

Section 16 – By-Laws

Provide a copy of the proposed by-laws of the governing body of the charter school.

EAST END PREPARATORY SCHOOL

BYLAWS

ARTICLE I STRUCTURE

Section 1.1 Structure. East End Preparatory School (School) is sponsored by the 501c3 nonprofit corporation, Martha O’Bryan Center Inc. (Corporation) organized under the laws of the State of Tennessee (Tennessee Nonprofit Corporation Act.) The Articles of Incorporation of the Corporation (as amended from time to time, the “Articles of Incorporation”) were filed in the office of the Secretary of State of the State of Tennessee on January 22, 1951. (The prior unincorporated entity was the Martha O’Bryan Settlement House and was formally organized in 1894.)

Section 1.2. Purposes. The Corporation as sponsor is organized and is operated exclusively to carry out charitable and educational purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986. The mission and activities of the School are appropriate purposes, to wit; including: (a) to implement and operate one or more public charter or contract schools in the State of Tennessee; (b) to exercise all rights and powers conferred by the laws of the State of Tennessee upon non-profit corporations, including, but without limitation thereon, to raise funds, to receive gifts, devises, bequests and contributions, in any form, and to use, apply, invest and reinvest the principal and/or income there from or distribute the same for the above purposes; and (c) to engage in any other activity that is incidental to, connected with or in advancement of the foregoing purposes and that is within the definition of charitable and educational for purposes of Section 501(c)(3) of the Code, provided, the powers of the Corporation shall never be inconsistent with the purposes of the Corporation stated above or the Constitution of the United States or the State of Tennessee.

ARTICLE II OFFICES

Section 2.1. Principal Place of Business. The principal place of business and mailing address of the School and the Corporation shall be located at 711 South 7th Street; Nashville, TN 37206. The Corporation may have such other offices, either within or without the State of Tennessee, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

Section 2.2. Registered Office and Registered Agent. The Corporation shall have and continuously maintain in the State of Tennessee a registered office and a registered agent whose office is the Corporation's registered office, as required by the Act. The registered office may but need not be identical with the principal office of the Corporation in the State of Tennessee, and the address of the registered office may be changed from time to time by the Board of Directors in accordance with applicable law.

ARTICLE III BOARD OF DIRECTORS

Section 3.1. Powers. The business, affairs and property of East End Preparatory School shall be managed and controlled by the EEP Board of Directors, and all powers shall be vested in and exercised by the Board, except as otherwise provided by law, the Articles of Incorporation or these Bylaws.

Section 3.2. Number. The number of Directors constituting the initial Board of Directors is nine (9). Thereafter the number of Directors may be increased or decreased from time to time by resolution of the Board of Directors, provided that no decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director and provided further that the number of Directors with voting rights shall never be less than six (6). As an extension of the education mission of the Martha O'Bryan Center, the school board shall have no fewer than two (2) members who are currently serving on the Martha O'Bryan Center Board of Directors. In addition to the minimum number of Directors with voting rights, the Board of Directors shall include at least one (1) parent representative of the school community who shall be a member of the Board of Directors and attend Board meetings, having voting rights on the Board.

Section 3.3. Election and Term of Office. The founding Directors shall serve during the planning year and through the second year of operation. Thereafter, Directors shall be elected by a majority vote of the Directors then in office. Directors shall hold office for terms of three years and until their successors are elected and qualified, or until their earlier death, resignation or removal.

Section 3.4. Removal. Any or all of the Directors may be removed with or without cause by a majority vote of the entire Board at any special meeting of the Board called for that purpose.

Section 3.5. Resignation. Any Director may resign at any time by delivering written notice of his or her resignation to the Secretary or President of the Corporation. Such resignation shall become effective upon receipt thereof by the Secretary or President but the acceptance of such resignation shall not be necessary to make it effective.

Section 3.6. Vacancies. Any newly created directorships and any vacancies of the Board of Directors, arising at any time and from any cause, may be filled at any meeting of the Board of Directors by a majority of the Directors with a quorum. However, if the number of Directors attending is less than a quorum, the vacancies shall be filled by (a) the affirmative vote

of a majority of the Directors at a meeting held pursuant to notice or waiver of notice complying with Section 3.8. .

