

PROJECT REFLECT, INC.

A n o n p r o f i t o r g a n i z a t i o n

Transforming communities through education and policy reform

Bylaws

PROJECT REFLECT, INC.

730 Neely's Bend Road

Madison, TN 37115

www.projectreflect.org

These Bylaws were initiated in 1993 by the School Sisters of St. Francis following the founding and incorporation of Project Reflect by Franciscan Sister Sandra O. Smithson. The Bylaws have been amended through the years. The Bylaws as presented herein were amended and approved by a vote of the Project Reflect Board of Directors and the Corporate Members.

March 2016

Project Reflect Bylaws

CONTENTS

PREAMBLE	03
ARTICLE I. PARAMETERS	05
Location	05
Purposes and Use of Funds/Resources	05
ARTICLE II. GOVERNANCE STRUCTURE	06
Corporate Members	06
Board of Directors	07
Officers	11
Standard of Conduct	12
Executive Committee	13
Other Standing Committees of the Board	15
General Provisions for Standing Committees	15
Standing Committee Responsibilities	16
Finance	16
Board Development	17
Education Committee	17
Fundraising committee	18
Ad-Hoc Committees	19
ARTICLE III: FINANCES	19
Indemnification and Advancement of Expenses	20
Conflicts of Interest	22
ARTICLE IV: ORGANIZATIONAL STRUCTURE	22
ARTICLE V: OTHER POLICIES AND PROCEDURES	22
Non-Discrimination	22
Sexual Harassment	23
Nepotism	23
Whistle Blower Policy	23
Waiver of Notice	24
Amendments	24
Dissolution	24

PREAMBLE

NAME OF ORGANIZATION

This organization, established to serve the needs of the poor and marginalized in society, is called Project Reflect, a seemingly odd name until we begin to understand what it means to be called by God into the service of God. Christian ministry begins with contemplation; hence, Reflect: “Be still and know that I am God.” (Psalm: 46:10).

This contemplative posture is necessary because Christian ministry is, by its nature, a participation in God’s on-going act of creation. It is the response to God’s invitation to partner in the divine process of calling from chaos to order, from potentiality to actuality, from disintegration to integration; from alienation to reconciliation; from fragmentation to wholeness; from isolation to communion, from egotism to holiness. It is to prepare that which is separated from God to become one with God. Therefore, all ministries, if it is truly of God, will necessarily conduce to that transformation that allows for incorporation into the life of God. Action alone does not qualify as Christian ministry. Christian ministry is that action that flows from union with God and is guided by the inspiration of the Holy Spirit. Christian ministry, then, is the fruit of contemplation.

The effect of contemplation (reflection) is twofold and makes possible the realization of the two fundamental goals of ministry:

- **The healing of the servant.** The first goal of Christian ministry is the internal conversion of the minister. “To one’s own self be true,” the poet Shakespeare warned through the mouth of his character, Laertes, “And it must follow as the night the day, thou canst not then be false to any man.” Jesus put it more succinctly, “I sanctify myself that they too may be truly sanctified” (John 17:9). And He warned us against attempting to take the “speck” out of another’s eye before removing the beam from our own. This conversion, which literally means “turning with God,” requires an ongoing relationship with God that brings us into an ever deeper union with God’s divine will until we can say, as Jesus did, “The one [the Father] who sent me is with me; he has never left me alone, for I always do what is pleasing to him” (John 8:29).
- **The healing of the served.** The second goal of Christian ministry is the conversion of others. As we grow closer to God, God takes over our life allowing us to “reflect” the divine goodness to a needy world. It is this light in us that guides our journey of love, the love to which we are called in the new Commandment of Jesus: “Love one another as I have loved you” (John 15:12). Jesus enfleshes the fullness of God’s love. And the Christian minister, in fulfillment of the commandment of Jesus, is called to do the same. This love, in imitation of Jesus, will create, nourish, make whole, sustain, empower, and transform the other. It is a love that destroys the walls of separation and leads to communion and union, for God did not save from afar but immersed himself in our broken condition, became one with us through the incarnation of his divine son.

Our union with God, then, will necessarily lead to our union with the whole of creation, for God is present in it all. The action that flows from this union truly is ministerial for it conduces to the healing of both the servant and the served.

A CHRISTIAN-BASED ORGANIZATION

The mission statement of Project Reflect, an organization anchored in the mission of Christ, is “Transforming communities through education and policy reform” with a preference for advocating for

and rendering service to the poor, a service that brings them to that wholeness which empowers them to become owners and architects of their own lives. Jesus affirms this mission in Luke 4:18-19:

“The Spirit of the Lord is upon me, because he has chosen me to bring good news to the poor. He has sent me to proclaim liberty to the captives and recovery of sight to the blind, to set free the oppressed and announce that the time has come when the Lord will save his people.”

That spirit and the values described below operate within these Bylaws:

- Each human being possesses gifts and talents, authority and leadership.
- To certain individuals we delegate authority and leadership to facilitate our response to the needs of society.
- The model of administrative and governmental leadership at Project Reflect is the Christ-like Servant Leader, creating an environment of love and compassion in which to maximize staff gifts and work together to achieve the highest good for those that we serve.
- In a collaborative model of government, structures enable us to pursue our goals with order and effectiveness by providing for participation, consultation, co-responsibility, and collective accountability.
- Through the ethical and responsible management of the organization’s finances and other resources, Project Reflect supports and identifies with the poor and needy. The organization advocates the just distribution, conservation, and peaceful sharing of resources with those persons who are served, and in the best interests of the nation and the world.
- The community that is Project Reflect includes many small and large donors, grantors, volunteers, and supportive community agencies and agents essential to carry out the mission of Project Reflect.

This collaborative model of government and service expresses shared values, facilitates life and mission, and enables Project Reflect to witness that “Out of love we place ourselves at one another’s service” (Galatians 5:13).

BYLAWS OF PROJECT REFLECT, INC.

ARTICLE I. PARAMETERS

LOCATION

1. Principal Office. The principal office of Project Reflect (“the Organization”) shall be located in Davidson County, Tennessee. The Organization may have such other offices, either within or without the State of Tennessee, as the Board of Directors may designate or as the business of the Organization may require from time to time.
2. Registered Office. The registered office of the Organization shall be maintained in the State of Tennessee. The address of the registered office may be changed from time to time by the Board of Directors.

