



# *Bylaws*

**Crestmont School, Incorporated**

*Revised Sept 2006*

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**By Laws  
Of  
Crestmont School, Inc.,  
A California Public Benefit Corporation**

**Article 1: Offices**

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**Section 1. Principal Office**

The principal office of the corporation for the transaction of its business is located in Contra Costa County, California at 6226 Arlington Boulevard, Richmond, 94805.

**Section 2. Change of Address**

The county of the corporation's principal office can be changed only by amendment of these Bylaws and not otherwise. The Board of Directors may, however, change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed an amendment of these Bylaws:

_____	Dated: _____ , 19__
_____	Dated: _____ , 19__
_____	Dated: _____ , 19__

**Article 2: Purpose**

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**Section 1. Purpose**

The purpose of this corporation shall be to provide a parent participation primary education school and a before and after school care program. It shall be non-sectarian and interracial.

## **Article 3: Members**

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### **Section 1. Determination and Rights of Members**

- a) The corporation shall have two classes of membership, Class F and Class E. No member shall hold more than one Class F and one Class E membership in the corporation. Except as expressly provided in or authorized by the Articles of Incorporation or Bylaws of this corporation, all memberships shall have the same rights, privileges, restrictions and conditions.
- b) Class F members who are also Class E members or whose co-signator on the Parent Contract is a Class E member are not relieved of their duties and responsibilities as Class F members by virtue of the existence of the Class E membership.

### **Section 2. Qualification of Members**

- (a) Class F Membership: Each family with a child or children properly enrolled in Crestmont shall have one Class F membership in the corporation. A student is properly enrolled when there is a Parent Contract duly executed for the current academic year. The membership shall be held by the custodial parent(s) or guardian(s) of the child or children so enrolled who have signed the Parent Contract. In the case where there are two custodial parents or guardians who have signed the Parent Contract, the membership shall be held and exercised jointly by the custodial parents or guardians.
- (b) Class E Membership: Each permanent teacher of the grades K through 5, and the Director of the Before and After School Care Program shall have one Class E membership in the corporation. No other teachers or employees shall have Class E memberships.

### **Section 3. Admission of Members**

- (a) Class F Members: Class F members are admitted to the corporation upon the admission of their child or children into the school and execution of Parent Contract for the term of the contract. Children are admitted to the school by the Admissions Committee.
- (b) Class E Members: Class E members are admitted to the Corporation upon execution of a contract of employment by the school. Contracts of employment shall only be initially executed with the approval of a majority of the membership.

## **Section 4. Powers**

The powers of the membership shall include:

- (a) Election and/or removal of Officers and Directors;
- (b) Approval of the annual budget for the corporation and all amendments thereto; however, the membership shall only approve the annual budget and amendments thereto that revise programs or staffing levels after the annual budget and such amendments are first considered by the Board of Directors at a properly noticed meeting of the Board. (Rev. 10-14-93)
- (c) Approval of all expenditures of more than \$1,000 not specifically authorized in the annual budget or amendments thereto;
- (d) Approval of changes in the obligations and duties of members;
- (e) Approval of revisions in the Bylaws of the corporation; and
- (f) Approval of revisions in the Articles of Incorporation.

## **Section 5. Insurance for Corporate Agents**

The membership may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee or other agent of the corporation) against any liability other than for violating provisions of law relating to self-dealing (section 5233 of the California Nonprofit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

## **Section 6. Duties, Fees, Tuition, and Assessments**

- (a) Class F Members: All Class F members shall pay fees, tuition, and assessments and perform such duties and obligations as stated in the Parent Contract.
- (b) Class E Members: All Class E members shall perform such duties and obligations as stated in the Employment Contract. Class E members shall pay no fees or assessments as Class E members.

## **Section 7. Membership Records**

The corporation shall keep membership records containing the name and address of each member. Termination of the membership of any member shall be recorded, together with the date of termination of such membership. Such records shall be kept at the corporation's principal office and shall be available for inspection by any director or member of the corporation.