Section 3.7. Meetings. The Board of Directors are subject to Tennessee's open meeting laws, TCA TITLE 8, CHAPTER 44, § 102 et seq., and all meetings of the Board of Directors shall be held at the time and place provided in the notice prepared in compliance with the open meeting laws. The annual meeting of the Board shall be held in the month of July in each year, at a date, time and place fixed by the Board, for the election of officers and Directors and for the transaction of such business as may properly come before the meeting. Regular meetings of the Directors may be held at such time and place as shall from time to time be determined by the Board. Special meetings may be called at any time by the President or any two (2) Directors. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of an adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

Section 3.8. Notice of Meetings. In addition to the notice requirements pursuant to Tennessee's open meeting laws, notice of the time and place of each regular, special or annual meeting of the Board, and, to the extent possible a written agenda stating all matters upon which action is proposed to be taken shall be given to each Director by first-class mail, at least three (3) days before the meeting is held, or personal delivery, facsimile, electronic mail, at least 48 hours before the day of which the meeting is to be held. Notice of a meeting need not be given to any Director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting prior thereto or at its commencement, the lack of notice to him or her.

Section 3.9. Quorum and Voting. Except as otherwise provided by law, a majority of the entire Board shall constitute a quorum for the transaction of business. Except as otherwise proved by law or these Bylaws, the vote of a majority of the Board of Directors present at the time of a vote, if a quorum is present, shall be the act of the Board. Board action will most often occur on the presented recommendation of a standing committee.

Section 3.10. Action by the Board. To the extent permitted by law, any one or more members of the Board or any committee thereof may participate in a meeting of the Board or committee by means of a conference telephone or similar communication equipment allowing all persons participating in the meeting to hear each other at the same time, provided such meeting and notice thereof comply with the open meeting laws. Participation in a meeting by such means shall constitute presence in person at the meeting.

Section 3.11. Committees. The Board of Directors, by resolution adopted by a majority of the entire Board, may designate from among its members standing committees, each consisting of two (2) or more Directors. A standing finance committee will be elected at the first meeting after application approval. The Board may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. The President shall appoint the chairperson of each committee. Each chairperson shall have the right to invite non-board members to serve on committees in order to

attend to the needs of the school and as a vehicle to build a strong active board. To the extent permitted by law, any one or more members of such committee may participate in a meeting of the committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, provided such meeting and notice thereof comply with Tennessee's open meetings laws. Participation in a meeting by such means shall constitute presence in person at the meeting. Committee members shall maintain minutes of each meeting and shall file copies of the minutes with the corporate records. Such committees shall have all the powers delegated by the Board except that no committee shall have the power (a) to fill the vacancies on the Board or in any committee which has the authority of the Board; (b) to amend or repeal the Bylaws or adopt new Bylaws; (c) to amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable; (d) to appoint committees of the Board or the members thereof; (e) to expend corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected; (f) to approve of any conflict of interest transaction as defined under Chapter 58 of the Act; (g) or to exercise other powers specifically denied the committee by resolution of the Board of Directors or by law. Each committee and each member of each committee shall serve at the pleasure of the Board of Directors.

Section 3.12. Compensation. Persons serving as Directors or members of a committee shall not receive any salary or compensation for their services as Directors of committee members; provided, however, that Directors or committee members shall be entitled to reimbursement for reasonable expenses incurred by them in carrying out their duties as Directors.

ARTICLE IV OFFICERS

Section 4.1. Number. The officers of the School Board shall be a President, President-Elect/Secretary and Treasurer, and such other officers, if any, as the Board of Directors may from time to time appoint. Any two (2) or more offices may be held by the same person, except neither the Secretary nor the Treasurer may serve concurrently as the President of the Board. Further, no individual may act in more than one capacity where action of two or more officers is required.

Section 4.2. Election and Term. All officers shall be elected by the Directors at their annual meeting and shall hold office for the term of one year. Each officer shall continue in office until his or her successor shall have been elected and qualified, or until his or her death, resignation or removal.

Section 4.3. Resignation and Removal. An officer may resign by giving written notice of his or her resignation to the President or Secretary. Any officer may be removed, with or without cause, by a majority vote of the Board of Directors. A vacancy in any office shall be filled for the unexpired term by a majority vote of the Board.

Section 4.4. Employees and Other Agents. The Board of Directors shall hire the school leader. All other faculty will be hired by the school leader with input from the Executive Director and Board of Directors.

Section 4.5. President. The President shall be the chief executive officer of the Board of Directors, shall preside at all meetings of the Board of Directors, and shall have general supervision of the administration of the affairs and business of the Corporation. He or she shall have the power to sign alone in the name of the Corporation all contracts authorized either generally or specifically by the Board of Directors, to execute and deliver other documents and instruments. The President shall also have such other powers and perform such other duties as the Board of Directors may from time to time prescribe.

Section 4.6. President-Elect/Secretary. The President-Elect shall, in the absence or disability of the President, perform the duties and exercise the powers of the President. The President-Elect may have such powers and perform such duties as may be delegated thereunto by the President or prescribed by the Board of Directors, including those of Secretary.