PURPOSES AND USE OF FUNDS

3. Purposes. The purposes of the Organization are those set forth in its charter of incorporation (the “Charter”), as from time to time amended or restated. Namely, the Organization is authorized exclusively for religious, charitable, and educational purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1986 (the “Code”). Specific Organization programs or projects thereof designated by a donor shall be limited to the purposes described both in Section 501 (c) (3) of the Code and either paragraph (1), (2) or (3) of Section 509 (a) of the Code; and generally to extend the influence of the work of education and human transformation for poor and marginalized people toward the attainment of their full human potential. To safeguard this mission, the Board of Directors is charged to:
 - Develop programs that are ethnically diverse
 - Ensure that every children’s program has at least 60% FARM (free and reduced-price meals) students.
 - Develop charter schools with attached PREP After-School Programs funded separately to allow for extra academics, enrichment, and especially spiritual development rooted in the principles of the Gospel of Jesus.
4. Use of Funds. The Organization is not formed for financial or pecuniary gain. No part of the assets, income, or profits of the Organization is distributable to, or inures to the benefit of its Corporate Members, Directors, Officers, staff persons, or any other private person, except as presented in Section 39xx or reimbursement for payment of royalties or fees on acquired literary or other intellectual properties. No substantial part of the activities of the Organization shall be the carrying on of propaganda, and no part of the activities of the Organization shall be the participation in, or intervention in (including the publishing or distributing of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

ARTICLE II. GOVERNMENT STRUCTURE

BOARD OF CORPORATE MEMBERS

5. General Powers. The Board of Directors shall serve as oversight agents for the Organization and Board of Directors with the following powers:
- (A) *Christian character*. Corporate Members will maintain the Christian character of the Organization in all its operations and in how it is perceived in the community at large,
 - (B) *Mission*. Corporate Members will maintain the mission of “Transforming communities through education and policy reform.”
 - (C) *Health and viability*. Corporate Members will ensure the health and viability of the Organization and act, as needed, with unlimited powers over all other governance and staff decisions, entities, and persons having decision-making authority or acting on behalf of the Organization.
 - (D) *Attending Director meetings*. Corporate Members will be eligible to attend every open and closed meeting of the Board of Directors and its various committees and will be informed of such meetings at the time the meeting dates are set. Corporate Members shall receive all Directors pre-meeting paperwork and meeting handouts.
 - (E) *Receiving Minutes*. Corporate Members will receive Minutes of each open and closed Director meeting by or before seven days after the meeting.
 - (F) *Review Director actions*. Corporate Members will review all actions taken by the Board of Directors at every regularly scheduled and called meeting of the full Board of Directors and each of the Director committees within 14 days following receipt of written meeting Minutes.
 - (G) *Veto power*. The Corporate Members shall have veto power over actions of the Board of Directors. This includes but is not limited to veto power over any proposed changes to the bylaws, reduction or expansion of programs, or acquisition or sale of properties. A veto must be by majority vote of Corporate Members and must be declared in writing and submitted to the Chair of the Board of Directors within fourteen days of the veto decision. An explanation of the veto must be included in the written notice to the Directors’ Chair.
 - (H) *Serving on Standing Committees*. Corporate Members may serve on any standing committee as Ad-Hoc participants if approved by the committee to do so.
 - (I) *Performance reviews*. When the Corporate Members as a body have a concern that the actions of a Director or Directors (“Director/s”) do not reflect the Christian character or Mission of the Organization or adherence to the spirit and values enumerated in the Preamble to these bylaws, the Corporate Members as a body may require the Director/s to meet with the Corporate Members. The purpose would be to call the Director/s to a higher standard of behavior and action that conforms to the Preamble above and these Bylaws. If the behavior or actions of the Director/s do not evidence a turn-around in a timeframe set by the Corporate Members and communication to the Director/s at the time of the original hearing, the Corporate Members, by majority vote, have the power to dismiss the Director/s from the Board of Directors and any official capacity within the Organization.

(J) *Interim staff vacancy.* During times of transition in the Organization, if there is a vacancy of the Executive Director, a Corporate Member may become interim Executive Director by joint approval of a majority of Directors and a majority of Corporate Members, and until such time as a new Executive Director is hired or the Organization's staff administration is otherwise stabilized. If the full Board of Directors is unable to function according to these bylaws, the Corporate Members, by majority vote of Corporate Members, may dissolve the Board of Directors and appoint new Directors to fill out a new Board of Directors.

6. Number, Tenure, and Qualifications. The number of Corporate Members shall be no fewer than three and no more than seven persons for each fiscal year of the Organization. New Corporate Members shall be elected by majority vote of the Corporate Membership as vacancies occur for any reason. Corporate Members shall be elected for life but may resign at any time. Corporate Members may be removed with or without cause at any time by majority vote of all Corporate Members.

Corporate Members shall be individuals who participate actively in a Christian faith community. Preference is given to persons who have served the Organization at least three years as Directors, former staff persons, or former donors. In their personal and professional lives they should personify Judeo-Christian values as taught and practiced by Jesus. They should be committed to maintaining the Christian character of the organization, its mission, and its vision of serving the poor. The following circumstance shall prevent an individual from becoming a Corporate Member: anyone that has been on the Organization's Board of Directors who was voted off the Board for any reason, or any staff person who was fired. No Corporate Member may serve simultaneously as a Director (except as defined in Section 5(H) above). No Corporate Member may serve simultaneously as a staff person of the Organization, except as defined in Section 5(J) above.

7. Officers. A Chair and a Secretary shall be elected by majority vote at the Annual Meeting in June and will serve in that capacity for a period of one year. The Chair shall convene and lead meetings. The Secretary shall take minutes of meetings, send a copy to the Chair of the Board of Directors, and keep copies of all minutes in a book to be passed on to each successive Secretary through the years for an accounting of business of the Board of Corporate Members.
8. The manner of acting at a meeting and action without a meeting shall conform to Sections 20 and 21.

BOARD OF DIRECTORS (the "Directors")

9. General Powers. The Directors shall be responsible for oversight of the business and affairs of the Organization. It shall have the authority to receive, administer, and distribute equipment, supplies, and services on behalf of the Organization in accordance with the provisions set forth in Sections 5 (G) and Section 66 of these Bylaws. It shall approve new programs and eliminate programs (in accordance with Section 5[G] above), but not change the mission nor vision nor overall ministry of the organization as outlined in the Preamble to these Bylaws. The Directors shall hire and oversee the performance of the Executive Director of the Organization and shall define his or her job description. Each Director must serve on a Board Committee and may serve on more than one. Each Director must declare in writing at the first Board meeting of the year his or her intended contribution to the work of the Board and the Organization.
10. Number, Tenure, Qualifications, and Contribution. The number of Directors in the Board of Directors shall be no fewer than seven (7) and not more than twenty (21).

At its Annual Meeting in June, or at any other appropriate time, the Directors shall elect individuals to serve on the Board of Directors. Any Director or Corporate Member may at any time elect individuals to serve on the Board of Directors. Such a Director shall serve pursuant to the terms of these Bylaws as if he or she had been elected by the Board of Directors.

The term for each newly elected Director is three-years. Thereafter, a Director may stand for reelection at the Annual Meeting in June following the end of his or her term of office. When the Board elects a Director at a time other than the Annual Meeting, that Director's partial year from the time of election through to the Annual Meeting shall count as year one of the Director's initial three year term of office.

