

**EXECUTIVE SUMMARY**

**Title:** Transfer of Charter for Exploris

**Type of Executive Summary:**

- Action
- Action on First Reading
- Discussion
- Information

**Policy Implications:**

- Constitution \_\_\_\_\_
- General Statute #115C-238-29D(d)
- SBE Policy # \_\_\_\_\_
- SBE Policy Amendment
- SBE Policy (New)
- APA # \_\_\_\_\_
- APA Amendment
- APA (New)
- Other \_\_\_\_\_

**Presenter(s):** Mr. Jack Moyer (Director, Office of Charter Schools)

**Description:**

In July 2007, Exploris museum merged with Playspace Children's Museum to create Marbles Kids Museum. The mission and target age group of the new museum are different from the original Exploris concept. The target audience of the museum shifted from middle school children to elementary and preschool children. As a result of the museum's shift in focus, the board of directors of Marbles Kids Museum is no longer the appropriate governing body for Exploris Middle School. To create an environment in which Exploris Middle School will continue to excel, the museum board elected to transfer the Exploris Middle School charter to a new 501(c)3 organization that will be governed by a board of directors solely dedicated to the mission of Exploris Middle School.

As stated in G.S.115C-238.29D(d), "A material revision of the provision of a charter application shall be made only upon the approval of the State Board of Education." Transfer of these charters is considered a material revision to the charters and as such required the approval of the SBE.

**Resources:**

N/A

**Input Process:**

Office of Charter Schools, Leadership for Innovation Committee, and NC DPI

**Stakeholders:**

Exploris Middle School, Parents, Students, Staff

**Timeline For Action:**

This item is being presented for Discussion in April 2008 and Action in May 2008.

**Recommendations:**

It is recommended that SBE approve the charter transfer of Exploris Middle School.

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**Audiovisual equipment requested for the presentation:**

- Data Projector/Video (Videotape/DVD and/or Computer Data, Internet, Presentations-PowerPoint preferred)  
Specify: \_\_\_\_\_
- Audio Requirements (computer or other, except for PA system which is provided)  
Specify: \_\_\_\_\_
- Document Camera (for transparencies or paper documents – white paper preferred)



***DRAFT – Proposed  
3.10.2008***

**ARTICLES OF INCORPORATION  
OF  
EXPLORIS MIDDLE SCHOOL, INC.  
A NONPROFIT CORPORATION**

The undersigned, being of full age, does make and acknowledge these Articles of Incorporation for the purpose of forming, and does hereby incorporate, a nonprofit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the North Carolina General Statutes, entitled, “Nonprofit Corporation Act”, and does hereby set forth:

1. Name. The name of the corporation is Exploris Middle School, Inc. (“Corporation”), a charitable, nonprofit corporation.
2. Principal Office. The street address and mailing address of the principal office of the Corporation in North Carolina is 207 E. Hargett Street, Raleigh, Wake County, North Carolina 27601.
3. Purposes. The purposes for which the Corporation is organized are:
  - (a) To operate exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (“Code”), or the corresponding provisions of any subsequent federal tax laws;
  - (b) To operate and support Exploris Middle School, a North Carolina charter school, chartered under Section 115C-238.29A et seq. of the North Carolina General Statutes and upon the dissolution of this Corporation, its assets remaining after payment, or provision of payment, of all debts and liabilities of this Corporation shall be distributed to Wake County Public Schools or to one or more of the types of organizations and institutions set forth in G.S 105-164.14(b) or to a county or an incorporated city or town or an organization exempt from federal tax under the provisions of Section 501(c)(3) of the Internal Revenue Code.
  - (c) To engage in any and all lawful activities that are appropriate to carry out and fulfill any or all of the foregoing purposes; and
  - (d) To carry out the purposes hereinabove set forth in any state of the United States to the extent that such purposes are permitted by the law of such state.

The foregoing clauses shall be constructed as both objects and powers, and such enumeration of specific purposes, objects, and powers shall not be deemed to limit or restrict in any manner the general powers of the Corporation and the Corporation shall have and may exercise all

powers conferred on a nonprofit corporation by the laws of the State of North Carolina, now or hereafter in effect.

In furtherance of its purposes, the Corporation shall have the power to receive and allocate contributions, funds, property, or other benefits within the discretion of its Board of Directors to any organization that qualifies as an exempt organization under Section 501(c)(3) of the Code, or the corresponding provisions of any subsequent federal tax laws.

