

**BYLAWS  
OF**

MONTESSORI PROJECT FOUNDATION  
(A California Non-Profit Public Benefit Corporation)

**ARTICLE I  
NAME**

The name of this corporation is MONTESSORI PROJECT FOUNDATION.

**ARTICLE II  
PRINCIPAL OFFICE OF THE CORPORATION**

**Section 1. Principal Office of the Corporation**

The principal office for the transaction of the activities and affairs of this corporation is located at 5330A Gibbons Drive, Suite 700, Carmichael, CA 95608. The Board of Directors may change the location of the principal office. Any such change of location must be noted by the Secretary on these bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

**Commented [KR1]:** The Secretary of State's website lists the corporate address of MPF as: 5330 GIBBONS DRIVE STE 700 CARMICHAEL CA 95608 If this is accurate, then the Bylaws should be revised to reflect this address (i.e. removing the "A" from 5330)

**Section 2. Other Offices of the Corporation**

The Board of Directors may at any time establish branch or subordinate offices at any place or places where this corporation is qualified to conduct its activities.

**ARTICLE III  
GENERAL AND SPECIFIC PURPOSES; LIMITATIONS**

**Section 1. General and Specific Purposes**

The purpose of this corporation is that it shall be operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of the CALIFORNIA MONTESSORI PROJECT, a California public benefit nonprofit corporation. ~~to manage, operate, guide, direct and promote the CALIFORNIA MONTESSORI PROJECT (a California public charter school). With this purpose in mind, this support includes, but is not limited to, endorsement and support of blended Montessori preschool programs, extended day Montessori childcare, etc. MPF also recognizes the potential need for global support, intervention and/or assistance for Montessori projects around the world.~~ Also in the context of these purposes, the Corporation shall not, except to an insubstantial degree, engage in any other activities or exercise of power that do not further the purposes of the Corporation.

**Commented [KR2]:** This is the purpose as stated in the Articles of Incorporation.

**Commented [KR3]:** To be a supporting organization of CMP, MPF's purpose should be dedicated to CMP. The deleted language appeared to allow for support of other outside entities.

Specifically, the public and charitable purposes of the Corporation are to direct attention and effort toward providing funding to support the educational purposes of the CALIFORNIA MONTESSORI PROJECT. The primary recipient of donations and services of the MONTESSORI PROJECT FOUNDATION shall be the CALIFORNIA MONTESSORI PROJECT. At least ninety (90) percent of all annual funds and assets raised shall be charitably donated to the CALIFORNIA MONTESSORI PROJECT to be used at the discretion of the CALIFORNIA MONTESSORI PROJECT.

If the CALIFORNIA MONTESSORI PROJECT (a) shall cease to be an organization described in Internal Revenue Code sections 170(b)(1)(A), 501(c)(3), and 509(a)(1) or 509(a)(2), or (b) shall substantially abandon the charitable and educational purposes that this corporation is organized to support, the directors shall designate a publicly supported educational or charitable organization as described in Internal Revenue Code sections 170(b)(1)(A), 501(c)(3), and 509(a)(1) or 509(a)(2), in substitution for the CALIFORNIA MONTESSORI PROJECT, for purposes of Article II of the Articles of Incorporation and Section 1 of this Article.

## **Section 2. Limitations**

The Corporation shall not carry on any other activities not permitted to be carried on by: (a) a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code; or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code. No substantial

part of the activities of the Corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

#### **ARTICLE IV CONSTRUCTION AND DEFINITIONS**

Unless the context states otherwise, the general provisions, rule of construction and definitions in the California Non-Profit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, and the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

#### **ARTICLE V DEDICATION OF ASSETS**

This corporation’s assets are irrevocably dedicated to public benefit purposes. No part of the net earnings, properties, or assets of the Corporation, on dissolution or otherwise, shall benefit any private person or individual, or any Director or Officer of the Corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed to a non-profit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Internal Revenue Code section 501(c)(3), [or the government, or to a state or local government, for public purpose](#).