The record of names and addresses of the members of this corporation shall constitute the membership roster of this corporation and shall not be used, in whole or part, by any person for any purpose not reasonably related to a member's interest as a member.

## **Section 8. Nonliability of Members**

A member of this corporation is not, as such, personally liable for the debts, liabilities, or obligations of the corporation.

## **Section 9. Nontransferability of Memberships**

No member may transfer a membership or any right arising there from. All rights of membership cease upon the member's death.

## **Section 10. Termination of Membership**

- (a) Class F Membership: Class F membership shall normally terminate upon the expiration of the Parent Contract. Class F membership may also be terminated through the following process:
- (1) A teacher or Board member may bring issues of termination to the Board of Directors.
  - (2) A membership shall be terminated (1) upon a determination by the Board in conformance with the terms of the Parent Contract; or (2) upon a determination by the Board that the member has engaged in conduct materially and seriously prejudicial to the interests or purposes of the corporation.
  - (3) A member who is to be expelled per subparagraph (a)(2) of this section, shall have the right to be notified in writing within five (5) days of the expulsion, the reasons therefore, and the right to appeal the decision and to be heard, either orally or in writing, at a hearing to be held by the Board. The member shall have fifteen (15) days from the date of the notice to appeal. The Board shall hold a hearing within fifteen (15) days of the date of the appeal. The Board may, at its discretion, suspend any or all rights of membership until the final Board decision on termination is made.

(4) Following the hearing, the Board of Directors shall decide whether or not the member should in fact be expelled or sanctioned in some other way. The decision of the Board shall be final and cannot be appealed to the membership.

(b) Class E Membership: Class E membership shall be terminated if the member ceases to hold one of the employment positions as stated in (b) of Section 2, Qualification of Members.

### **Section 11. Rights on Termination of Membership**

All rights of a member in the corporation shall cease on termination of membership as herein provided.

### **Section 12. Amendments Resulting in the Termination of Memberships**

Notwithstanding any other provision of these Bylaws, if any amendment of the Articles of incorporation or of the Bylaws of this corporation would result in the termination of all memberships or any class of memberships, then such amendments shall be effected only in accordance with the provisions of Section 5342 of the California Nonprofit Public Benefit Corporation Law.

## **Article 4: Meetings of Members**

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### **Section 1. Place of meetings**

Meetings of members shall be held at the principal office of the corporation or at such other place or places as may be designated from time to time by resolution of the membership.

### **Section 2. Regular and annual meetings**

The members shall hold a regular meeting each month September through June on the second Thursday at 7:00 p.m. or on such other date and time each month as stated in the school calendar. The April meeting also shall be the annual meeting for the purpose of electing directors.

### **Section 3. Special meetings of members**

Special meetings of the members shall be called by the President of the corporation or the Board of Directors. In addition, special meetings of the members for any lawful purpose may be called by twenty percent (20%) or more of the members.

#### **Section 4. Notice of meetings**

- (a) Regular Meetings: Regular meetings of the members shall be included in the annual calendar. In addition, notice of the meeting in the form of an agenda shall be posted three days prior to the meeting on the school bulletin board.
- (b) Special Meetings: Notice of special meetings of members shall be made two weeks prior to the meeting during the regular school term by placing of an agenda in each member's school mailbox and the posting of the agenda on the school bulletin board, and during the remainder of the year by mailing of an agenda to each member.
- (c) Special Notice Rules for Approving Certain Proposals: If action is proposed to be taken with respect to the following proposals, such action shall be invalid unless notice in the form of a description of the proposal is placed in each member's school mailbox and is posted on the school bulletin board at least two weeks prior to consideration of the proposal during the regular school term and during the remainder of the year is mailed to each member at least two weeks prior to consideration of the proposal:
  - 1. Removal of directors without cause;
  - 2. Filling of vacancies on the Board by members;
  - 3. Amending the Articles of Incorporation;
  - 4. Amending the Bylaws; and
  - 5. An election to voluntarily wind up and dissolve the corporation.