Directors shall be persons who have attained the age of twenty-one (21) years, but need not be residents of the State of Tennessee.

At least one parent whose child attends a children's program run by the Organization will be selected as a voting Director of the Board of Directors. The term of a parent Board Director will be one fiscal year, renewable each year by majority vote of the Board of Directors until such time as the parent Director's child no longer attends the Organization's children's program.

Each Director must make a contribution as a way of expressing support and commitment to the mission of the Organization. This contribution shall be a minimum of \$500 per year or its equivalent in goods and/or services from each Director or raised by each Director. The exact amount, if above \$500, may be set by vote of the Board for each fiscal year.

11. Ad-Hoc Committee Members have a voice but no vote. The Executive Director shall be an Ad-Hoc Director.
12. Limited Personal Liability of Directors. No person who is or was a Director of the Organization, nor such person's heirs, executors or administrators, shall be personally liable to the Organization for monetary damages for breach of fiduciary duty as a Director; provided, however, that this provision shall not eliminate or limit the liability of any such person (i) for any breach of a Director's duty of loyalty to the Organization; (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; or (iii) under Section 48-58-304 of the Act, as amended from time to time. No repeal or modification of the provisions of this Section, either directly or by the adoption of a provision inconsistent with the provisions of this Section, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.
13. Annual Meeting. The Annual Meeting of the Board of Directors shall be held in June, at the end of the fiscal year, or as soon thereafter as possible as determined by the Board of Directors. The purpose of the Annual Meeting shall be to elect officers and transact other appropriate business. If the election of officers shall not be held on the day designated for an Annual Meeting of the Board of Directors, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Board of Directors as soon thereafter as is convenient.
14. Regular Meetings. There shall be a minimum of six (6) regular scheduled meetings of the Board of Directors. The dates of the six meetings will be scheduled at the first meeting of the Board of Directors each new fiscal year. The annual meeting will be held in June. When a regular meeting must be cancelled due to inclement weather or lack of a quorum, the meeting shall be rescheduled at the next viable date and may not be eliminated from the six-meeting minimum requirement as stated in this Section.

15. Cancellation of Meetings. The Chair of the Directors has the authority to cancel regularly-scheduled meetings of the Board of Directors only for extreme cause, such as snow or other dangerous weather/road conditions, fire, flood, or lack of a quorum. Notice of cancellation must follow the same procedure as notice of meetings (see Section 18 below).
16. Special Meetings. Special meetings of the Board of Directors may be called by the Chair of the Directors, or at the request of any Director with the agreement of two-thirds (2/3) of the Directors. The Chair shall fix the place and time of the special meeting within the State of Tennessee. In the Chair's absence, the Vice Chair or other Executive Committee Officer named below may fix the place and time of the meeting.
17. Notices to Directors and Corporate Members. Notice of each regularly scheduled meeting shall be delivered to Directors and Corporate Members at least two (2) weeks prior thereto. Notice of any special meeting shall be delivered at least three (3) days prior thereto. Notice of a meeting called for the purpose of removing a Director shall be delivered at least seven (7) days prior thereto. Notices provided for in this Section shall be by written notice delivered personally, by facsimile, by email, or mailed via U.S. Mail or other ground-service mail to each Director and Corporate Member at his or her business or home address. If mailed other than email, such notice shall be deemed to be delivered when postmarked by the mail service provider. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except when a Director attends a meeting for the sole and expressed purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. At every special meeting of the Board of Directors, the business to be transacted or the purpose of the meeting must be specified in the notice of such meeting.
18. Notices to the Public. Each meeting, regular and special, of the Board of Directors called for the purpose of discussing action related to programs that receive public funding is subject to the Tennessee Open Meetings Act. Notice of such meetings shall be posted in easy view of the public at large, including clients and their families, at least forty-eight (48) hours in advance of the meeting. Postings shall be in the main office of the Organization and at the main office of every Organization program. The time, location, and purpose of the meeting shall be specified on each notice.
19. Quorum and Participation in a Meeting. A majority of the total number of Directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The Directors, at any meeting of the full Board or any Board Committee, may participate in a meeting of the Board or of such Committee by telephone conference, computer-based conference, or similar communications equipment by which all persons participating in the meeting can hear one another. Participation in a meeting pursuant to this provision shall constitute presence in person at the meeting.
20. Manner of Acting at a Meeting. Each voting Director shall be entitled to one (1) vote upon any matter properly submitted for a vote to the Board of Directors. The act of a majority of the Directors present and who vote at a meeting at which a quorum is present shall be the act of the Board of Directors. Board of Directors absent from any meeting shall not be permitted to vote at such meeting by written proxies. *Robert's Rules of Order* shall govern the interpretation of parliamentary matters at a meeting of the Board, or any Committee designated by the Board.
21. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors or any Committee thereof, except action or discussion pertaining to a publicly-funded program (see Section 17) may be taken without a meeting if all voting Board of Directors or Committee members, as the case may be, consent in writing to taking such action without a meeting. If all Board of Directors or Committee members entitled to vote on the action shall consent in writing to taking such

action without a meeting, the affirmative vote of the numbers of votes that would be necessary to authorize or take such action at a meeting shall be the act of the Board of Directors or Committee members. The action must be evidenced by one or more written consents describing the action taken, signed in one or more counterparts by each Board of Director or Committee member entitled to vote on the action, indicating each signing Board of Directors or Committee members vote or abstention on the action taken. All such written consents and action shall be filed with the minutes of the proceedings of the Board or Committee and a copy given to the Executive Director.

22. Minutes. Within one week, the Secretary of the Board or the acting secretary of the Board Committee shall forward minutes of the meeting of the Corporate Members and all Directors.
23. Special Vacancies. If a vacancy in Board membership results in there being fewer Directors than required by the Bylaws or Charter, and if such vacancy is not filled within ninety (90) days of the event that caused the vacancy, any Director may apply to a court having equity jurisdiction in the county in which the Organization has its principal office to have such court appoint a sufficient number of Directors so that the Organization will have the number of Directors required by its Bylaws or charter, whichever number is greater. Any Director position to be filled by reason of an increase in the number of Directors may be filled by election by the Board of Directors in conformity with Section 13 for a term of office continuing only until the next election of Directors. At that time, the newly elected Director may stand for election for his or her first three-year term of office.
24. Reimbursement of Expenses. Service on the Board of Directors shall be without compensation. Expenses for travel to and from meetings shall be considered a donation to the Organization.
25. Presumption of Assent. A Director of the Organization who is present at a meeting of the Board of Directors at which action on any Organization matter is taken shall be presumed to have assented to the action taken, unless his or her abstention or dissent shall be entered in the minutes of the meeting, or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before adjournment; or forward such dissent by registered mail to the Secretary of the Organization immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.
26. Removal. Any Directors, and special members who are not also staff members, may be removed with or without cause by vote of a majority of the Board of Directors. Special members who are also staff members will end their tenure on the Board when their employment ends. Any Director may be removed with or without cause by a majority vote of the Board of Directors or Committee members taken in any manner permitted by law.
27. Attendance. Directors must attend at least four (4) regularly scheduled meetings of the Board of Directors each fiscal year as scheduled by the Chair and announced in a written notice to Directors at least two (2) weeks before the first Board meeting of each fiscal year. Participation can be via conference call but it is mandatory for all Directors to attend the annual meeting in June in person. A Director who is absent for more than three (3) regularly scheduled meetings within one fiscal year shall be deemed an absentee Director and shall be automatically removed as a Director. The Chair shall give written notice to the absentee Director and shall announce the vacancy at the next regularly scheduled meeting of the Board of Directors.
28. Resignation. A Director may resign his or her seat at any time by tendering a resignation in writing to the Chair of the Board of Directors. A resignation shall become effective upon the date specified in such notice or, if no date is specified, upon receipt of the resignation by the Organization at its principal place of business.