4. Nonmembership Corporation. The Corporation shall have no members.
5. Exempt Status; No Private Inurement. The Corporation is organized exclusively for charitable purposes as a nonprofit corporation, and no part of the net earnings of the Corporation shall ever inure to the benefit of or be distributed or distributable to any of its directors, officers, or any private individuals or persons, except that the Corporation may pay reasonable compensation for services rendered and may make payments and distributions in furtherance of the purposes set forth in paragraph 3 above.
6. Prohibited Activities.

(a) No substantial part of the activities of the Corporation shall be the carrying on or dissemination of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in, including the publication or distribution of statements, any political campaign on behalf of or in apposition to any candidate for public office. Notwithstanding any other provisions of these Articles of Incorporation, the Corporation shall not carry on any activities not permitted to be carried on: (i) by a corporation exempt from federal income taxation under Section 501(c)(3) of the Code, or the corresponding provisions of any subsequent federal tax laws; or (ii) by an organization, contributions to which are deductible under Section 170(c)(2) of the Code, or the corresponding provisions of any subsequent federal tax laws; or (iii) by a nonprofit corporation under the laws of the State of North Carolina, as such laws now exist or may hereafter be amended.

(b) Notwithstanding any other provision set forth in these Articles of Incorporation, at any time during which it is deemed a "private foundation" as that term is defined by Section 509 of the Code, or the corresponding provisions of any subsequent federal tax laws, the Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code, or the corresponding provisions of any subsequent federal tax laws; the Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code, or the corresponding provisions of any subsequent federal tax laws; the Corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Code, or the corresponding provisions of any subsequent federal tax laws; the Corporation shall not make any investments in such manner as to subject the Corporation to the tax under Section 4944 of the Code, or the corresponding provisions of any subsequent federal tax laws; and the Corporation shall not

make any taxable expenditures as defined in Section 4945(d) of the Code, or the corresponding provisions of any subsequent federal tax laws.

(c) Notwithstanding any other provision of these articles, the Corporation shall not, except to an insubstantial degree, carry on any activities not permitted to be carried on by an organization exempt from Federal income tax under Section 501(c)(3) of the Code, or the corresponding provision of any future United States internal revenue law.

7. Distribution of Assets on Dissolution. Upon the dissolution of the Corporation, the board of directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, distribute all of the assets of the Corporation to an organization organized and operated exclusively for charitable purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Code, or the corresponding provisions of any subsequent federal tax laws, as the Board of Directors shall determine in its sole discretion.
8. Directors. The Board of Directors is vested with the management of the affairs of the Corporation and shall have and exercise all the powers of the Board of Directors of a nonprofit corporation under Chapter 55A of the North Carolina General Statutes, entitled “Nonprofit Corporation Act”. Individual members of the Board of Directors shall be referred to as Directors.
9. Composition of Board. The number constituting the Board of Directors shall not be less than seven (7) nor more than twelve (12). The qualifications, terms of office, manner of election, removal, filling of vacancies, and election of new Directors upon increase in the number of Directors is left to and shall be as provided in the Bylaws of the Corporation.
10. Initial Board of Directors. The number of Directors constituting the initial Board of Directors shall be ten (10), and the names and addresses of the person(s) constituting the initial Board of Directors, until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
<b>Elizabeth D. Baird</b>	Director of School Programs, NC Museum of Natural Sciences 11 W. Jones St. Raleigh, NC 27601-1029
<b>David Burney</b>	Vice President Innovation, Red Hat 1801 Varsity Drive, Raleigh, NC 27606
<b>Faculty Member</b>	To be determined
<b>Matt Friedrich</b>	Education Coordinator, Center for International Understanding 412 N. Wilmington Street, Raleigh, NC 27601
<b>Susan Johnston</b>	Broker, York, Simpson and Underwood 3700 Computer Drive, Raleigh, NC 27609
<b>Jocelyn Mills</b>	Vice President, Hedgehog Holdings, LLC 709 West Jones Street, Raleigh NC 27603

<b>Tom Mix</b>	CEO, Aeroglide Corporation 100 Aeroglide Drive, Cary, NC 27609
<b>Jonathan Phillips</b>	Senior Director, Cherokee 111 East Hargett Street, Suite 300, Raleigh, NC 27601
<b>Kevin Piacenza</b>	Director, Exploris Middle School, 207 E. Hargett St. Raleigh, NC 27601
<b>Edward Ellis</b>	Retired Professor Emeritus, University of Maryland Eastern Shore 436 Grosvenor Drive, Raleigh, NC 27615