**Commented [KR4]:** This language is from the Articles of Incorporation.

#### **ARTICLE VI CORPORATIONS WITHOUT MEMBERS**

This corporation shall have no voting members within the meaning of the Non-Profit Corporation Law. The corporation's Board of Directors may, in its discretion, admit individuals to one or more classes of nonvoting members; the class or classes shall have such rights and obligations as the Board of Directors finds appropriate.

## **ARTICLE VII BOARD OF DIRECTORS**

### **Section 1. General Powers**

Subject to the provisions and limitations of the California Non-Profit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the articles of incorporation or bylaws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors (also known as the "Board"). The Board may delegate the management of the Corporation's activities to any person(s), management company or committees, however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

### **Section 2. Specific Powers**

Without prejudice to the general powers set forth in Section 1 of these bylaws, but subject to the same limitations, the Board of Directors shall have the power to:

1. Appoint and remove, at the pleasure of the Board of Directors, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these bylaws; fix their compensation; and acquire them security for faithful service.
  
2. Change the principal office or the principal business office in California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country;

conduct its activities in or outside California; and designate a place in or outside California for holding any meeting of members.

3. Borrow money and incur indebtedness on the Corporation's behalf and cause to be executed and delivered for the Corporation's purposes, in the Corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.
4. Adopt and use a corporate seal; prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

### Section 3. Directors and Terms

The number of Directors shall be no less than three and no more than fifteen. All Directors shall be designated by the existing Board of Directors. All Directors are to be designated at the Corporation's annual meeting of the Board of Directors. For purposes of ensuring that the Corporation aligns its goals and objectives with the educational mission and goals of the CALIFORNIA MONTESSORI PROJECT, all directors shall be appointed by the existing CALIFORNIA MONTESSORI PROJECT Board of Directors. one Director of CALIFORNIA MONTESSORI PROJECT will also serve as a Director of the MONTESSORI PROJECT FOUNDATION.

Each Director shall hold office unless otherwise removed from office in accordance with these Bylaws until a successor Director has been designated and qualified. Terms for the initial Board of Directors shall be (7) seats for the term of their Site Directorship. The current Board of Directors shall consist of the following be as follows:

**Commented [KR5]:** The initial terms began in 2002 and likely expired.

<u>NAME</u>	<u>EXPIRATION OF TERM</u>
<u>Principal, American River Campus</u>	<u>At termination of Site Directorship (aka Principalship)</u>
<u>Principal, Capitol Campus</u>	<u>At termination of Site Directorship (aka Principalship)</u>
<u>Principal, Carmichael Campus</u>	<u>At termination of Site Directorship (aka Principalship)</u>

Principal, Elk Grove Campus	At termination of Site Directorship (aka Principalship)
Principal, Orangevale Campus	At termination of Site Directorship (aka Principalship)
Principal, Shingle Spring Campus	At termination of Site Directorship (aka Principalship)
Executive Director, CMP	At termination of Executive Directorship
Director of Program, CMP	At termination of Directorship of Program
Director of Operations, CMP	At termination of Directorship of Program
Chairperson, CMP Board Member	At termination of CMP Board Chairmanship

**Commented [KR6]:** This Board composition can be maintained. As the directors will be appointed by CMP I deleted this language. Moving forward, CMP will take action to appoint the directors at the expiration of each term. Terms can be no longer than 6 years.

#### Section 4. Restriction on Interested Persons as Directors

No more than 49 percent of the persons serving on the Board of Directors may be “interested persons.” An interested person is (a) any person compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; and (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 such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the Corporation.

#### Section 5. Directors’ Term

~~Each director shall hold office for one (1) year and until a successor director has been designated and qualified.~~ **SITE DIRECTORS (aka Principals):** Each Director shall hold office for the term of their Site Directorship until a successor Director has been designated and qualified.

**Commented [KR7]:** The Board should determine the desired term length. Terms are typically 2-3 years in length, but can be up to 6 years.