#### **Section 5. Quorum for meetings**

A quorum shall consist of fifty percent of the voting members of the corporation.

The members present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of members from the meeting provided that any action taken after the loss of a quorum must be approved by at least a majority of the members required to constitute a quorum.

#### **Section 6. Majority action as membership action**

Every act or decision done or made by a majority of voting members present in person at a duly held meeting at which a quorum is present is the act of the members, unless the law, the Articles of Incorporation of this corporation, or these Bylaws require a greater number.

#### **Section 7. Voting rights**

Each membership is entitled to one vote regardless of the number of children in the school on each matter submitted to a vote of the members. Furthermore, a member holding both a Class F and Class E membership shall have only one vote on each matter submitted to a vote of the members. Voting at duly held meetings shall be by

voice vote, unless decided by the membership otherwise. Election of Directors, however, shall be by ballot.

### **Section 8. Proxy voting**

Members entitled to vote shall not be permitted to vote or act by proxy.

### **Section 9. Conduct of meetings**

Meetings of members shall be presided over by the President of the corporation or, in his or her absence, by the Membership Chair of the corporation or, in the absence of all of these persons, by a Chairperson chosen by a majority of the voting members present. The Secretary of the corporation shall act as Secretary of all meetings of members, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the meeting.

Meetings shall be governed by Robert's Rule of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this corporation, or with any provision of law.

### **Section 10. Nomination and election procedures**

- (a) At the membership meeting in March of each year, nominations shall be opened for each Board position, including President, Membership Chair, Treasurer, and Secretary. Nominations shall be taken at the meeting and then remain open for one week after the membership meeting by the posting of a list of Board positions on the school bulletin board and the submittal of nominations to the Secretary.
- (b) After the one week nomination period, the Secretary shall verify the willingness of each nominee to serve if elected and shall obtain from each nominee information regarding the period of time as member of the school, offices and duties previously performed in the corporation, and any other information relevant to serving as a Director. The Secretary shall, with the approval of the Board of Directors, prepare a form for obtaining the information.
- (c) At least one week prior to the annual membership meeting at which election of Directors will take place, the Secretary shall distribute to each member a copy of the information regarding nominees for Directors.
- (d) Additional nominations may be taken at the annual membership meeting in April prior to voting for Directors. If any additional nominations are received, the nominee shall make a brief statement to provide the membership the information referred to in (b) of this Section 10.

## **Article 5: Directors**

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### **Section 1. Number**

The corporation shall have from nine to fifteen directors and collectively they shall be known as the Board of Directors. The specific number of Directors and their individual responsibilities, consistent with these Bylaws, shall be established at the March membership meeting prior to the opening of nominations. The number of Directors stated in the first sentence of this paragraph may be changed by amendment of these Bylaws, or by repeal of these Bylaws and adoption of a new Bylaws, as provided in these Bylaws.

### **Section 2. Powers**

Subject to the provisions of the California Nonprofit Public Benefit Corporation law and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the members of this corporation, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors. Specifically, the powers of the Board shall include:

- (a) Approval of hiring of employees other than 1) Class E members, and 2) employees hired on an emergency basis. Employees hired on an emergency basis must have the approval of the President, Membership Chair, and Treasurer, and may be retained for only 30 days without Board approval.
- (b) Removal of a Director for conduct materially and seriously prejudicial to the interests or purposes of the corporation.
- (c) Meet in closed session, at its discretion, in order to receive, investigate, debate, interview, and screen issues to which a potential liability is attached. Such issues may include, but not be limited to, personnel matters and confidential information regarding community members. Decisions taken as the result of such a meeting shall be made in an open session, with minutes taken as specified elsewhere in these Bylaws.

### **Section 3. Duties**

It shall be the duty of the directors to:

- (a) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these Bylaws;
- (b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the corporation;

- (c) Supervise all officers, agents and employees of the corporation to assure that their duties are performed properly; and
- (d) Meet at such times and places as required by these Bylaws.