OFFICERS

29. **Number of Officers.** The Chair, Vice Chair, Secretary and Treasurer of the Board of Directors shall be Organization Officers. Each shall be elected or appointed in accordance with the provisions of this Article. The Directors may also elect such other officers and assistant officers as the Board may deem necessary or appropriate. No one person can hold the office of Chair and another office simultaneously. Any other combination of two (2) or more offices may be held by the same person.
30. **Officers Election and Term of Office.** The officers of the Board of Directors shall be elected annually by the Board of Directors at the Annual Meeting in June. Each officer shall hold office for a term of one (1) year or until his or her earlier death, resignation, or removal from office in the manner hereinafter provided, and may succeed himself or herself resulting in a maximum of two (2) full fiscal years, with partial years being disregarded for this purpose.
31. **Chair of the Board.** The Chair shall, when present, preside at all meetings of the Board of Directors and the Executive Committee, and shall perform other duties as may from time to time be prescribed by the Board of Directors. Deeds, mortgages, bonds, contracts, and other instruments that the Board of Directors has authorized to be executed, and that are approved by the Corporate Members as authorized in Section 6(F), shall be signed by the Chair of the Board of Directors, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or these Bylaws to some other officer or agent of the Organization or shall be required by law to be otherwise signed or executed. The Chair shall distribute to all Corporate Members and Directors annual reports from each of the Organization's program areas and from the Office of Development to arrive in Corporate Member's and Director's mailboxes by email or U.S. mail at least three (3) weeks, or twenty-one (21) days before the Annual Meeting of the Board.
32. **Vice Chair of the Board.** In the absence of the Chair or in the event of his or her death, inability, or refusal to act, the Vice-Chair shall perform the duties of the Chair (pending election, if necessary, of a successor pursuant to Section 37 below), and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Chair.
33. **Secretary of the Board.** The Secretary shall keep the minutes of the proceedings of the Board of Directors, including committee reports, in one or more books provided for that purpose. The Secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records of the Organization; keep a register of the post office address for each of the Board of Directors, which address shall be furnished to the Secretary by each Director; and in general perform all duties incident to the office of Secretary and such other duties as may from time to time be assigned to him or her by the Chair or by the Board of Directors. The Secretary shall serve as a member of the Bylaws Committee as it is constituted from time to time.
34. **Treasurer of the Board.** The Treasurer may not sign checks for the Organization. Otherwise, the Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Organization; oversee the receipt of monies due or payable to the Organization from any source whatsoever, and assure the deposit of all such monies in the name of the Organization in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article IV of these Bylaws; oversee the disbursement of funds of the Organization in accordance with the directives of the Board of Directors, assuring proper vouchers for such disbursements; and render to the Board of Directors, at its Annual Meeting in June and at such other times as may be requested by

the Board of Directors, an account of all the transactions of the Treasurer and of the financial condition of the Organization. The Treasurer shall serve as the Chair of the Finance Committee of the Organization. The Treasurer shall in general perform all duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him or her by the Chair of the Board of Directors.

35. Attendance. Each Director must attend at least four (4) of the regular meetings of the Board during a fiscal year (July 1 through June 30). Any Director missing three (3) or more regular meetings in a fiscal year shall be notified by the Board Chair; said Director will be automatically dropped from the Board.
36. Removal of an Officer. Any Director removed from office shall be automatically removed as a Director. The Board of Directors may remove any officer when, in its judgment, the best interests of the Organization will be served thereby.
37. Vacancy of an Officer. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise of the Director holding such office, may be filled by the Board of Directors by the provisions in Section 7, or at any time that would benefit the operation of the Organization.
38. Resignation. An officer may resign his or her office at any time by tendering his or her written resignation in writing to the Chair or, in the case of the resignation of the Chair, to the Secretary. A resignation shall become effective upon the date specified in such notice, or, if no date is specified, upon receipt of the resignation by the Organization at its principal place of business.
39. The Executive Director. The Executive Director shall be an ex-officio member of the Board of Directors with voice but no vote.

The Executive Director shall be compensated for his or her services rendered to the Organization in such amount, and according to such terms and conditions, as shall be determined by the Board of Directors. Request for travel expenses out of town for the Executive Director in the course of coordinating the affairs of the Organization may be reimbursed by the Organization upon approval in advance by the Executive Committee of the Board, and following approval, with proper substantiation for the external auditors.

STANDARD OF CONDUCT

40. Standard of Conduct. A Director or an Officer of the Organization shall discharge his or her duties as a Director or an Officer, including duties as a member of a Committee:
 - (A) In good faith, scrupulously and carefully safeguarding the original vision and mission of the Organization
 - (B) With the care any ordinarily prudent person in a like position would exercise under similar circumstances; and
 - (C) In a manner he or she believes to be in the best interest of the Organization.

41. Reliance on Third Parties. In discharging his or her duties, a Director or Officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:
- (A) One or more Officers or employees of the Organization who the Director or Officer reasonably believes to be reliable and competent in the matters presented;
 - (B) Legal counsel, public accountants, or other persons as to matters the Director or Officer reasonably believes are within the person's professional or expert competence; or
 - (C) A Committee of the Board of Directors of which the Director or Officer is not a member, as to matters within its jurisdiction, if the Director or Officer reasonably believes the Committee merits confidence.
42. Bad Faith. A Director or Officer is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by Section 40 unwarranted.
43. No Liability. A Director or Officer is not liable for any action taken, or any failure to take action, as a Director or Officer, if he or she performs the duties of his or her office in compliance with the provisions of this Article, or if he or she is immune from suit under the provisions of Section 48-58-601 of the Act.
44. No Fiduciary. No Director or Officer shall be deemed to be a fiduciary with respect to the Organization or with respect to any property held or administered by the Organization including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

