

## **BOARD POLICIES**

Section 1. General Powers. School Board shall have conferred upon them all powers set forth in the Colorado Revised Nonprofit Corporation Act, except as those powers may be limited in the Articles of Incorporation or these By-laws.

Section 2. Organization. At the annual meeting of the Board, the President shall act as Chairman, and the Secretary of the Corporation, or in his absence any person appointed by the Chairman, shall act as Secretary of the Board.

Section 3. Number, Tenure and Qualifications. The Directors of the School Board shall be natural persons at least eighteen years of age or older. The Board of LOTUS SCHOOL FOR EXCELLENCE will consist of no more than seven (7) voting Directors. Newly elected Directors will have staggered terms of three years, provided that each Director shall continue to serve until his or her successor has been duly qualified, or until the Director resigns, is removed, is deemed to resign, or the Director's seat becomes vacant, under sections 4 through 8 below. The Principal will join the Board as non-voting Director.

By the end of February of each school year, the existing LSE board of directors will appoint a nominating committee comprised of two Directors, two teachers, and three parents. The nominating committee will solicit nominations to the Board from all school constituents, including parents and teachers. If there are more than three nominees, the nominating committee will select no less or no more than three nominees per open board position based on criterion established by board policy

All nominees will be required to complete and submit a letter of interest by the end of March. Board elections will be held no later than the end of April of each year, with newly elected Directors taking their seats in June. Voting will be open to all parents/legal guardians of students enrolled at LSE. Parents shall be given at least 14 days notice in advance of the deadline for nomination of the candidates. The election of the new candidates shall be completed by written, secret ballot by parents/guardians of students who are registered to attend Lotus.

Section 4. Resignations. Any Director of the Corporation may resign at any time by giving written notice to the Board of Directors or to the President or to the Secretary of the Corporation. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Deemed Resignation. A Director is deemed to have resigned for failure to attend four (4) meetings or other obligations and that failure is confirmed by a majority of the Board. The failure is effective as a resignation at the time of such vote.

Section 6. Removal by Board of Directors. Any Director may be removed with or without cause at any time by the affirmative vote of the majority of remaining Directors, cast at a special meeting of such Directors called for that purpose, and the vacancy on the Board caused by such removal will be filled by special election at the direction of the Board.

Section 7. Removal by Petition. If a petition to remove one or more Directors elected by parents/guardians is presented to the Board of Directors, such petition will compel the Board to add the petition as an item on the agenda for the next regular Board meeting. Such a petition must contain the names of one-third of total Lotus School for Excellence families and staff. A petition to remove one or more Directors elected by the parents/guardians must be provided to either the Board President or Secretary no less than fifteen days prior to the Board meeting date. Should the petition not be withdrawn, one month later the Council will submit the matter to a vote of the parents and staff of the Lotus School for Excellence.

Section 8. Vacancies. Subject to Section 6, as it relates to removal of a Director, in the event any vacancy shall occur on the Board of Directors because of death, resignation, or incapacitation, the Board of Directors will hold a special election to fill the vacancy. The Director or Directors so elected shall hold office until the end of the term of his or their predecessor's term and until his or their successor or successors shall be duly elected and qualified. Any Directorship to be filled by reason of an increase in the number of Directors shall be filled by election called for that purpose.

Section 9. Place of Meetings. The Board of Directors may hold its meetings, have one or more offices, and keep books and records of the Corporation at such place or places within the State of Colorado, as the Board may, from time to time, determine.

Section 10. Regular Meetings. Regular meetings of the Board of Directors shall be held at least 8 times annually. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than such resolution.

Section 11. Special Meetings. Special meetings of the Board of Directors may be held whenever called by the President or by two of the Directors (If at any time there is only one Director, then one Director may call such meeting.) at such time and place, within Colorado, as the person or persons calling the meeting shall designate. Notice of such meeting shall be given personally, or mailed to each Director, addressed to him at his residence or his usual place of business at least three (3) days before the day on which the meeting is to be held. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Every such notice shall be published at least 24 hours in advance of the meeting, the notice will state the time, place and purpose of the meeting in accordance with Colorado's open meetings law. A Director may waive notice by signing a waiver of notice.