#### **Section 4. Terms of Office**

Each director shall hold office from May 1 after the annual meeting at which elected until April 30 following the next annual meeting for election of the Board of Directors as specified in these Bylaws.

#### **Section 5. Compensation**

Directors shall serve without compensation except that they shall be allowed and given credit toward tuition as approved in the annual budget of the corporation. In addition, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties as specified in Section 3 of this Article. Directors may not be compensated for rendering services to the corporation in any capacity other than director unless such other compensation is reasonable and is allowable under the provisions of Section 6 of this Article.

#### **Section 6. Restriction regarding interested directors**

Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. For purposes of this Section, "interested persons" means either:

- (a) Any person currently being compensated by the corporation for services rendered it within the previous twelve (12) months, whether as a full- or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director, and further excluding any credit for participation; or
- (b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

#### **Section 7. Vacancies**

Vacancies on the Board of Directors shall exist (1) on the death, resignation or removal of any director, and (2) whenever the number of authorized directors is increased.

The Board of Directors may declare vacant the office of a director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under Section 5230 and following of the California Nonprofit Public Benefit Corporation Law.

Directors may be removed without cause by a majority of all members, or, if the corporation has fifty (50) or more members, by vote of a majority of the votes represented at a membership meeting at which a quorum is present.

Any director may resign effective upon giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No director may resign if the corporation would then be left without a duly elected director or directors in charge of its affairs, except upon notice to the Attorney General.

Vacancies on the Board may only be filled by a vote of the members.

A person elected to fill a vacancy as provided by this Section shall hold office until April 30 following the next annual election of the Board of Directors or until his or her death, resignation or removal from office.

### **Section 8. Non-liability of directors**

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

### **Section 9. Indemnification by corporation of directors, officers, employees and other agents**

To the extent that a person who is, or was, a director, officer, employee or other agent of this corporation has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the corporation, or has been successful in defense of any claim, issue or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding.

If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation but only to the extent allowed by, and in accordance with the requirements of, Section 5238 of the California Nonprofit Public Benefit Corporation Law.

## **Article 6: Meetings of Directors**

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### **Section 1. Place of meetings**

Meetings shall be held at the principal office of the corporation unless otherwise provided by the Board.

## **Section 2. Regular and annual meetings**

Regular meetings of Directors shall be held on the fourth Thursday of each month at 7:00 p.m., or at the date and time stated in the annual calendar.

## **Section 3. Special meetings**

Special meetings of the Board of Directors may be called by the President, the Membership Chair, the Secretary, or by any two directors, and such meetings shall be held at the place designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the corporation.

## **Section 4. Notice of meetings**

- (a) Regular Meetings: Regular meetings of the Board of Directors members shall be included in the annual calendar. In addition, notice of the meeting in the form of an agenda shall be posted three days prior to the meeting on the school bulletin board.
- (b) Special Meetings: Special meetings of the Board of Directors shall be made three days prior to the meeting through the delivery of an agenda in each member's school mailbox and the posting of the agenda on the school bulletin board.

## **Section 5. Waiver of notice and consent to holding meetings**

The transactions of any meeting of the Board, however called and noticed or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as hereinafter defined, is present and provided that either before or after the meeting each director not present signs a waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

## **Section 6. Quorum for meetings**

A quorum shall consist of fifty percent of the Directors.

Except as otherwise provided in these bylaws or in the Articles of Incorporation of this corporation, or by law, no business shall be considered by the Board at any meeting at which a quorum, as hereinafter defined, is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn. However, a majority of the directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the Board.

When a meeting is adjourned for lack of a quorum, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be

transacted at such meeting, other than by announcement at the meeting at which the adjournment is taken.

The directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of this corporation.

### **Section 7. Majority action as Board action**

Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is an act of the Board of Directors, unless the Articles of Incorporation or Bylaws of this corporation, or provisions of the California Nonprofit Public Benefit Corporation Law, particularly those provisions relating to appointment of committees (Section 5212), approval of contracts or transactions in which a director has a material financial interest (Section 5233) and indemnification of directors (Section 5238e), require a greater percentage or different voting rules for approval of a matter by the Board.

