basis and shall not discriminate in its admission policies or practices. YPA shall conduct all of its activities in accordance with all applicable local, state, and federal anti-discrimination laws, as well as in accordance with all other laws and regulations applicable to the operation of public charter schools in the State of South Carolina.

Amended by the board on _____. Approved by the sponsor on _____

Board members:

Signature lines for all board members at the time the amendments are approved.

Appendices

York Preparatory Academy, Inc. Certificate of Compliance

This certificate is to be completed annually by all Board members, the Managing Director, the Chief Financial Officer, and all other management personnel of the School. The signed certificate shall be submitted to the Board Chairman or the Board Secretary.

I, _____, who serves as _____ at York Preparatory Academy, affirm that I have read and agree to abide by the YPA Conflict of Interest Policy.

Board Members

I also acknowledge that I have read the By-Laws of York Preparatory Academy, Inc.; understand the expectations of board members as articulated in the by-laws; and authorize the School to obtain a personal background check.

Signature

Date

YPA BOARD EVALUATION CRITERIA

Updated Nov 21, 2016

1. Does the board get enough information of the right kinds, at the right time, from the Managing Director?
2. Does the board have an effective director-orientation program?
3. Are board committees composed of a small, effective number of members to tackle board-level issues.
4. Are meetings conducted effectively, with appropriate frequency, on time and according to well-thought-out agendas circulated in advance?
5. Are meetings characterized by open communication and diligent questions discussed in a collegial manner?
6. Does the board meet regularly in private apart from the executive director and other managers?
7. Are the board's actions motivated by and designed in furtherance of the organization's mission?
8. Does the board periodically review the organization's mission statement and implementation strategy?
9. Does the board act as if it is accountable to parents, staff, community and governmental agencies?
10. Does the board communicate effectively on a regular basis with its stakeholders (Parents, staff, students, community and supporters)?
11. Does the board work collaboratively with the Managing Director in developing the Annual Operating Plan and annual budget?
12. Does the board regularly review progress toward or achievement of the goals in the Annual Operating Plan?
13. Does the board have formal policies and guidelines for School leaders/managers clearly specifying their authority, responsibility and accountability?
14. Does the board micromanage the organization's operations or, at the other extreme, does it ignore them and let management handle everything with little board direction, planning or oversight?
15. Has the board reviewed the operation's significant legal exposures and assessed the organization's legal compliance processes and record?
16. Does the board have effective audit, financial and personnel review and oversight processes?
17. Does the board regularly review and timely adopt the organization's capital and operating budgets?

18. Does the board have clear and effective policies on handling funds, contributions and assets?
19. Does the board have effective standards and policies to avoid and disclose potential conflicts of interest?
20. Does the board proactively review and enforce its standards and procedures to avoid and disclose potential conflicts of interest?