11. Liability of Directors. No Director shall have personal liability for monetary damages arising out of an action whether by or in the right of the Corporation or otherwise for breach of any duty as a director unless the damages arise from acts or omissions that the Director at the time of the breach knew or believed were clearly in conflict with the best interests of the Corporation, any liability arising under Sections 55-A-8-32 or 55A-8-33 of North Carolina General Statutes, or any transaction from which the Director derived an improper personal financial benefit. Such immunity shall include but not be limited to that specified by Sections 1-539.10, 55A-2-02(b)(4) and 55A-8-60 of the North Carolina General Statutes, or any successor provisions of the law.
12. Bylaws. The Board of Directors of the Corporation shall have power to adopt, make, amend, alter, change, or repeal the Bylaws of the Corporation by affirmative vote of a majority of the Directors then in office at the meeting called to vote thereon, provided notice thereof shall have been mailed to each member of the Board of Directors at least five (5) days prior to the meeting, and provided further that under no circumstances shall the Bylaws be changed so that the Corporation may operate for other than charitable purposes or so that any trustee, director, officer, or any private individual or person may participate in the net income of the Corporation or in its residual assets upon dissolution.
13. Amendments, Changes, and New Provisions. The Articles of Incorporation of the Corporation may be amended, changed, or new provisions adopted by a majority of the Directors then in office at any regular or special meeting of the Board of Directors, provided that notice thereof shall have been mailed to each member of the Board of Directors and any other person(s) entitled to vote on the matter at least five (5) days prior to the meeting and that any such action shall be calculated exclusively to carry out charitable purposes within the meaning of Section 5601(c)(3) of the Code, or the corresponding provisions of any subsequent federal tax laws.
14. Initial Registered Office and Agent. The address of the registered office of the Corporation in North Carolina is 207 E. Hargett Street, Raleigh NC 27601 and the initial registered agent at such address is Kevin Piacenza.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and seal, this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

***DRAFT – Proposed  
3.10.2008***

**DRAFT BYLAWS of  
Exploris Middle School, Inc.**

**ARTICLE 1  
OFFICES**

**SECTION 1. PRINCIPAL OFFICE, REGISTERED OFFICE, OTHER OFFICES**

The principal office and the registered office of the Corporation are located at 207 E. Hargett Street, Raleigh NC 27601 in Wake County, State of North Carolina. The address of the principal office and of the registered office, if changed at any time after the initial incorporation, shall be submitted in accordance with the law to the State of North Carolina, Dept of Secretary of State, Corporations Division, by the Secretary of this Corporation.

The Corporation may also have offices at such other places, within or without its state of incorporation, where it is qualified to do business, as its business and activities may require, and as the board of directors may, from time to time, designate.

**SECTION 2. CHANGE OF ADDRESS**

The designation of the county of the Corporation's principal office may be changed by amendment of these Bylaws. The board of directors may change the principal office from one location to another within the state by noting the changed address and effective date, and such changes of address shall not be deemed, or require, an amendment of these Bylaws.

**ARTICLE 2  
MEMBERSHIP**

The Corporation shall have no members.

**ARTICLE 3  
LIMITATIONS ON ACTIVITIES**

No substantial part of the activities of this Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this Corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Notwithstanding any other provisions of these Bylaws, this Corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

**ARTICLE 4**  
**PAYMENTS AND DISSOLUTION PROVISIONS**

**SECTION 1. PAYMENTS**

No part of the net earnings of this Corporation shall inure to the benefit of, or be distributable to, its directors, officers, or other private persons, except that this Corporation shall be authorized and empowered to pay reasonable compensations for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Nine.

**SECTION 2. DISSOLUTION**

Upon the dissolution of this Corporation, its assets remaining after payment, or provision of payment, of all the debts and liabilities of this Corporation shall be distributed to Wake County Public Schools or to one or more of the types of organizations and institutions set forth in G.S. 105-164.14(b) or to a county or an incorporated city or town or to an organization exempt from federal tax under the provisions of Section 501(c)(3) of the Internal Revenue Code.

**ARTICLE 5**  
**NONPROFIT PURPOSES**

**SECTION 1. IRC SECTION 501(c)(3) PURPOSES**

This Corporation is organized exclusively for one or more purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including for such purposes, distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.

**SECTION 2. STATEMENT OF PURPOSE**

The organizational purpose of the Corporation is to be a public charity which will operate and support Exploris Middle School, a North Carolina charter school pursuant to G.S. 115C-238.29A et seq.

**SECTION 3. SPECIFIC OBJECTIVES**

The specific objectives of the Corporation shall be:

To operate and support one charter school (the "School") pursuant to N.C.G.S. Chapter 115C Article 16 Part 6A, commonly known as the Charter Schools Act of 1996;

To work in mutual cooperation with any other nonprofit corporations, NC state organizations such as museums, and associations of individuals in furtherance of the purposes of this Corporation;

To expand and re-define our charitable educational programs from time to time as necessary to meet the continuing challenge of our purposes.