~~EXECUTIVE DIRECTOR: The Executive Director shall hold office for the term of their Executive Directorship until a successor Director has been designated and qualified.~~

~~DIRECTOR OF PROGRAM: The Director of Program shall hold office for the term of their Directorship of Program until a successor Director of Program has been designated and qualified.~~

~~DIRECTOR OF OPERATIONS: The Director of Operations shall hold office for the term of their Directorship of Operations until a successor Director of Operations has been designated and qualified.~~

~~CMP BOARD CHAIRMAN: The CMP Board Chairman shall hold office for the term of their Board Chairmanship until a successor Chairperson has been designated and qualified.~~

### **Section 6. Nominations by Committee**

The Chairman of the Board of Directors or, if none, the President may appoint a committee to ~~nominate~~ recommend qualified candidates for ~~election~~ appointment to the Board of Directors ~~by the CALIFORNIA MONTESSORI PROJECTs~~ at least thirty (30) days before the date of any ~~election~~ appointment of Directors. The nominating committee shall make its report at least seven (7) days before the date of the ~~election~~ appointment, or at such other time as the Board of Directors may set, and the Secretary shall forward to each Board member ~~of the CALIFORNIA MONTESSORI PROJECT, with the notice of meeting required by these bylaws,~~ a list of all candidates nominated by committee.

### **Section 7. Use of Corporate Funds to Support Nominee**

If more people have been nominated for Director than can be elected, no corporation funds may be expended to support a nominee without the Board's authorization.

### **Section 8. Events Causing Vacancies on Board**

A vacancy or vacancies on the Board of Directors shall occur in the event of (a) the resignation or death of any Director; (b) the declaration by resolution of the Board of Directors of a vacancy in the office of a Director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under California Non-Profit Public Benefit Corporation Law, Chapter 2, Article 3; (c) the increase of the authorized number of Directors; or (d) the failure of ~~the CALIFORNIA MONTESSORI PROJECTs~~ the members, at any meeting ~~of members~~ at which any Director or Directors are to be ~~elected~~ appointed, to ~~elect~~ appoint the number of Directors required to be ~~elected~~ appointed at such meeting.

### **Section 9. Resignation of Directors**

Except as provided below, any Director may resign by giving written notice to the Chairman of the Board, if any, or to the President or the Secretary of the Board. The

resignation shall be effective when the notice is given unless the notice specifies a later time for the resignation to become effective. If a Director's resignation is effective at a later time, the Board of Directors may elect a successor to take office as of the date when the resignation becomes effective.

#### **Section 10. Removal of Directors**

Directors may only be removed by the CALIFORNIA MONTESSORI PROJECT's Board of Directors. The CALIFORNIA MONTESSORI PROJECT's Board of Directors may remove a director with or without cause, by an affirmative vote of the majority of the Board of Directors at a duly held meeting at which a quorum is present.

#### **Section 1110. Director may not Resign if no Director Remains**

Except on notice to the California Attorney General, no Director may resign if the Corporation would be left without three (3) duly elected Directors.

#### **Section 121: Vacancies Filled by CALIFORNIA MONTESSORI PROJECT Board**

Vacancies on the Board of Directors may be filled by ~~approval of the~~ CALIFORNIA MONTESSORI PROJECT Board of Directors ~~or, if the number of Directors then in office is less than a quorum, by (1) the unanimous consent of the Directors then in office, (2) the affirmative vote of a majority of the Directors then in office at a meeting held according to notice or waivers of notice complying with Corporations Code section 5211, or (3) the three (3) remaining Directors.~~

#### **Section 132. No Vacancy on Reduction of Number of Directors**

Any reduction of the authorized number of Directors shall not result in any Director being removed before his or her term of office expires.

#### **Section 143. Place of Board of Directors Meetings' \_\_\_\_\_**

Meetings shall be held at the principal office of the Corporation. The Board of Directors may designate that a meeting be held at any place within California that has been designated by resolution of the Board of Directors or in the notice of the meeting.

#### **Section 154. Meetings by Telephone or Other Telecommunications Equipment**

Any Board of Directors' meeting may be held by conference telephone, video screen communication, or other communications equipment. Participation in a meeting under this



Section shall constitute presence in person at the meeting if all of the following apply:

- (1) Each member participating in the meeting can communicate concurrently with all other members.
- (2) Each member is provided the means of participating in all matters before the Board, including the capacity to propose or to interpose an objection to, a specific action to be taken by the Corporation.
- (3) The Board of Directors has adopted and implemented a means of verifying both of the following:
  - (a) A person communicating by telephone, video screen, or other communications equipment is a Director entitled to participate in the Board of Directors meeting.
  - (b) All statements, questions, actions or votes were made by that Director and not by another person not permitted to participate as a Director.