### **Section 8. Conduct of meetings**

Meetings of the Board of Directors shall be presided over by the President of the corporation or, in his or her absence, by the Membership Chair of the corporation or, in the absence of each of these persons, by a Chairperson chosen by a majority of the directors present at the meeting. The Secretary of the corporation shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be governed by Robert's Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this corporation, or with provisions of law.

## **Article 7: Officers**

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### **Section 1. Number of officers**

The officers of the corporation shall be a President, a Membership Chairperson, a Secretary, and a Chief Financial Officer who shall be designated the Treasurer. The corporation may also have other officers as designated by the membership.

## **Section 2. Qualification, Election, and Term of Office**

- (a) Except as in stated in (b) of this Section 2 any person may serve as officer of this corporation. Officers shall be elected by the membership, and each officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.
- (b) Class E Members and Class F members whose co-signator on the Parent Contract is a Class E member and shall not be eligible for the Board positions of President, Membership Chair, Treasurer, or Secretary.

## **Section 3. Duties of the President**

The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, by these Bylaws, by the Operations Manual, or which may be prescribed from time to time by the Board of Directors. He or she shall notice and preside at all meetings of the Board of Directors. The President shall notice and preside at all meetings of the members. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the membership or the Board of Directors.

## **Section 4. Duties of Membership Chair**

In the absence of the President, or in the event of his or her inability to refusal to act, the Membership Chair shall perform all the duties of the President, and when so acting shall have all of the powers of, and be subject to all the resections on, the President. The Membership Chair shall keep at the principal office of the corporation a membership record containing the name and address of each and members, and, in the case where any membership has been terminated, he or she shall record such fact in the membership records together with the date on which such membership ceased. The Membership Chair shall have other powers and perform other duties as may be prescribed by law, by the Articles of Incorporation of this corporation, by these Bylaws, by the Operations Manual, or prescribed by the membership or the Board of Directors.

## **Section 5. Duties of the Secretary**

The Secretary shall certify and keep at the principal office of the corporation the original, or a copy, of these Bylaws as amended or otherwise altered to date. He or she shall keep at the principal office of the corporation or at such other place as the Board may determine, a book of minutes of all meetings of the directors, and if applicable, meeting of committees of directors and of members, recording therein the time and place of the holding, whether regular or special, how called, how notice thereof was given, the names of those present at the meeting, and the proceedings thereof. The Secretary

shall be custodian of the records and of the seal of the corporation and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the corporation under its seal is authorized by law or these Bylaws. He or she shall exhibit at all reasonable time to any director of the corporation, or to his her agent or attorney, on request therefore, the Bylaws, and the minutes of the proceedings of the directors of the corporation. And in general, the Secretary shall perform all duties incident to the office of this corporation, by these Bylaws, by the Operations Manual, or which may be assigned to him or her from time to time by the membership or the Board of Directors.

## **Section 6. Duties of the Treasurer**

Subject to the provisions of these Bylaws relating to the “Execution of Instruments, Deposits, and Funds,” the Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, and other depositories as shall be selected by the Board of Directors. He or she shall receive, and give receipt for, monies due and payable to the corporation from any source whatsoever. The Treasurer shall disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements. He or she shall keep and maintain adequate and correct accounts of the corporation’s properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The Treasurer shall exhibit at all reasonable times the books of account and financial records to any director of the corporation, or to his or her agent or attorney, on request therefore. He or she shall render to the President and directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the corporation. The Treasurer shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports. In general, the Treasurer shall perform all duties incident to the office of Treasurer and such other duties as may be required by law, Articles of Incorporation of the corporation, by these Bylaws, by the Operations Manual, or which may be assigned to him or her from time to time by the membership or the Board of Directors.