## **ARTICLE 6 DIRECTORS**

### **SECTION 1. NUMBER OF DIRECTORS**

The Corporation shall have at least seven (7) and no more than twelve (12) directors and collectively they shall be known as the Board of Directors. The number of directors shall be determined from time to time by resolution of the Board of Directors as to the specific need for directors to accomplish the purposes of the Corporation.

### **SECTION 2. POWERS OF DIRECTORS**

Subject to the provisions of the laws of this state and any limitations in these Bylaws, the activities and affairs of this Corporation and the School shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

### **SECTION 3. COMPENSATION OF DIRECTORS**

Directors, as such, shall serve on the board without compensation. By resolution of the Board, a reasonable fixed sum for advancement or reimbursement of expenses incurred in the performance of their duties as directors may be allowed.

### **SECTION 4. QUALIFICATIONS OF DIRECTORS**

The Board of Directors shall be composed of the following:

1. the director of the school shall occupy automatically a position with the Board of Directors of the corporation, ex officio without right to vote
2. the chair or a designated co-chair of the Parent Teacher Student Association (PTSA) shall occupy automatically a position with the Board of Directors of the corporation, ex officio with right to vote;
3. one member of the academic faculty selected by the faculty;
4. all other Directors shall be selected by the incumbent members of the Board of Directors

Directors shall be at least twenty-one (21) years of age, shall be current residents of North Carolina, and shall hold at least a high school diploma or its equivalent. Any such qualified person seeking election to the Board of Directors, except for the director, academic faculty selected member and PTSA president, must submit to a reasonable screening process by the current Board of Directors, which may include the provision of a written statement of personal education philosophy.

### **SECTION 5. ELECTIONS OF DIRECTORS AND TERM OF OFFICE**

Those Directors who are to be elected by the Board of Directors shall be so elected to serve staggered three-year terms, with terms expiring on June 30 of each year and with at least one (1) but not more than three (3) Board seats expiring in any given year. The initial Board members shall determine who shall serve for one, two or three more years in order to establish the staggered terms. Each Director shall hold office until his or her successor is elected and qualified, or until his or her earlier resignation, removal from office or death. Directors may serve a maximum of two successive terms.

## SECTION 6. REMOVAL OR RESIGNATION

Any Director may, by written notice to the Board, resign at any time. A Director may be removed from the Board, without cause and at any time, upon three-fourths (3/4) vote of the other Directors; provided that the Director to be removed be provided at least ten (10) days written notice prior to such action.

## SECTION 7. DUTIES OF DIRECTORS

It shall be the duty of the Directors to:

- a) Register their addresses, email addresses and phone numbers with the Secretary of the Corporation, and notices of meetings mailed or telephoned or emailed to them at such mailing addresses, email addresses or telephone numbers shall be valid notices;
- b) Meet at such times and places as required by these Bylaws;
- c) Perform any and all duties imposed on them collectively or individually by law, or by these Bylaws.

## SECTION 8. NONLIABILITY OF DIRECTORS

The directors shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

## SECTION 9. REGULAR MEETINGS

Regular meeting of the Directors shall be held at least six times per year on a day and time determined by resolution of the Board of Directors. Meetings shall be held at the principal office of the Corporation unless otherwise provided by the Board, or at such other place as may be designated from time to time by resolution of the Board of Directors.

## SECTION 10. SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by any officer, or by any two directors, or by any persons specifically authorized under the laws of this state to call special meetings of the Board. Such meetings shall be held at the principal office of the Corporation or, if different, at the place designated by the persons calling the special meeting. Calls for special meetings shall specify the time and purpose. No business other than that specified shall be considered.

## SECTION 11. NOTICE OF MEETINGS

Unless otherwise allowed by law, forty eight (48) hours notice must be publicly given for all Board meetings, both Regular and Special. The Board may go into Executive Session to discuss the following matters: grievances; personnel decisions; real property negotiations; consideration of the validity, settlement, or other disposition of a claim or lawsuit; to consult with an attorney, to the extent confidentiality is required in order for the attorney to exercised his or her ethical duties as a lawyer; and other matters which the Board reasonably believes can be discussed in Executive Session to best address operations of the Corporation and the School. If the Board of Directors votes to deliberate in Executive Session, the Board shall not vote on the matter under deliberation while in Executive Session but shall vote in an open meeting following discussion by those parties present and requesting to be heard.