EXECUTIVE COMMITTEE

45. Membership. The Executive Committee shall be comprised of the Chair, Vice-Chair, Secretary, and Treasurer of the Board of Directors. The Executive Director shall serve as an Ad-Hoc member of the Committee with voice but no vote, and may be excused from individual meetings when the subject of those meetings require closure measures at the sole discretion of the Officers. The designation of the Executive Committee and the delegation of authority thereto shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.
46. Authority. The Executive Committee, when the Board of Directors is not in session, shall have and may exercise all authority of the Board of Directors except to the extent, if any, that such authority shall be limited by these Bylaws. All action taken by the Executive Committee shall be subject to ratification by the Board of Directors at the next meeting of the full Board. However, the Executive Committee shall not have the authority of the Board of Directors with respect to filling any vacancy on the Board; amending or repealing any resolution of the Board that by its expressed terms is not so amendable or repealable; amending or repealing the Charter or the Bylaws of the Organization; adopting a plan of merger or consolidation; selling, leasing, or otherwise disposing of all or substantially all the property and assets of the Organization, other than in the usual and regular course of its business; or voluntarily dissolving the Organization or revoking a voluntary dissolution. The Executive Committee may not cancel or re-schedule regularly-scheduled meetings of the full Board of Directors.

47. Responsibility. The Executive Committee is responsible to act on behalf of the full Board when meetings of the full Board are not planned in advance or are otherwise not possible to convene in a timely fashion or are not advisable or necessary for various reasons.
48. Meeting Frequency, Notice, and Minutes. Regular meetings of the Executive Committee may be held at times and places as the Executive Committee may from time to time fix by resolution. Special meetings of the Executive Committee may be called by the Chair, acting alone, or by any other member with the concurrence of a majority of the members of the Executive Committee. Notice of such meetings shall conform with Sections 17 and 18 above.

Written minutes of each meeting shall be kept by the Secretary of the Board. They shall be forwarded to the Chair of the Board of Directors, Corporate Members, and the Executive Director.

49. Quorum. A majority of the voting members of the Executive Committee shall constitute a quorum for the transaction of business at any meeting hereof. Action of the Executive Committee must be authorized by the affirmative vote of a majority of all voting members at a meeting at which a quorum is present.
50. Action Without a Meeting. Any action required or permitted to be taken by the Executive Committee at a meeting may be taken without a meeting in accordance with the provisions of Section 21 of these Bylaws.
51. Procedure. The Executive Committee may fix its own rules of procedure, provided such rules are not inconsistent with these Bylaws. The Executive Committee shall keep regular minutes of its proceedings, which written minutes shall be filed with the Secretary of the Board, and report its proceedings to the Board of Directors for its information at the next meeting of the Board held after such proceedings.
52. New Projects. The members of the New Projects Committee shall be Directors. The Executive Director shall be a committee member. Residents in the Middle Tennessee area may serve as invited consultants for specific projects. The New Projects Committee shall undertake the following action:
 - (A) Make all programming decisions in light of the mission of the Organization.
 - (B) Explore the needs of the Nashville community or other communities.
 - (C) Design new programs that address the mission of the Organization, the needs of communities, and the resources of the Organization. Draft a budget and timeline for each proposed new program, and submit the design, budget, and timeline to the full Board of Directors for review.
 - (D) Upon approval from or directive from the Board of Directors, initiate a plan of action to implement new programs. Hire program directors, as needed.
 - (E) Oversight new programs for one year incubation after the program initiation. Evaluate the new program at that time to continue it or recommend to the Board of Directors termination of the program or transfer to another nonprofit organization.
 - (F) After the one-year incubation period noted above, or whenever the program is deemed “stable”, transfer oversight of the program to the appropriate other Standing Committee.

- (G) Take minutes of meetings and email copies to the Chair of the Corporate Members, the Chair of the Board of Directors, and the Executive Director.
- (H) Publish or cause to be published notice of meetings of the Committee in accordance with Sections 17 and 18 above.
- (I) Submit an annual written report on the work of the Committee to the Chair of the Board of Directors from thirty (30) to sixty (60) days in advance of the Annual Meeting of the Board in June.

OTHER STANDING COMMITTEES OF THE BOARD

- 53. All Standing Committees of the Board other than the Executive Committee shall consist of three (3) or more members as designated by the Chair of the Board and approved by the Board of Directors, one member of which must be a Board Director, and the other two or more may be non-Directors appointed by the Board of Directors to serve on that Committee only for a duration of time to be determined by the Board or by their earlier death, resignation, or removal. Committee members shall be under the control and serve at the pleasure of the Board, shall have charge of such duties as may be assigned to them by the Board or these Bylaws, shall maintain a permanent record of their meetings and other proceedings, and shall regularly submit a report of their meetings and proceedings to the Board for discussion and action, if needed. The Executive Director of the Organization may serve on each Standing Committee as an ex-officio, non-voting member. For each Standing Committee that oversees a Program area of the Organization, the Staff Director of that Program area shall serve on the committee as an ex-officio, non-voting member.
- 54. There shall be the following Standing Committees other than the Executive Committee:
 - (A) Finance
 - (B) Board Development
 - (C) Education Programs
 - (D) Fundraising

GENERAL PROVISIONS FOR STANDING COMMITTEES OTHER THAN THE EXECUTIVE COMMITTEE.

- 55. Numbers, Appointment, Terms, and Privileges of Members. The Chair of the Board shall appoint all Board Directors, each appointment being subject to the approval of the Board Director who is being appointed, who are not on the Executive Committee to positions on one of the other Standing Committees. The Program area Directors shall be ex officio, non-voting members of the respective Program area Standing Committees. The appointment of Board Directors to the Standing Committees shall be made at each Annual Meeting of the Board, or as soon as practicable thereafter. The Board of Directors of each Standing Committee shall hold office for a term of one (1) year, immediately following the meeting at which they are appointed and ending after the close of the next Annual Meeting of the Board at which they may be reappointed or their successors are appointed and qualified, or until their earlier death, resignation, or removal. Committee appointments are renewable for the duration of the term of office of a Board Director. For Standing

Committees that have fewer than three (3) Board Directors, the Chair of the Standing Committee may appoint Committee members who are not Board Directors or staff persons to serve as working members of the Committee with voice but no vote. Non Board of Director members of each Standing Committee must be approved by the Executive Committee and shall hold office from the time of their appointment until the next Annual Meeting of the Board of Directors. These appointments are renewable at Annual Meetings of the Board.

56. Removing a Member. The Board may remove a member of a Standing Committee when, in its judgment, the best interests of the Organization will be served by such removal.
57. Filling a Vacancy. The Chair of the Board of Directors shall fill all Board Director vacancies in Standing Committees that occur ninety (90) days or more before the Annual Meeting, subject to the approval of the Board.
58. Meeting Frequency and Minutes. Meetings of Standing Committees may be called by their respective Chairs or by the Chair of the Board of Directors. Each Committee shall meet as often as is necessary to perform its functions, but not fewer than (3) times a year.

Written minutes of each meeting shall be forwarded to the chair of the Corporate Members, the Secretary of the Board of Directors and the Executive Director.