Section 12. Quorum and Manner of Acting. Except as otherwise provided by statute or by these By-laws, a majority of the Directors in office at the time of any regular or special meeting of the Board of Directors shall constitute a quorum for the transaction of business at such meeting and the act of a majority of the Directors present at the meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the Directors present may, without notice other than announcement at the meeting, adjourn the meeting from time to time until a quorum can be had. The Directors present at a duly organized meeting of the Board may continue to transact business until adjournment, notwithstanding the withdrawal of enough Directors to leave less than a quorum.

Section 13. Proxies. If a Directors cannot be present at a meeting due to exceptional circumstances, a vote may be cast by means of a speaker phone

Section 14. Committees. The Board of Directors, by resolution adopted by majority vote of the Directors, may designate and appoint one (1) or more committees of the Board of Directors. Such committees may exercise all authority as the resolution shall set forth or shall be granted by statute, and may be abolished by majority vote of the Directors. No such committee shall have the power or authority to elect, appoint or remove any Director; amend, restate, alter, or repeal the Articles of Incorporation; amend, restate, alter, or repeal these or any other By-laws of the Corporation; approve a sale, lease, exchange, or other disposition of all or substantially all of the property of the Corporation, with or without goodwill, other than in the usual and regular course of business subject to approval by the full Board of Directors; or to take any other action prohibited by law.

Section 15. Compensation and Expenses. Directors shall receive no compensation for their services as Directors on the Lotus School for Excellence Board except that reimbursement may be made for any expenses incurred for the School by any Director pursuant to and upon authorization of the School Board. No part of the net revenue of the School shall inure to the benefit of, or be distributable to, its constituents, Directors, officers, or other private persons.

Section 16. Adjournment. Any meeting of Directors may not adjourn until a majority of the Board of Directors is satisfied that its business is complete.

Section 17. Powers and Duties. The Board of Directors shall have and exercise all such general powers as are usually exercised by the Board of Directors and stated in Section 1, above; and particularly to have all of the powers conferred by the Articles or Certificate of Incorporation, reference to which is hereby made, to elect, appoint or employ Officers, agents and other representatives; to determine their duties and salaries; to require security in such instances as the Board may determine; to determine who shall sign notes, checks, drafts, contracts, deeds, reports and other documents; to delegate the powers of the Board from time to time to an executive committee, or other standing or special committees.

Anything in these Bylaws to the contrary notwithstanding, the Board of Directors is not empowered to perform any activity on behalf of the Academy not permitted to be carried on by an organization exempt from Federal income taxation under 501(c)(3) of the United States Internal Revenue Code.

Section 18. Standard of Conduct for Directors and Officers. (a) Each Director and Officer shall perform their duties as Director or Officer, including, without limitation, their duties to participate in any committee of the Board, in good faith, in a manner the Director or Officer reasonably believes to be in the best interest of the Corporation, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. In the performance of their duties, a Director or Officer shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by the persons designated in subsection (b) below. However, a Director or Officer shall not be considered to be acting in good faith if the Director or Officer has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A Director or Officer shall not be liable to the Corporation for any action the Director or Officer takes or omits to take as a Director or Officer if, in connection with such action or omission, the Director or Officer performs their duties in compliance with this Section 20. A Director or Officer, regardless of title, shall not be deemed to be a trustee with respect to the Corporation or with respect to any property held or administered by the Corporation including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

(b) The designated persons on whom a Director or Officer are entitled to rely on are: (i) one or more Officers or employees of the Corporation with whom the Director or Officer reasonably believes to be reliable and competent in the matters presented; (ii) legal counsel, a public accountant, or other person as to matters which the Director or Officer reasonably believes to be within such person's profession or expert competence; (iii) a committee of the Board of Directors on which the Director or Officer does not serve if the Director reasonably believes the committee merits confidence.