## SECTION 12. QUORUM FOR MEETINGS

A quorum shall consist of a majority of the directors of the Board of Directors. No business shall be considered by the Board at any meeting at which the required quorum is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn.

## SECTION 13. MAJORITY ACTION AS BOARD ACTION

Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless these Bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the Board.

If one or more directors present at a meeting abstain from voting on a particular motion before the Board, due to personal conflict of interest with the subject of the motion, then the remainder of the directors shall still constitute a quorum for that particular vote and a two thirds majority of those voting shall be required to approve the motion.

## SECTION 14. CONDUCT OF MEETINGS

Meeting of the Board of Directors shall be presided over by the Chairperson of the Board, who shall be the President of the Corporation unless another officer has been so designated. In the absence of that officer, the Vice Chair, if there is one, or a Chairperson chosen by a majority of the directors present at the meeting, shall preside over the meeting. The Secretary of the Corporation shall act as secretary of all meeting of the board, except that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be governed by the rules of the presiding officer, and by such procedures as may be approved by the Board of Directors. Such rules and procedures may include Robert's Rules of Order, but shall not be inconsistent with or in conflict with these Bylaws, or with provisions of law.

Board members may not vote on issues in which they have a conflict of interest.

## SECTION 15. VACANCIES OF DIRECTORS

Vacancies on the Board of Directors shall exist: on the death, resignation or removal of any director, or whenever the number of authorized directors is increased.

Unless otherwise prohibited by the Bylaws or by provisions of law, vacancies on the board may be filled by approval of the Board of Directors. If the number of directors then in office is less than a quorum, a vacancy on the Board may be filled by approval of a majority of the directors then in office or by a sole remaining director.

A person elected to fill a vacancy on the board shall hold office until the next election of the Board of Directors or until his or her death, resignation or removal from office.

## ARTICLE 7 OFFICERS

### SECTION 1. Number of Officers.

The officers of the Corporation shall be a Chair, a Vice Chair, a Secretary, and a Treasurer, and such other officers as may be appointed in accordance with the provision of Section 3 of this Article IV. The same individual may simultaneously hold more than one (1) office in the Corporation, but no individual may act in more than one (1) capacity where action of two (2) or more officers is required.

### SECTION 2. Election, Term of Office and Qualifications.

Each officer, except such officers as may be appointed in accordance with the provisions of Section 3 of this Article IV, shall be elected by the Board at its annual meeting and shall hold office until the annual meeting of the Board held next after his election or until his death or until he shall resign or shall have been disqualified or shall have been removed from office. No person may be elected as Chair, Vice Chair, Secretary or Treasurer unless he or she is also a Director. A person may be elected to successive terms as Chair, Vice Chair, Secretary or Treasurer, provided that such person's term as Director will not expire prior to the expiration of the term of the office to which he or she is elected.

### SECTION 3. Subordinate Officers and Agents.

The Board of Directors from time to time may appoint other officers or agents, each of whom shall hold office for such period, have such authority, and perform such duties as the Board from time to time may determine. The Board may delegate to any officer or agent the power to appoint any subordinate officer or agent and to prescribe his respective authority and duties. A person may be appointed as an officer or agent under this Section 3 of this Article IV regardless of whether such person is also a Director.

### SECTION 4. DUTIES.

An officer with discretionary authority shall discharge his duties under that authority in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he reasonably believes to be in the best interests of the Corporation.

**Duties of Officers May be Delegated.** In case of the absence of any officer of the Corporation or for any other reason that the Board may deem sufficient, the Board may delegate the powers or duties of such officer to any other officer or to any Director provided a majority of the entire Board concurs therein.

Chair. The Chair shall preside at all meetings of the Board and perform such other duties as may be directed by the Board.

Vice Chair. At the request of the Chair, or in his absence or disability, the Vice Chair shall perform all the duties of the Chair and when so acting shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall perform such other duties and have such authority as from time to time may be assigned to him by the Board.

Secretary. The Secretary shall keep the minutes of the meetings of the Board and shall see that all notices are duly given in accordance with the provisions of these by-laws or as required by law. He shall maintain and authenticate the records of the Corporation and shall be custodian of the records, books, reports, statements,

certificates and other documents of the Corporation and the seal of the Corporation, and see that the seal is affixed to all documents requiring such seal. In general, he shall perform all duties and possess all authority incident to the office of Secretary, and he shall perform such other duties and have such other authority as from time to time may be assigned to him by the Board.

Treasurer. The Treasurer shall have supervision over the funds, securities, receipts, and disbursements of the Corporation. He shall in general perform all duties and have all authority incident to the office of the Treasurer and shall perform such other duties and have such other authority as from time to time may be assigned or granted to him by the Board. He may be required to give a bond for the faithful performance of his duties in such form and amount as the Board may determine.