59. Committee Rules. Each Standing Committee may adopt rules for its own governance, provided such rules are not inconsistent with the law, the Charter, or these Bylaws.
60. Quorum, Tie Vote, and Veto. A majority of the voting members of a Committee shall constitute a quorum for the transaction of business at any Committee meeting. The action of a majority of the members of a Standing Committee present at a meeting at which a quorum is present shall be the action of the Committee. The full Board of Directors retains veto power over all acts of all Standing and Ad Hoc Committees.
61. Invited Experts. Each Standing Committee may invite additional individuals with expertise or familiarity in a pertinent area to meet with and assist the Committee from time to time. Such individuals shall not vote and may be excluded from any executive session of the Committee.

STANDING COMMITTEE RESPONSIBILITIES

62. Finance Committee. The Finance Committee, in its effort to maximize the financial health of the Organization to fulfill its mission, shall undertake the following action including, but not limited to:
 - (A) Oversight and approval of the annual budget and any other financial, investment or accounting matters as specified by the Board of Directors. The Finance Committee shall monitor the financial affairs of the Organization on a quarterly or more frequent basis, and shall alert the Chair of the Board and the Board of material deviations from the budget and recommendations, to the extent advisable, to assure that the Organization remains fiscally responsible and within its budget constraints.
 - (B) Oversee and approve activities that are planned to raise funds for the Organization.
 - (C) Monitor all restricted or designated gifts for which the Organization is responsible to assure that they are managed and distributed in accordance with the wishes of the donor and all applicable

federal and state laws relating to charitable contributions. The Committee shall receive and evaluate requests and proposals for scholarships and grants from the Organization. The Committee shall make recommendations to the Board of Directors for the awarding of scholarships and grants in keeping with the purposes of the Organization.

- (D) Submit an annual written report on finances to the Chair of the Board of Directors from thirty (30) to sixty (60) days in advance of the Annual Meeting of the Board. This shall include (i) a summary of revenue and expenses to date of the report; (ii) a projection of total revenue and expenses through June 30 closest to the Annual Meeting of the Board; and (iii) a proposed budget, by division or department, for the Organization for the fiscal year to begin July 1 nearest the Annual Meeting of the Board.
- (E) Ensure that the bookkeeper duplicates all checks and keep them in a locked file for use by the Organization's auditor and at such other times as the Finance Committee requests them.

63. Board Development Committee. The Board Development Committee has responsibilities including but not limited to the following:

- (A) *Nominations for position of Board Director.* Establish and make known to Standing Committees and all Directors the criteria and procedures for identifying and selecting outstanding individuals who might serve as Board Directors and committee members; collect for nomination the names and profiles of such individuals at least sixty (60) days before the Annual Meeting; make a final selection of candidates from among the nominations; and distribute the written profiles of the slate of nominees to the Chair of the Corporate Members for approval. Once approved, nominees will be sent by the development Committee to all Board Directors at least thirty (30) days before the Annual Meeting in preparation for election at the Annual Meeting. The Board development Committee will consult with Program area Directors, Standing Committee Chairs and members, others Board Members, and other individuals to arrive at a short list of candidates.
- (B) *Education and Evaluation of Directors.* In order for the Board of Directors to best serve the interests of the Organization, the Board Development Committee shall keep updated guidelines, handbooks, and other materials for (i) providing a Board orientation in compliance with the charter school laws of the State of Tennessee; including but not limited to educating Board Directors in the mission and work of the Organization; (ii) describing the duties and responsibilities of Board Directors; and (iii) evaluating the service of Board Directors, it being the task of the Committee to assist in the selection and development of current and future leaders of the Organization to assure its continued growth and success in furtherance of its purposes. The Executive Director shall be responsible for generating said materials at the direction of the Committee.
- (C) *Evaluate the work of the Board* at the end of each fiscal year and make a written report on recommendation for continuous improvement of governance policies and procedures in the next fiscal year. Distribute a copy of the report to the Executive Committee and the Board Secretary.

64. Education Committee. The Committee must be comprised of a majority of educators with experience – with local school districts, preferably those in which the charter schools are located; or with other private or public educational programs; or having a college degree in some aspect of education. The Committee shall include at least one parent member whose child attends a charter school sponsored by the Organization and the Staff Director/principal/head of Charter School who

shall have voice but no vote. The Charter Committee shall undertake the following action to maximize the effectiveness of the educational programs including, but not limited to, the following:

- (A) Coordinate and facilitate with other Board Directors, the Executive Director, and the Director of Development the fundraising and promotional activities of all educational programs.
- (B) Propose to the Board of Directors changes in the basic structure of one or more of the educational programs and monitor their effectiveness in relation to how they do or do not meet the most critical needs of the students and their families as the families relate to the students' academic success, behavioral adjustment, and spiritual needs.
- (C) Assist the Staff Director/principal/head of Charter Schools in problem solving and decision making that arises through interaction with state and local government agencies and departments, and any other agencies and agents who may affect the ability of the charter schools to exist and to carry out their and the Organization's mission.
- (D) Evaluate the overall quality of service in all educational programs and suggest to the Principal any changes that might improve that service.
- (E) Submit an annual written report on the charter Program area to the Chair of the Board of Directors from thirty (30) to sixty (60) days in advance of the Annual Meeting of the Board in June.
- (F) By action of the voting members of the Charter Committee, devise a written tool to evaluate the performance of the charter Principals, undertake an annual evaluation of the Principals, and submit a written report of those evaluations and recommendations, if any, to the Chair of the Board from thirty (30) to (60) days in advance of the Annual Meeting of the Board or at other times as the SCA Committee deems necessary by majority vote or as requested by the Chair of the Board.
- (G) Publish or cause to be published notice of meetings of the Committee in accordance with Sections 17 and 18.

65. **Fundraising Committee.** The Chair of the Fundraising Committee shall be a Director. Other Committee members may be Directors or residents in the Middle Tennessee area who have interest and expertise in this area. The Fundraising Committee shall undertake the following actions to maximize the effectiveness of the mission of the Organization:

- (A) Create a plan that will guide the organization in seeking out and securing funding from an array of outside sources.
- (B) Oversees development and implementation of the Fundraising Plan and identify and communicate with potential donors to support the work of the organization.
- (C) Identifies and solicits funds from external sources of support, working with the finance committee Chair to ensure the financial goals are adhered to and are met.
- (D) Take minutes of meetings and email copies to the Chair of the Corporate Members, the Chair of the Board of Directors, and the Executive Director.

(E) Publish or cause to be published notice of meetings of the Committee in accordance with Sections 17 and 18.

(F) Submit an annual written report on the work of the Committee to the Chair of the Board of Directors from thirty (30) to sixty (60) days in advance of the Annual Meeting of the Board in June.