### **Section 165. Annual and Regular Meetings**

An annual meeting of the Board of Directors shall be held in September. ~~Ar~~Regular meetings of the Board of Directors shall be held ~~quarterly in January, and within the first month of the new quarter~~. The Board of Directors shall hold an annual meeting, regular, special, and emergency meetings for purposes of organization, election of officers, and transaction of other business.

### **Section 176. Authority to Call Special Meetings**

Special and emergency meetings of the Board of Directors for any purpose may be called at any time by the Chairman of the Board, if any, the President or any Vice-President, the Secretary, or any two Directors but may only be conducted if two-thirds of the Board of Directors' votes that a situation warranting a special or emergency meeting exists.

### **Section 187. Notice of Meetings**

~~The dates and times of r~~Regular meetings of the Board ~~shall be determined by the Board of Directors at the annual Board meeting. Regular meetings and smay be held without notice if conducted pursuant to these bylaws.~~ Special meetings of the Board shall be held upon four (4) days written notice by first-class mail or forty-eight (48) ~~hours notice~~hours' notice delivered personally or by telephone, facsimile, or email. If sent by mail, the notice shall be deemed to be delivered on its deposit in the mails. Such notices shall be addressed to each Director at his or her address as shown on the books of the Corporation. The notice shall state the time of the meeting ~~and ; the place, if the place is other than the Corporation's principal office, and the business to be transacted at of~~ the meeting. Notice of time and place of holding an adjourned meeting need not be given to absent Directors if the time and place of the adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than twenty-four (24) hours from the time of the original meeting. Notice shall be given of any adjourned regular or special meeting to directors absent from the original meeting if the adjourned meeting is held more than twenty-four (24) hours from the time of the original meeting.

~~The notice shall state the time of the meeting, the place, if the place is other than the Corporation's principal office, and the business to be transacted at the meeting.~~

### **Section 198. Waiver of Notice and Consent to Hold 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 corporate records or made a part of the minutes of the meeting.

### **Section 2019. Action without Meeting**

Any action ~~that~~the Board is required or permitted to take may be taken without a meeting if all Board members consent in writing to the action; provided, however, ~~that~~the consent of any Director who has a material financial interest in a transaction to which the Corporation is a party and who is an "interested Director" as defined in Corporations Code section 5233 shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the

Board. All such consents shall be filed with the minutes of the proceedings of the Board.

### **Section 210. Quorum**

A majority of the authorized number of Directors shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be an act of the board, subject to the more stringent provisions of the California Non-Profit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directorships, (c) creation of and appointments to committees of the Board, and (d) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some Directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

### **Section 221. Adjournment**

A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

### **Section 232. Compensation and Reimbursement**

Directors shall serve without compensation except ~~that~~ Directors may receive such reimbursement of expenses, as the Board of Directors may establish by resolution to be just and reasonable as to the Corporation at the time ~~that~~ the resolution is adopted. In addition, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties as specified in Section 2 of this Article. Directors may not be compensated for rendering services to the Corporation in any capacity other than director unless such compensation is reasonable and is allowable under the provisions of Section 4 of this Article.

### **Section 243. Creation of Powers of Committees**

The Board, by resolution adopted by a majority of the Directors then in office, may create one or more committees, each consisting of two or more Directors and no one who is not a

Director, to serve at the pleasure of the Board. Appointments to committees of the Board of Directors shall be by majority vote of the authorized number of Directors. The Board of Directors may appoint one or more Directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the Board, to the extent provided in the Board of Directors resolution, except ~~that~~ no committee may:

- (1) ~~Take any final action on any matter that, under the California Non-Profit Public Benefit Corporation Law, also requires approval of the members or approval of a majority of all members;~~
- (12) Fill vacancies on the Board of Directors or any committee of the Board;
- (23) Fix compensation of the Directors for serving on the Board of Directors or on any committee;
- (34) Amend or repeal bylaws or adopt new bylaws;
- (45) Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repeal-able;
- (56) Create any other committees of the Board of Directors or appoint the members of committees of the Board;
- (67) Expend corporate funds to support a nominee for Director if more people have been nominated for Director than can be ~~elected~~appointed;
- (78) Approve any contract or transaction to which the Corporation is a party and in which one or more of its Directors has a material financial interest, except as special approval is provided for in Corporations Code section 5233(d)(3).