## **Article 8: Committees**

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### **Section 1. Admissions Committee**

- (a) The corporation shall have an Admissions Committee. The Committee shall in each case consist of two teachers, including the teacher of the class in which the new student will enroll the Membership Chair and one other Director.
- (b) The admission of all children to the school shall be by the Admissions Committee. Admission shall require an affirmative vote of three of the four Committee members, with one of the affirmative votes cast by the teachers into whose class the child will be enrolled.
- (c) The admissions process and standards shall be determined by the Admissions Committee pursuant to the guidelines set by the membership and the Board of Directors.
- (d) While siblings in all grades are given priority status and admitted first, it is important to remember that enrollment is not automatic. Siblings must meet the admissions criteria (as determined by the Admissions Committee) for each respective grade level.
  - 1. Visits for Kindergarten siblings take place in December or January, preceding non-sibling interviews. Kindergarten siblings will be offered enrollment contracts prior to the general notification date in mid-March.
  - 2. The corporation shall have an Admissions Committee. The Committee shall in each case consist of 2 teachers, including the teacher of the class in which the new student will enroll, the Membership Chair(s), the Enrollment Chair(s), and one other Director on an as needed basis, to be determined by the Admissions Committee.

### **Section 2. Tuition Grant Committee**

- (a) The corporation shall have a Tuition Grant Committee. The Tuition Grant Committee shall be made up of three outside objective persons selected by the Board of Directors to serve for a period of one year. An “outside objective person” is one who is not currently a member or employee of Crestmont or a relation thereto.
- (b) All tuition grant decisions shall be made by the Tuition Grant Committee. The decisions of the Tuition Grant Committee shall be final except when it is demonstrated that there has been a substantial deviation from the normal procedures in making particular decision. Mere disagreement with the amount awarded is not a substantial deviation.
- (c) If there is an appeal on the grounds of substantial deviation from the normal procedures, a Tuition Grant Review Committee, consisting of the President, the

Membership Chair, and Treasurer shall have the sole authority to determine (1) whether to hear the appeal, and (2) the ultimate resolution if the appeal is heard.

### **Section 3. Compensation Committee**

- (a) The corporation shall have a Compensation Committee. The Committee shall consist of the President, Treasurer, Personnel Chair, and one other Director selected by the Board.
- (b) The Compensation Committee shall meet with all Class E members on all salary, benefit, and working conditions affecting Class E members before making any recommendations on such matters. The Compensation Committee may, at its discretion, meet with other employees before making recommendations regarding salaries, benefits, and working conditions.
- (c) All salary, benefits, and working conditions shall be considered by the Compensation Committee. The Compensation Committee shall make recommendations to the Board of Directors and the membership. No matter regarding salary, benefits, and working conditions shall be decided without first consideration and recommendation of the Compensation Committee.

### **Section 4. Executive Committee**

- (a) The Corporation shall have an Executive Committee. The Committee shall consist of the President, Membership Chair, Treasurer, Secretary, and Vice President.
- (b) The Executive Committee shall be called, and chaired, by the President. It shall have the authority to meeting in closed session in order to receive, investigate, debate, interview, and screen at Crestmont School, Inc., issues. Such issues may include, but limited to, emergency or disaster situations, personnel matters, grievance procedures, legal matters, non-performance of a member of the Board of Directors, and confidential information regarding community members.
- (c) The Executive Committee may make recommendations to the Board of Directors with regard to matters it has heard. The recommendations shall be made with full regard for the need to protect confidentiality. If the Board is unable to reach a decision based on such a presentation, it shall go into closed session as described in Article 5, Section2(c).
- (d) The Executive Committee may make decisions subject to the Board of Directors approval.
- (e) The Executive Committee shall keep minutes of its proceeding to be held in confidential files.

### **Section 5. Personnel Committee**

- (a) The corporation shall a Personnel Committee. The Committee shall consist of the President, Personnel Chair, Liaison, and three non-Board members appointed by the President and confirmed by the Board of Directors.
- (b) The Personnel Committee, chaired by the Personnel Chair, shall stand for the duration of each Board year (May 1<sup>st</sup> – April 30<sup>th</sup>).
- (c) The Personnel Committee shall insure that the corporation Personnel Policies and Procedures Manual is followed, as described therein.