66. Ad-Hoc Committees. The Chair of the Board of Directors, with the approval of the Board as evidenced by resolution, may from time to time create such Ad-Hoc Committees as the Chair believes necessary or desirable to investigate matters, to carry out new programs, or to advise the Board. Ad-Hoc Committees shall limit their activities to the accomplishment of the tasks for which they were created and shall have no power to act except as specifically conferred by resolution of the Board. Such Committees shall operate until their tasks have been accomplished or until earlier discharged by the Board.

ARTICLE III: FINANCES

67. Fiscal Year. The fiscal year of the Organization shall begin on July 1 and end on June 30.
68. Exempt Status. The Organization and its divisions and parts have been organized and will be operated exclusively for exempt purposes within the meaning of Section 501 (c) (3) of the Code and, as such, will be exempt from taxation under Section 501 (a) of the Code. Any provision of these Bylaws or of the Charter that would in any manner adversely affect the Organization's tax exempt status shall be void and shall be deleted or modified as necessary to comply with all applicable federal and state requirements for the maintenance of the Organization's tax exempt status.
69. Contracts and Employment of Agents. The Board of Directors, with prior approval of the Corporate Members, may authorize any officer or officers, agent or agents, to enter into any contract, or execute and deliver any instrument, in the name of and on behalf of the Organization; and such authority may be general or confined to specific instances. The Board is specifically authorized to enter into such agreements as, in its discretion, it may deem necessary or desirable, with qualified individuals, institutions or agencies to act as custodians or investment managers of the Organization's funds; to write annuity contracts, trust agreements and other financial plans; and to perform such other financial tasks related to the management of the assets of the Organization as the Board may from time to time deem necessary or appropriate. Furthermore, the Board of Directors shall be specifically authorized to employ and to pay the compensation for such agents, accountants, custodians, experts, and other counsel, legal, investment or otherwise, as the Board shall deem advisable, and to delegate discretionary powers to, and rely upon information furnished by, such individuals or entities.
70. Loans. No loans shall be contracted on behalf of the Organization, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors. with prior approval of the Corporate Members. Such authority may be general or confined to specific instances.
71. Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Organization shall be submitted for approved in writing and approved by the Executive Director in writing. For Organization checks under \$2,000: the Executive Director or another Board of Directors authorized staff person may sign. For checks

of \$2,000 or above: the Executive Director will sign these checks along with another Board of Directors authorized cosigner. The Executive Director shall oversee a purchasing system with receipts and descriptions of all purchases, the verification of which is acceptable to an independent auditor for the Organization.

72. Deposits. All funds of the Organization not otherwise employed shall be deposited from time to time to the credit of the Organization in such banks, trust companies, or other depositories as the Board shall approve.
73. The Founder of the Organization shall serve as consultant to the Organization governance and to staff administrators until death or resignation. She shall receive a check in the amount of \$1,000 per month until death as back wages for the 20 years she served as Executive Director of the Organization at less than half pay per year.

INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

74. Mandatory Indemnification of Directors and Officers. To the maximum extent permitted by the provisions of Sections 48-58-501, *et. seq.*, of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof; such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section that occur subsequent to the effective date of such amendment), the Organization shall indemnify and advance expenses to any person who is or was a Director or Officer of the Organization or to such person's heirs, executors and administrators, for the defense of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal (any such action, suit, or proceeding being hereinafter referred to as the "Proceeding"), to which such person was, is, or is threatened to be made, a named defendant or respondent, which indemnification and advancement of expenses shall include counsel fees actually incurred as a result of the Proceeding or any appeal thereof; reasonable expenses actually incurred with respect to the Proceeding, all fines (including any excess tax assessed with respect to an employee benefit plan), judgments, penalties, and amounts paid in settlement thereof; subject to the following conditions:
 - (A) The Proceeding was instituted by reason of the fact that such person is or was a Director or Officer of the Organization; and
 - (B) The Director or Officer conducted himself or herself in good faith, and he or she reasonably believed (i) in the case of conduct in his or her official capacity with the Organization, that his or her conduct was in its best interest; (ii) in all other cases, that his or her conduct was at least not opposed to the best interests of the Organization, and (iii) in the case of any criminal proceeding, that he or she had no reasonable cause to believe his or her conduct was unlawful. The conduct of a Director or Officer with respect to an employee benefit plan for a purpose he or she reasonably believed to be in the interest of the participants in, and beneficiaries of, the plan shall be conduct that satisfied the requirements that such person's conduct was at least not opposed to the best interests of the Organization. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent is not, of itself, determinative that the Director or Officer did not meet the standard of conduct herein described.

75. Permissive Indemnification of Employees and Agents. The Organization may, to the maximum extent permitted by the provisions of Section 48-58-502, *et. seq.*, of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof; such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), indemnity and advance expenses in a Proceeding to any person who is or was an employee or agent of the Organization, or to such person's heirs, executors, and administrators, to the same extent as set forth in Section 74 above, provided that the Proceeding was instituted by reason of the fact that such person is or was an employee or agent to the Organization and met the standards of conduct set forth in Section 74(B) above. The Organization may also indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Organization to the extent, consistent with public policy, as may be provided by the Charter, by these Bylaws, by contract, or by general or specific action of the Board of Directors.
76. Non-Exclusive Application. The rights to indemnification and advancement of expenses set forth in Sections 74 and 75 above are contractual between the Organization and the person being indemnified, and his or her heirs, executors and administrators, and are not exclusive of other similar rights of indemnification or advancement of expenses to which such person may be entitled, whether by contract, by law, by Charter, by a resolution of the Board of Directors, by these Bylaws, by the purchase and maintenance by the Organization of insurance on behalf of a Director, Officer, employee or agent of the Organization, or by an agreement with the Organization providing for such indemnification, all of which means of indemnification and advancement of expenses are hereby specifically authorized. "The rights of indemnification and advancement of expenses set forth in this Article shall also apply, as appropriate, to any person who was an Officer, Director, employee or agent of the Organization, and to any Officer, Director, employee, or agent of the Organization (or such person's heirs, executors and administrators) who served in any capacity for another association, corporation, partnership, or trust at the request of this Project.
77. Non-Limiting Application. The provisions of this Article shall not limit the power of the Organization to pay or reimburse expenses incurred by a Director, Officer, employee, or agent of the Organization in connection with such person's appearing as a witness in a Proceeding at a time when he or she has not been made a named defendant or respondent to the Proceeding.
78. Prohibited Indemnification. Notwithstanding any other provision of this Article, the Organization shall not indemnify or advance expenses to or on behalf of any Director, Officer, employee, or agent of the Organization, or such person's heirs, executors or administrators:
- (A) If a judgment or other final adjudication adverse to such person establishes his or her liability for any breach of the duty of loyalty to the Organization, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or under Section 48-58-304 of the Act; or
 - (B) In connection with a Proceeding by or in the right of the Organization which such person was adjudged liable to the Organization; or
 - (C) In connection with any other Proceeding charging improper personal benefit to such person, whether or not involving action in his or her official capacity, in which he or she was judged liable on the basis that personal benefit was improperly received by him or her.