#### SECTION 5. REMOVAL.

The officers specifically designated in Section 1 of this Article IV may be removed, either with or without cause, by the Board. The officers appointed in accordance with the provisions of Section 3 of this Article IV may be removed, either with or without cause, by the Board or by any officer or agent upon whom such power of removal may be conferred by the Board. The removal of any person from office shall be without prejudice to the contract rights, if any, of the person so removed. The appointment of an officer does not itself create contract rights.

#### SECTION 6. RESIGNATIONS.

Any officer may resign at any time by giving written notice to the Board or to the Chair or the Secretary of the Corporation, or, if he was appointed by an officer or agent in accordance with Section 3 of this Article IV, by giving written notice to the officer or agent who appointed him. Any such resignation shall take effect upon its being accepted by the Board or by the officer or agent appointing the person so resigning, unless it specifies in writing a later effective date. If a resignation is made effective at a later date and the Corporation accepts the future effective date, the Board may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date.

#### 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 in the manner prescribed by these By-laws for regular appointments or elections to such offices.

#### SECTION 8. SALARIES OF OFFICERS.

No officer of the Corporation shall receive a salary for his services as such officer if he is also a Director of the Corporation. The salaries of the officers of the Corporation, other than such officers as may be Directors of the Corporation, shall be fixed from time to time by the Board, except that the Board may delegate to any officer who has been given power to appoint subordinate officers or agents, as provided in Section 3 of this Article IV, the authority to fix the salaries or other compensation of any such officers or agents appointed by him.

## **ARTICLE 8 COMMITTEES**

### **SECTION 1. MEETINGS AND ACTION OF COMMITTEES**

Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as necessary to substitute the committee and its members for the board and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the board or by the committee. The Board of Directors may also adopt rules for the conduct of meetings of committees to the extent that they are not inconsistent with the provisions of these Bylaws.

### **SECTION 2. EXECUTIVE COMMITTEE**

The Board of Directors may, by a majority vote of its members, designate an Executive Committee consisting of two (2) or more directors and may delegate to such committee the powers and authority of the board in the management of the business and affairs of the Corporation, to the extent permitted, except that the Executive Committee:

- a) May not dissolve the Corporation or plan its merger or consolidation;
- b) May not change the Bylaws or Articles of Incorporation;
- c) May not conduct any transaction involving all or substantially all corporate assets or property;
- d) May not create committees;
- e) May not fill Board vacancies;
- f) May not alter Board resolutions;
- g) May not act as otherwise restricted by law.

By a majority vote of its members, the Board may at any time revoke or modify any or all of the Executive Committee authority so delegated, increase or decrease but not below two (2) the number of members of the Executive Committee, and fill vacancies on the Executive Committee from the members of the Board. The Executive Committee shall keep minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board from time to time as the Board may require.

### **SECTION 3. OTHER COMMITTEES**

The Corporations shall have other committees as may from time to time be designated by resolution of the Board. These committees may consist of persons who are not directors of the Board. These committees shall act in an advisory capacity to the Board, with no powers to act of behalf of the Corporation.

**ARTICLE 9**  
INDEMNIFICATION AND INSURANCE

**SECTION 1. INDEMNIFICATION BY CORPORATION**

The directors and officers of the Corporation shall be indemnified by the Corporation to the fullest extent permissible under the laws of this state.

Any person who at any time serves or has served as a director, officer or committee member shall have a right to be indemnified by the Corporation to the fullest extent permitted by law against (a) reasonable expenses, including attorneys' fees, incurred by him or her in connection with any threatened, pending or completed civil, criminal, administrative, investigative or arbitrative action, suit or proceeding (and any appeal therein), whether or not brought by or on behalf of the Corporation, seeking to hold him liable by reason of the fact that he or she is or was acting in such capacity, and (b) reasonable payments made by him or her in satisfaction of any judgment, money decree, fine penalty or settlement for which he or she may become liable in any such action, suit or proceeding.

The Board of Directors shall take all such action as may be necessary and appropriate to authorize the Corporation to pay the indemnification authorized by this Bylaw, including, without limitation, making a determination that indemnification is permissible in the circumstances and a good faith evaluation of the manner in which the claimant for indemnification acted and of the reasonable amount of indemnity due. The Board of Directors may appoint a committee or special counsel to assist in making such determination and evaluation.