## **Section 6. Other Committees**

The corporation shall have such other committees as may from time to time be designated by resolution of the membership or the Board of Directors. Such other committees may consist of persons who are not also members of the Board. These additional committees shall act in an advisory capacity only to the membership and the Board, and shall be clearly titled as “advisory” committees.

## **Section 7. Meetings and Action of Committees**

Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the directions given by the membership or the Board of Directors. The membership or the Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of the se Bylaws.

## **Article 9: Teachers and Curriculum; Director of Before and After School Care Program and Program**

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### **Section 1. Duties of the Teachers**

The duties of the teachers shall be stated as in the Teacher Contract.

### **Section 2. Curriculum**

Classroom Curriculum is decided by the teachers.

### **Section 3. Duties of Director of Before and After School Care Program**

The duties of the Director of Before and After School Care Program shall be as stated in the Director’s Contract.

### **Section 4. Program for Before and After School Care**

The Before and After School Care program is decided by the Director.

## **Article 10: Handbook, Operations Manual, Parent Contract, Employment Contract, Bulletin Board, and Annual Calendar**

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### **Section 1. Crestmont School Handbook**

There shall be maintained a Crestmont School Handbook. The Handbook shall serve as a source of information for all members as to how the school operates and the general rights and responsibilities of members. The Membership Chair shall keep the Handbook updated and shall at least annually before the last day of February revise the Handbook. The membership shall approve all policy changes and the Board of Directors shall approve all other changes in the Handbook.

## **Section 2. Operations Manual**

There shall be maintained an Operations Manual. The manual shall describe the responsibilities of each Board position and other functions and procedures in the school. The Manual shall be kept up to date by the Secretary, and changes shall be approved by the Board of Directors.

## **Section 3. Parent Contract**

The Parent Contract shall outline the rights and responsibilities of each Class F member of the corporation. The Contract shall be updated by the Membership Chair and changes shall be approved by the membership.

## **Section 4. Employment Contract**

The Employment Contract shall consist of two parts, Individual Terms and General Terms. The General Terms shall outline responsibilities. The Employment Contract Individual Terms shall be approved by the Board of Directors. The Employment Contract General Terms, including school hours, shall be updated annually and changes approved by the membership.

## **Section 5. School Bulletin Board**

There shall be maintained a bulletin board in the school. The bulletin board shall be used to post notices of meetings, nomination lists, and other corporation communications. The location of the bulletin board shall be included in the Handbook and announced at the first membership meeting of each school year.

## **Section 6. Annual Calendar**

There shall be an annual calendar for each school year which shall include days of school, conference days, holidays, recesses, membership meetings, and Board of Directors meetings approved by the membership.

# **Article 11: Execution of Instruments, Deposits and Funds**

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## **Section 1. Execution of Instruments**

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

## **Section 2. Check and Notes**

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the Treasurer and countersigned by the President of the corporation.

## **Section 3. Deposits**

All funds of the corporation shall be deposited in a timely manner to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

## **Section 4. Gifts**

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

# **Article 12: Corporate Records, Reports and Seal**

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## **Section 1. Maintenance of Corporate Records**

The corporation shall keep at its principal office in the State of California:

- (a) Minutes of all meetings of directors, committees and of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- (b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- (c) A record of its former and present members indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;
- (d) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the members of the corporation at all reasonable times during office hours.

## **Section 2. Corporate Seal**

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

### **Section 3. Directors' Inspection Rights**

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

### **Section 4. Members' Inspection Rights**

Each and every member shall have the following inspection rights, for a purpose reasonably related to such person's interest as a member:

- (a) To inspect and copy the record of all current and former members' names, addresses and voting rights, at reasonable times.
- (b) To inspect at any reasonable time the books, records, or minutes of proceedings of the members or of the Board or committees of the Board, upon written demand on the corporation by the member, for a purpose reasonably related to such person's interests as a member.