Section 4.7. Secretary. The Secretary shall be responsible for the maintenance of an accurate record of all the minutes of all meetings of the Board of Directors and of any committees of which a secretary shall not have been appointed by the Board in books to be kept for that purpose; serve or cause to be served all notices of the Board; be custodian of the records (other than financial); and perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the Board. In the event of absence or disability of the Secretary, the Board of Directors may appoint an Assistant Secretary to perform the duties of the Secretary during such absence or disability.

Section 4.8. Treasurer. The Treasurer shall keep or cause to be kept complete and accurate accounts of receipts and disbursements of the School Board of Directors, and shall review the deposits of all moneys and other valuable effects of the School. The Treasurer shall work with the MOBC Director of Finance to keep proper books of accounts and other books showing at all times the amount of the funds and other property of the School, all of which books shall be open at all times to the inspection of the Board of Directors. The Treasurer shall present an operating statement and report, since the last preceding regular Board meeting, to the Board at all regular meetings. He or she shall perform all duties incident to the office of Treasurer, and such other duties as shall from time to time be assigned by the Board. If required by the Board, the Treasurer shall give such security for the faithful performance of his or her duties as the Board may require.

Section 4.9 Ex officio Members of Board. Ex officio members may be established as directed by the School Board and will serve without voting rights. The Corporation's Vice President of Young Children and Families will serve on the School Board as an ex officio member as the programmatic link between the management services of the Corporation and the School.

Section 4.10. Dual Directors. The School Board of Directors will be served by two board members that are also Corporation board members. Such board members will report the

school's financial and academic results on a semi-annual basis at the September and the March meeting of the Corporation. At the request of the Chairperson of the Corporation, the School Leader and the President of the School Board will also make an annual full presentation of results, needs and challenges to the Corporation Board of Directors at the September meeting.

ARTICLE V MISCELLANEOUS

Section 5.1. Checks, Notes and Contracts. The Board of Directors is authorized to select such depositories as it shall deem proper for the funds of the School. One officer shall sign all bills, notes, receipts, acceptances, endorsements and checks of the School in amounts over \$20,000.00

Section 5.2. Books and Records. The School shall keep: (a) adequate and correct books and records of account; and (b) minutes of the proceedings of its Board of Directors and its committees. The minutes shall be kept in written form.

Section 5.3. Annual Report. The Board of Directors shall cause an annual report to be sent to the Directors not later than 150 days after the close of the School's fiscal year. Such report shall contain in appropriate detail the following: (a) the assets and liabilities, including the trust funds of the Corporation as of the end of the fiscal year; (b) the principal changes in assets and liabilities, including trust funds, during the fiscal year; (c) the revenue or receipts, both unrestricted and restricted to particular purposes, for the fiscal year; (d) the expenses or disbursements, for both general and restricted purposes during the fiscal year; and (3) any transaction and/or indemnification involving an interested person that exceeds \$50,000 or a number of transactions that involve the same interest person and in the aggregate exceed \$50,000, including the names of the interested persons involved in such transactions, the person's relationship to the School, the nature of such person's interest in the transaction, the amount of such interest, provided, that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

Section 5.4. Right of Inspection. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and to inspect the physical properties of the School.

Section 5.5. Amendments. These Bylaws may be amended at any meeting of the Board of Directors by a vote of the majority of the entire Board of Directors.

ARTICLE VI CONFLICTS OF INTEREST

Section 6.1. Purpose. The purpose of the conflicts of interest policy is to protect the School's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or School. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

Section 6.2. Definitions.

a. Interested Person. Any Director, principal officer, or member of the committee with Board-delegated powers who has a direct or indirect financial interest, as defined below, is an interested person.

b. Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment or family –

1. an ownership or investment interest in any entity with which the Corporation or School has a transaction or arrangement, or
2. a potential ownership or investment interest in any entity or individual with which the Corporation or School is negotiating a transaction or arrangement.

Section 6.3. Procedures.

a. Duty to Disclose. In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest and all material facts relating thereto to the Board of Directors.

b. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts relating thereto, and after any discussion thereof, the interested person shall leave the Board of Directors' meeting while the financial interest is discussed and voted upon. The remaining Board of Directors shall decide if a conflict of interest exists.

c. Procedures for Addressing the Conflict of Interest.

1. An interested person may make a presentation at the Board of Directors, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction of arrangement that results in the conflict of interest.

2. The President of the Board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the Board of Directors shall determine whether the Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
4. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board of Directors shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the School's best interest and for its own benefit and whether the transaction is fair and reasonable to the School and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

d. Violations of the Conflicts of Interest Policy.

1. If the Board of Director has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
2. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the Board of Directors determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 6.4. Periodic Reviews. To ensure that the school operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, the Board of Directors may conduct periodic reviews.

For additional general and specific School Board and committee responsibilities, see Appendix_____.