Commented [KR8]: The Corporation does not have members.

#### **Section 254. Meetings and Action of Committees**

Meetings and actions of committees of the Board of Directors shall be governed by, held, and taken under the provisions of these bylaws concerning meetings and other Board of

Directors actions, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by Board of Directors resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The Board of Directors may adopt rules for the governance of any committee as long as the rules are consistent with these bylaws. If the Board of Directors has not adopted rules, the committee may do so.

**Section 265. Non-Liability of Directors**

No Director shall be personally liable for the debts, liabilities, or other obligations of this Corporation.

**ARTICLE VIII  
OFFICERS OF THE CORPORATION**

**Section 1. Offices Held**

The Officers of this Corporation shall be a President, a Secretary, and a Chief Financial Officer. The Corporation, at the Board's direction, may also have a Chairman of the Board, one or more Vice-Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed under Article ~~VIII~~, Section ~~4-4~~ of these bylaws.

**Section 2. Duplication of Office Holders**

Any number of offices may be held by the same person, except ~~that~~ neither the Secretary nor the Chief Financial Officer may serve concurrently as either the President or the Chairman of the Board.

**Section 3. Election of Officers**

The Officers of this Corporation, except any appointed under Article ~~IX~~~~VIII~~, Section ~~4-4~~ of these bylaws, shall be chosen annually by the Board of Directors and shall serve at the pleasure of the Board, subject to the rights of any officer under any employment contract.

**Section 4. Appointment of Other Officers**

The Board of Directors may appoint and authorize the Chairman of the Board, the

President, or another Officer to appoint any other Officers that the Corporation may require. Each appointed Officer shall have the title and authority, hold office for the period, and perform the duties specified in the bylaws or established by the Board.

### **Section 5. Removal of Officers**

Without prejudice to the rights of any Officer under an employment contract, the Board of Directors may remove any Officer with or without cause. An Officer who was not chosen by the Board of Directors may be removed by any other Officer on whom the Board of Directors confers the power of removal.

### **Section 6. Resignation of Officers**

Any Officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Corporation under any contract to which the Officer is a party.

### **Section 7. Vacancies in Office**

A vacancy in any office because of resignation, death, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for normal appointment to that office, provided, however, that vacancies need not be filled on an annual basis.

### **Section 8. Chairman of the Board**

If a Chairman of the Board of Directors is elected, he or she shall preside at Board of Directors meetings and shall exercise and perform such other powers and duties as the Board of Directors may assign from time to time. If there is no President, the Chairman of the Board of Directors shall also be the Chief Executive Officer and shall have the powers and duties of the President of the Corporation set forth in these bylaws.

### **Section 9. President**

Subject to such supervisory powers as the Board of Directors may give to the Chairman of the Board, if any, and subject to the control of the Board, the President shall be the General Manager of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, and Officers as fully described in any applicable employment contract, agreement, or job specification. The President ~~shall preside at all members' meetings and,~~

in the absence of the Chairman of the Board, or if none, at all Board of Directors meetings. The President shall have such other powers and duties as the Board of Directors or the bylaws may require.

### **Section 10. Vice-Presidents**

If the President is absent or disabled, the Vice-Presidents, if any, in order of their rank as fixed by the Board, or, if not ranked, a Vice-President designated by the Board, shall perform all duties of the President. When so acting, a Vice-President shall have all powers of and be subject to all restrictions on the President. The Vice-Presidents shall have such other powers and perform such other duties as the Board of Directors or the bylaws may require.

### **Section 11. Secretary**

The Secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board of Directors may direct, a book of minutes of all meetings, proceedings, and actions of the Board, of committees of the Board, and of members' meetings. The minutes of meetings shall include:

- (1) The time and place ~~that~~ the meeting was held;
- (2) Whether the meeting was annual, general, or special, and, if special, how authorized;
- (3) The notice given;
- (4) The names of persons present at Board of Directors and committee meetings;
- (5) The number of members present or represented at members meetings.