### **Section 5. Limitations on Inspection Rights**

The inspections rights stated in Section 3 and Section 4 of this Article shall not include the following items, inspection of which shall be limited as specified below:

1. Immunization records: Membership Chair
2. Academic records: Teachers
3. Individual member payment records: President and Treasurer
4. Tuition grant records: President, Membership Chair, and Treasurer
5. Closed Board of Directors meeting minutes: Board of Directors
6. Executive Committee meeting minutes: Executive Committee and/or Personnel Committee in the matter of grievance procedures
7. Employee files: Personnel Committee, employee whose name appears on file when request is made in accordance with corporation Personnel Policies & Procedures Manual
8. Liaison files: President and Liaison
9. Grievance Procedure files: Personnel Committee

### **Section 6. Right to copy and make extracts**

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

### **Section 7. Annual Report**

The Board shall cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the corporation's fiscal year to all members in writing, which report shall contain the following information in appropriate detail:

- (a) The assets and liabilities, including the trust funds, or 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 of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;
- (d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year;
- (e) Any information required by Section 8 of this article.

The Annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

### **Section 8. Annual Statement of Specific Transactions to Members**

This corporation shall mail or deliver to all members a statement within one hundred and twenty (120) days after the close of its fiscal year which briefly describes the amount and circumstances of any indemnification or transaction in which the corporation was a party, and in which any director or officer of the corporation.

The above statement need only be provided with respect to a transaction during the previous fiscal year involving the lesser of more than five percent (5%) of the current annual budget or more than Fifty Thousand Dollars (\$50,000); or which was one of a number of transactions with the same persons involving, in the aggregate, the lesser of more than five percent (5%) of the current annual budget or more than Fifty Thousand Dollars (\$50,000).

Similarly, the statement need only be provided with respect to indemnifications or advances aggregating more than Ten Thousand Dollars (\$10,000) paid during the previous fiscal year to any director or officer, except that no such statement need be made if such indemnification was approved by the members pursuant to Section 5238 (e)(2) of the California Nonprofit Public Benefit Corporation Law.

Any statement required by this Section shall briefly describe the names of the interested persons involved in such transactions, stating each person's relationship to the corporation, the nature of such person's interest in the transaction and, where practical, 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.

The annual report as described in Section 7 of this Article shall include the information required by this Section.

## **Article 13: Fiscal Year**

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### **Section 1. Fiscal Year of the Corporation**

The fiscal year of the corporation shall begin on July 1 and end on June 30 in each year.

## **Article 14: Prohibition Against Sharing Corporate Profits and Assets**

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### **Section 1. Prohibition Against Sharing Corporate Profits and Assets**

No member, director, officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person or reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the corporation. All members of the corporation shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after all debts have been satisfied, shall be distributed as required by the Articles of Incorporation of this corporation and not otherwise.

## **Article 15: Anti-discrimination**

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### **Section 1. Discrimination Prohibited**

Crestmont School will admit students of any race, color, national and ethnic origin to all the rights, privileges, programs and activities available to students at the school. The School will not discriminate on the basis of race, color, national and ethnic origin in administration of its educational policies, admissions policies, scholarship and loan programs and other school administered programs.

## **Article 16: Review and Amendment of Bylaws**

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### **Section 1. Review**

These Bylaws shall be reviewed by the Board of Directors and membership at least every two years.

### **Section 2. Amendment**

Subject to any provision of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or

repealed and new Bylaws adopted by approval of an absolute majority of the members of this corporation.

## **Certification**

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I, the undersigned, do hereby certify:

(a) That I am the duly elected, qualified, and acting secretary of Crestmont School, Inc., a California Public Benefit Corporation; and

(b) That the foregoing Bylaws, consisting of twenty-seven (27) pages, constitute the Bylaws of said corporation as duly amended by the membership of said corporation on October 6, 2005.

In witness whereof, I have subscribed my name.

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Anette Skloot  
Secretary