**SECTION 2. INSURANCE FOR CORPORATE AGENTS**

Except as may be otherwise provided under provisions of law, the Board of Directors may adopt a resolution to authorize the purchase and maintenance of insurance on behalf of any agent of the Corporation (including directors, officers, employees or other agents of the Corporation) against liabilities 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 the liability under the Bylaws or provisions of law.

**ARTICLE 10**  
EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

**SECTION 1. EXECUTION OF INSTRUMENTS**

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

**SECTION 2. CHECKS, NOTES, AND DEPOSITS**

All notes, drafts, acceptances, checks and endorsements or other evidences of indebtedness may be signed by any officer or agent who may be designated by resolution of the Board in such manner as such resolution may

provide. Endorsements for deposit to the credit of the Corporation in any of its duly authorized depositories will be made by any officer or agent who may be designated by resolution of the Board in such manner as such resolution may provide.

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may select.

### SECTION 3. GIFTS

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the nonprofit purposes of this Corporation.

## **ARTICLE 11 CORPORATE RECORDS AND REPORTS**

### SECTION 1. MAINTENANCE OF CORPORATE RECORDS

The Corporation shall keep at its principal office:

A copy of the Corporation's Articles of Incorporation and these Bylaws as amended to date;

A record of its directors, indicating their names and addresses and telephone numbers, dates of election to the Board, and if applicable, dates of election to office;

A record of its committees and committee members, including the specific task for which each committee was formed and members' names, addresses and telephone numbers;

Minutes of all meetings of directors, and of committees of the Board indicating the time and place of such meetings, whether regular or special, how called, the notice given, the names of those present, and the proceedings thereof;

Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses.

### SECTION 2. DIRECTORS' INSPECTION RIGHTS

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Corporation and shall have such other rights to inspect the books, records and properties of this Corporation as may be required under the Articles of Incorporation, other provisions of these Bylaws, and provisions of law.

Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection shall include the right to copy and make extracts.

### SECTION 3. PERIODIC REPORT

The Board shall cause any annual or periodic report required under law to be prepared and delivered within the time limits set by law.

## SECTION 4. PUBLIC RECORDS

Records made or received by the Corporation pursuant to transaction of the public business of governing operation of a public charter school shall be public records, subject to inspection and copying under G.S. 132. Such public records shall be kept at the principal office of the Corporation, or at the offices of the public charter school, or in such buildings in which they are ordinarily used.

The custodian of the public records shall permit their inspection at reasonable times and under reasonable supervision, and shall furnish copies thereof upon payment of minimal fees for the actual cost of reproducing the public information.

Nothing contained herein shall be construed to require or authorize disclosure of information which is defined as confidential or otherwise exempted under NCGS Section 132.

## **ARTICLE 12** AMENDMENT AND CONSTRUCTION OF BYLAWS

### SECTION 1. AMENDMENT

These bylaws can be amended at any regular meeting of the Board of Directors by two-thirds vote, provided that the amendment has been submitted in writing at the previous meeting.

### SECTION 2. CONSTRUCTION AND TERMS

All references in these Bylaws to the Articles of Incorporation shall be to the Articles of Incorporation, the founding document of this Corporation filed with an office of this state and used to establish the legal existence of this Corporation.

All references in these Bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

If there is any conflict between the provisions of these Bylaws and the Articles of Incorporation, the provisions of the Articles of Incorporation shall govern.

Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding.

The Board of Directors will have and shall exercise administrative responsibility for the organizational format of these Bylaws, and for correction of typographical errors and oversights in grammar, punctuation and spelling wherever they appear in these Bylaws or any amendment thereof. Such corrections may be made by consensus of the Board without the need for a formal resolution.

***DRAFT – Proposed  
3.10.2008***

# Exploris Middle School Board of Directors

**Elizabeth D. Baird**

Director of School Programs, NC Museum of Natural Sciences  
11 W. Jones St. Raleigh, NC 27601-1029

**David Burney (Parent)**

Vice President Innovation, Red Hat  
1801 Varsity Drive, Raleigh, NC 27606

**Faculty Member**                      To be determined

**Matt Friedrich**

Education Coordinator, Center for International Understanding  
412 N. Wilmington Street, Raleigh, NC 27601

**Susan Johnston (Parent Association Chair)**

Broker, York, Simpson and Underwood  
3700 Computer Drive, Raleigh, NC 27609

**Jocelyn Mills (Parent)**

Vice President, Hedgehog Holdings, LLC  
709 West Jones Street, Raleigh NC 27603

**Tom Mix (Parent)**

CEO, Aeroglide Corporation  
100 Aeroglide Drive, Cary, NC 27609

**Jonathan Phillips**

Senior Director, Cherokee  
111 East Hargett Street, Suite 300, Raleigh, NC 27601