79. Repeal or Modification Not Retroactive. No repeal or modification of the provisions of this Article, either directly or by the adoption of a provision inconsistent with the provisions of this Article, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

CONFLICTS OF INTEREST

80. General. A conflict of interest transaction is a transaction with the Organization in which a Director or Officer of the Organization has a direct or indirect interest. A Director or Officer of the Organization has an indirect interest in a transaction if, but not only if, a party to the transaction in another entity in which the Director or Officer has a material interest, or of which the Director or Officer is a general partner, Corporate Member, Officer, or Director. A conflict of interest transaction is not voidable or the basis for imposing liability on the Director or Officer if the transaction was fair at the time it was entered into or if the transaction is approved.
81. Manner of Approval. A transaction in which a Director or Officer of the Organization has a conflict of interest may be approved if:
- (A) The material facts of the transaction and the interest of the Director or Officer were disclosed or known to the Board of Directors, or to a Committee consisting entirely of members of the Board of Directors, and the Board of Directors or such Committee authorized, approved, or ratified the transaction; or
 - (B) Approval is obtained from the Attorney General of the State of Tennessee, or from a court of record having equity jurisdiction in an action in which the Attorney General is joined as a party.
82. Quorum Requirements. For purposes of Section 7, a conflict of interest transaction is authorized, approved or ratified if it receives the affirmative vote of a majority of the Directors on the Board of Directors, or on a Committee consisting entirely of members of the Board of Directors, who have no direct or indirect interest in the transaction; but a transaction may not be authorized, approved, or ratified under this Article by a single Director. A quorum is present for the purpose of taking action under this Section if a majority of the Directors on the Board who have no direct or indirect interest in the transaction vote to authorize, approve, or ratify the transaction. The presence of, or vote cast by, a Director with a direct or indirect interest in the transaction does not affect the validity of any action taken under Section 7.A if the transaction is otherwise approved as provided in Section 7.

ARTICLE IV: ORGANIZATIONAL STRUCTURE

83. The Executive Director is responsible for the following: Development, Non SCA finances, audits, operations/facilities, PREP Afterschool Program, and any additional programs established that are not carried out within the school day.
84. The Principal is responsible for the school finances, school programs, SCA Staff, and Transportation. Any situation directly related to the school should be handled by the Principal. If the Principal is in need of additional guidance, then he or she may consult with the Executive Director. The Executive Director will in turn bring the concern to the Board of Directors if necessary.

ARTICLE V: OTHER POLICIES AND PROCEDURES

85. Non-Discrimination. The Organization complies with all federal guidelines and statutes regarding non-discrimination and is in solidarity with the spirit that generated those guidelines and statutes. No person is denied employment and no staff person is discriminated against on the basis of race, creed, gender, sexual orientation, age, physical condition, religion, or any other defined quality so long as they are mentally and physically able to do the job for which they apply.
86. Sexual Harassment. The Organization maintains a safe workplace for staff persons and for clients. Unwarranted touching, gestures, sounds, or language that is perceived by a staff person as sexual harassment will not be tolerated. Such activity should be reported immediately to the supervisor who will take action immediately to ensure that the activity does not recur. Such activity that may be deemed criminal will be reported immediately to the proper authorities, and the staff person who reports the abuse will be encouraged and supported to get counseling or otherwise initiate healing from harmful effects.
87. Nepotism. Close relatives related by blood or by law—defined as spouse, son, daughter, sibling, parent, grandparent, grandchild, niece, nephew, aunt, uncle, or first cousins—may work together at the Organization with the exception that no relative in one family may have an immediate supervisor who is a relative in the same family.
88. Whistleblower Policy. The Organization requires Directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Organization, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

(A) *Reporting Responsibility*. It is the responsibility of all Directors, officers and employees to report ethics violations or suspected violations in accordance with this Whistleblower Policy.

(B) *No Retaliation*. No Director, officer or employee who in good faith reports an ethics violation shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the Organization prior to seeking resolution outside Project Reflect.

(C) *Reporting Violations*. The Organization has an open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if an employee is not comfortable speaking with the supervisor or is not satisfied with the supervisor's response, the employee is encouraged to speak with anyone in human resources management whom the employee is comfortable in approaching. Supervisors and administrators are required to report suspected ethics violations to Project Reflect's Compliance Officer, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when the employee is not satisfied or is uncomfortable with following the Organization's open door policy, individuals should contact Project Reflect's Compliance Officer directly.

(D) *Compliance Officer*. The Organization's Compliance Officer shall be a Board Director appointed by the Board for a term of one year. The Compliance Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations and, at his/her discretion, shall advise the Executive Director and/or the Executive Committee of the Board

of Directors. The Compliance Officer has direct access to the Executive Committee of the Board of Directors and is required to report to the Board's Finance Committee at least annually on compliance activity. The Board of Directors shall appoint the Compliance Officer who may be a Board member or a staff person.

(E) *Accounting and Auditing Matters.* The audit committee of the Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the audit committee of any such complaint and work with the committee until the matter is resolved.

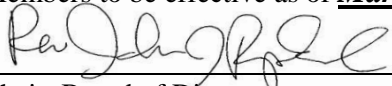
(F) *Acting in Good Faith.* Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

(G) *Confidentiality.* Violations or suspected violations may be submitted to the Compliance Officer on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

(H) *Handling of Reported Violations.* The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

89. Waiver of Notice. Whenever any notice is required to be given to any Director, Officer, or Committee member of the Organization under the provisions of these Bylaws, the Charter, or the Act, a waiver thereof in writing assigned by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.
90. Amendments. These Bylaws and the Charter may be altered, amended, or repealed, and a new Charter or Bylaws adopted, upon the affirmative vote of three-fourths (3/4) of the Board of Directors present at any annual or special meeting where there is a quorum, except to the extent that such alteration, amendment or repeal is inconsistent with this Section, or would have the effect of weakening, altering, or in any way challenging the original mission and vision of the Organization as expressed in the Preamble to these Bylaws, a mission and vision encapsulated in the phrase, "bringing good news to the poor" or as in any matter pertaining to the founder. Any rewriting or revisions are subject to veto by the Corporate Membership.
91. Dissolution. In the event of the dissolution of the Organization or any forced liquidation, any assets remaining after the satisfaction of claims of creditors and all other costs, charges, and expenses of liquidation of dissolution are paid, shall be transferred to an organization or organizations that are identified by the Board of Directors and approved of by the Corporate Members and that are engaged in religious, charitable or educational purposes and exempt from taxation under the United States Internal Revenue Code, and engaged in activities consistent with the purposes of this Corporation.

The foregoing revised Bylaws were adopted and approved by the Board of Directors and the Corporate Members to be effective as of **March 08, 2016**.



Chair, Board of Directors



Chair, Corporate Members

Date 03-08-2018

Date 03/08/18