The Secretary shall keep or cause to be kept, at the principal California office, a copy of the articles of incorporation and bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of ~~members, of the~~ Board, and of committees of the Board of Directors that these bylaws require to be given. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such

other powers and perform such other duties as the Board of Directors or bylaws may require.

### **Section 12. Chief Financial Officer**

The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Chief Financial Officer shall send or cause to be given to the members and Directors such financial statements and reports as are required to be given by law, by these bylaws, or by the Board. The books of account shall be open to inspection by any Director at all reasonable times.

The Chief Financial Officer shall:

- (1) Deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the Board of Directors may designate;
- (2) Disburse the Corporation's funds as the Board of Directors may order;
- (3) Render to the President, Chairman of the Board, if any, and the Board, when requested, an account of all transactions as Chief Financial Officer and of the financial condition of the corporation;
- (4) Have such other powers and perform such other duties as the Board, contract, job specification, or the bylaws may require.

If required by the Board, the Chief Financial Officer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board of Directors for faithful performance of the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Chief Financial Officer on his or her resignation, death, retirement, or removal from office.

## **ARTICLE IX CONTRACTS WITH DIRECTORS AND OFFICERS**



### **Contracts with Directors and Officers**

No Director of this Corporation nor any other corporation, firm, association, or other entity in which one or more of this Corporation's Directors are Directors have a material financial interest, shall be interested, directly or indirectly, in the contract or transaction, unless:

- (1) The material facts regarding that Director's financial interest in such contract or transaction or regarding such common directorship, officer-ship, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the Board of Directors prior to the Board's consideration of such contract or transaction;
- (2) Such contract or transaction is authorized in good faith by a majority of the Board of Directors by a vote sufficient for that purpose without counting the votes of the interested Directors;
- (3) Before authorizing or approving the transaction, the Board of Directors considers and in good faith decides after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances;
- (4) The Corporation for its own benefit enters into the transaction, which is fair and reasonable to the Corporation at the time the transaction was entered into.

This Section does not apply to a transaction that is part of an educational or charitable program of this Corporation if it:

- (1) Is approved or authorized by the Corporation in good faith and without unjustified favoritism;
- (2) Results in a benefit to one or more Directors or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this Corporation.

**ARTICLE X  
LOANS TO DIRECTORS AND OFFICERS**

This Corporation shall not lend any money or property to or guarantee the obligation of any Director or Officer without the approval of the California Attorney General; provided, however, that the Corporation may advance money to a Director or Officer of the Corporation for expenses reasonably anticipated to be incurred in the performance of his duties if that Director or Officer would be entitled to reimbursement for such expenses of the Corporation.

**ARTICLE XI  
INDEMNIFICATION**

To the fullest extent permitted by law, this Corporation shall indemnify its Directors, Officers, employees, and other persons described in Corporations Code section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, paying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any “proceeding,” as that term is used in that section, and including an action by or in the right of the Corporation by reason of the fact that the person is or was a person described in that section. “Expenses,” as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the Board of Directors by any person seeking indemnification under Corporations Code section 5238 (b) or section 5238 (c) the Board of Directors shall promptly decide under Corporations Code section 5238 (e) whether the applicable standard of conduct set forth in Corporations Code section 5238 (b) or section 5238 (c) has been met and, if so, the Board of Directors shall authorize indemnification.

## **ARTICLE XII INSURANCE**

This Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Officers, Directors, employees, and other agents, to cover any liability asserted against or incurred by any Officer, Director, employee, or agent in such capacity or arising from the Officer's, Director's, employee's, or agent's status as such.

## **ARTICLE XIII MAINTENANCE OF CORPORATE RECORDS**

This corporation shall keep:

- (1) Adequate and correct books and records of account;
- (2) Written minutes of the proceedings of its members, Board, and committees of the Board;
- (3) Such reports and records as required by law.

## **ARTICLE XIV INSPECTION RIGHTS**

### **Section 1. Directors Right to Inspect**

Every Director shall have the right at any reasonable time to inspect the corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary as permitted by California and federal law. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents as permitted by California and federal law. This right

to inspect may be circumscribed in instances where the right to inspect conflicts with California or federal law pertaining to access to books, records, and documents.