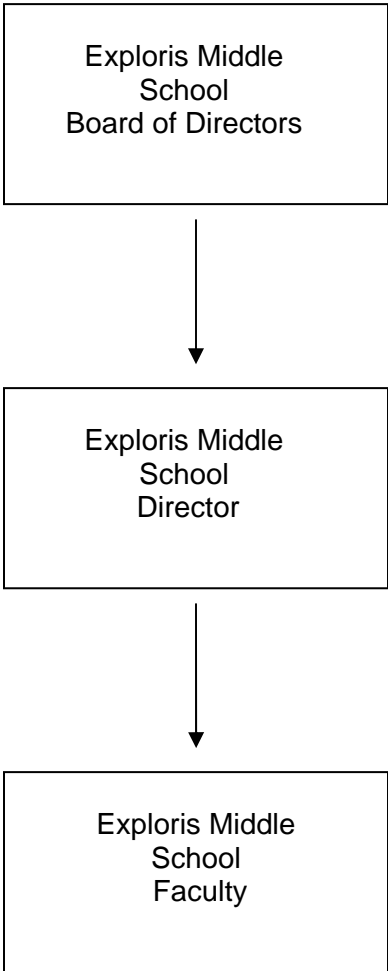
**Kevin Piacenza**

Director, Exploris Middle School,  
207 E. Hargett St. Raleigh, NC 27601

**Edward V. Ellis**

Retired Professor Emeritus, University of Maryland Eastern Shore  
436 Grosvenor Drive, Raleigh, NC 27615

# Proposed Exploris Middle School



## Exploris Middle School Proposed 2008-2009 Budget

<b>Number of Student</b>	<b>192</b>
<b>State Per Student Rate</b>	<b>\$5,051.25</b>
<b>Wake Per Student Rate</b>	<b>\$2,247.67</b>

### (1) Revenue Projections

State ADM Funds	\$969,841
Local ADM Funds	\$431,552
Misc. local operation revenue	\$9,803
Federal funds	\$28,359
Other revenue (PTSA and school)	\$127,044
<b>TOTALS</b>	<b>\$1,566,599</b>

### (2) Expenditure Projections

#### Instructional Services

Salary--Teachers	\$765,755
Salary Substitutes	\$2,164
Employer's Social Security Cost (FICA/FICAM)	\$58,746
Employer 401k Contribution	\$15,315
Employer's Hospitalization Insurance Cost	\$105,453
Employer's Worker's Compensation Insurance Cost	\$6,670
Employers Unemployment Insurance Cost	\$8,906
Workshop Expenses--Professional development	\$8,308
Instructional Supplies--general	\$20,610
Computer Software & Supplies	\$0
Library/Reference Books	\$1,040
Purchase of Equipment--classroom equipment	\$7,172
Purchase of Computer Hardware	\$0
Contracted Services--Exceptional Children	\$7,429
Workshop Expenses--Exceptional Children	\$1,316
Instructional Supplies--Exceptional Children	\$1,000
Psychological Services	\$5,496
Contracted Speech and Language Services	\$320

#### Supporting Services

Salary Office Personnel--Gen Admin and Director	\$120,000
Non Instructional Contracted Services	\$25,000
Contracted Services--Legal	\$3,122
Contracted Services--Audit	\$10,406
Rentals	\$10,579
Telephone	\$4,137
Postage	\$812
Advertisement Fees	\$2,082
Supplies & Materials	\$9,362
Computer Software and Supplies	\$2,988
Purchase of Equipment--admin/public space	\$1,040
Purchase of Computer Hardware	\$0
Membership Dues & Fees	\$284
Property Insurance	\$11,374
Other Insurance	\$1,127
Rent	\$132,000
Contracted Services--Custodial	\$24,000
Utilities	\$25,547
Operation of plant--supplies and materials	\$6,157
Contracted repairs and maintenance--building	\$1,913
Contracted repairs and maintenance--equipment	\$12,468
Employer's Social Security Cost (FICA/FICAM)	\$9,180
Employer 401k Contribution	\$2,400
Employer's Hospitalization Insurance Cost	included above
Employer's Workers Compensation Insurance Cost	included above
Employers unemployment insurance cost	included above

#### Federal Grants

Sliver Grant	\$1,000
IDEA VI B Grant	included above

#### Other Activities (field trips, PSTA, etc.)

Total funds	\$127,044
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<b>TOTALS</b>	<b>\$1,559,721</b>
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<b>EXCESS (SHORTFALL) REVENUE - EXPENSES</b>	<b>\$6,878</b>
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