### **Section 2. Accounting Records and Minutes**

~~On written demand on the Corporation, any member may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the members, the Board of Directors, and committees of the Board of Directors at any reasonable time for a purpose reasonably related to the member's interest as a member. Any such inspection and copying may be made in person or by the member's agent or attorney. This right of inspection extends to the records of any subsidiary of the Corporation.~~

**Commented [KR9]:** The authority given in this section is already encompassed within Section 1.

### **Section 3. Maintenance and Inspection of Articles and Bylaws**

~~This Corporation shall keep at its principal California office the original or a copy of the article of incorporation and bylaws, as amended to the current date, which shall be open to inspection by the members at all reasonable times during office hours. If the Corporation has no business office in California, the Secretary shall, on the written request of any member, furnish to that member a copy of the articles of incorporation and bylaws, as amended to the current date.~~

**Commented [KR10]:** See comment above.

## **ARTICLE XV REQUIRED REPORTS**

### **Section 1. Annual Reports**

The Board of Directors shall cause an annual report to be sent to the Board of Directors within 120 days after the end of the corporation's fiscal year. That report shall contain the following information, in appropriate detail:

- (1) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;
- (2) The principal changes in assets and liabilities, including trust funds;
- (3) The Corporation's revenue or receipts, both unrestricted and restricted to

particular purposes;

- (4) The Corporation's expenses or disbursement for both general and restricted purposes;
- (5) Any information required under these bylaws; and
- (6) An independent accountants' report or, if none, the certificate of an authorized Officer of the Corporation that such statements were prepared without audit from the corporation's books and records.

### **Section 2. Annual Statement of Certain Transactions and Indemnifications**

As part of the annual report to all members, or as a separate document if no annual report is issued, the Corporation shall, within 120 days after the end of the corporation's fiscal year, annually prepare and mail or deliver to each member and to each Director a statement of any transaction or indemnification of the following kind:

Any transaction (a) in which the Corporation, or its parent or subsidiary, was a party, (b) in which an "interested person" had a direct or indirect material financial interest, and (c) which involved more than \$50,000 or was one of several transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an "interested person" is either (i) Any director or officer of the corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest); or (ii) Any holder of more than 10 percent of the voting power of the Corporation, its parent, or its subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

## **ARTICLE XVI EXECUTION OF INSTRUMENTS, DEPOSITS, AND FUNDS**

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

The Board of Directors, except as otherwise provided in these bylaws, may by resolution

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Original 2-28-02;

Revised 02-22-2012; Rev 01-16-2015 ck; Rev 12-17-18 ck

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 to pledge its credit or to render it liable monetarily for any purpose or in any amount.

### **Section 2. Checks 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 Chief Financial Officer and Countersigned by the President of the Corporation.

### **Section 3. Deposits**

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

## **ARTICLE XVII FISCAL YEAR**

The fiscal year of the Corporation shall begin on July 1<sup>st</sup> and end on June 30<sup>th</sup> of each year.

## **ARTICLE XVIII BYLAW AMENDMENTS**

The Board of Directors may adopt, amend or repeal any of these Bylaws, except Article III, Sections 3, 10, and 12 of Article VII, and Article XVIII, by a majority of the directors present at a meeting duly held at which a quorum is present, except that no amendment shall make any provisions of these Bylaws inconsistent with the corporation's Articles of Incorporation, or any laws. Article III, Sections 3, 10 and 12 of Article VII and

Article XVII can only be amended by an affirmative vote of the majority of the CALIFORNIA MONTESSORI PROJECT Board of Directors at a duly held meeting at which a quorum is present.

## CERTIFICATE OF SECRETARY

I certify as the acting Secretary of the MONTESSORI PROJECT FOUNDATION, a California non-profit public benefit corporation; ~~that~~ these bylaws, consisting of ~~15-21~~ pages, are the bylaws of this Corporation as adopted by the Board of Directors and that these bylaws have not been amended or modified since the last revision date of ~~February~~ January 15~~22~~, 2016 ~~2~~.

Executed on \_\_\_\_\_ in  
\_\_\_\_\_, California.

\_\_\_\_\_, Secretary