

BYLAWS
of
Heartwood Montessori School - Northeast

ARTICLE I - NAME AND PURPOSE

Section 1 — Name: The name of the organization shall be Heartwood Montessori School - Northeast. It shall be a nonprofit organization incorporated under the laws of the State of Minnesota

Section 2 — Purpose: Heartwood Montessori School - Northeast is organized exclusively for charitable and educational purposes, specifically to provide high quality Montessori-based education.

ARTICLE II - MEMBERSHIP

Section 1 — Membership: Membership shall consist of the board of directors.

ARTICLE III — BOARD OF DIRECTORS

Section 1 — Board role, size, and compensation: The board is responsible for overall policy and direction of the association, and delegates responsibility of day-to-day operations to the staff and committees. The board shall have up to 13, but not fewer than 6 members. The board receives no compensation other than reasonable expenses.

Section 2 — Terms: All board members shall serve two-year terms, but are eligible for re-election for up to three consecutive terms. If there are no new individuals available to serve on the board, board members who would otherwise be ineligible for an additional term may be nominated and elected to additional terms as current directors determine to be necessary.

Section 3 — Regular meetings and notice: The board shall meet at least quarterly, at an agreed upon time and place. An official board meeting requires that each board member have written notice at least two weeks in advance.

Section 4 — Board elections: Each April and October, the board of directors shall elect directors to replace those whose terms are expiring. This election shall take place during a regular meeting of the directors, called in accordance with the provisions of these bylaws. Prospective board members may nominate themselves or may be nominated by any current member of the board of directors. All elections will be by written secret ballot, unless the election is unopposed. If unopposed, the election shall be by voice vote. Pursuant to Section 9 below, vacancies on the board may be filled as needed.

Section 5 — Election procedures: New directors shall be elected by a majority of directors present at such a meeting, provided there is a quorum present. Directors so elected shall serve a term beginning on the first day of the next fiscal year.

Section 6 — Quorum: A quorum must be attended by at least forty percent of board members for business transactions to take place and motions to pass.

Section 7 — Voting: All issues to be voted on shall be decided by a simple majority of those present at the meeting in which the vote takes place, provided there is a quorum present.

Section 8 — Executive Board: The Executive Board shall consist of the five officers of the board: president, vice-president, secretary, treasurer, and past president. Officers shall be elected from the

board of directors to one year terms, with a maximum four years total on the Executive Board. Their duties are as follows:

- The president shall convene regularly scheduled board meetings, shall preside or arrange for other members of the Executive Committee to preside at each meeting in the following order: vice-president, secretary, treasurer. The president shall become past president at the end of their term as president.
- The vice-president shall chair committees on special subjects as designated by the board. The vice-president shall be expected to become president at the end of their term as vice-president. However, an election must still be held.
- The secretary shall be responsible for keeping records of board actions, including overseeing the taking of minutes at all board meetings, sending out meeting announcements, distributing copies of minutes and the agenda to each board member, and assuring that corporate records are maintained.
- The treasurer shall make a report at each board meeting. The treasurer shall chair the finance committee, assist in the preparation of the budget, help develop fundraising plans, and make financial information available to board members and the public.
- The past president is not an elected position, and will be the member who was previously the president of the board. The past president shall serve in a non-voting advisory capacity, except in the event of a tie vote where they may cast the tie breaking vote.

Except for the power to amend the articles of incorporation and bylaws, the Executive Board shall have all the powers and authority of the board of directors in the intervals between meetings of the board of directors, and is subject to the direction and control of the full board.

Section 9 — Vacancies: When a vacancy on the board exists mid-term, the secretary must receive nominations for new members from present board members two weeks in advance of a board meeting. These nominations shall be sent out to board members with the regular board meeting announcement, to be voted upon at the next board meeting. New directors shall be elected by a majority of directors present at such a meeting, provided there is a quorum present. Should an officer position be vacated, that position's roles and responsibilities would be assumed by the remaining members of the executive board until that position can be filled.

Section 10 — Resignation, termination, and absences: Resignation from the board must be in writing and received by the secretary. A board member shall be terminated from the board due to excess absences. Excess absences will consist of more than two unexcused absences from regularly scheduled board meetings in a year. A board member may be removed for any reason by a three-fourths vote of the remaining directors.

Section 11 — Special meetings: Special meetings of the board shall be called upon the request of the chair, or one-third of the board. Notices of special meetings shall be sent out by the secretary to each board member at least two weeks in advance.

Section 12 — Conflicts of Interest: The board of directors shall adopt a policy regarding conflicts of interest.

Section 13 — Banking: Any changes to Heartwood bank account must be approved by a simple majority of board members present at the meeting, provided there is a quorum present. To make changes that require in-person authorization at the bank, two board members must be present to make such changes.

ARTICLE IV — COMMITTEES

Section 1 — Committee formation: The board may create committees as needed. The board president appoints all committee chairs.

Section 2 — Finance Committee: The treasurer is the chair of the Finance Committee, which includes three other board members. The Finance Committee is responsible for developing and reviewing fiscal procedures within budget. Any major change in the budget must be approved by the board or the executive board. Annual reports are required to be submitted to the board showing income, expenditures, and pending income, fundraising plan, and annual budget with staff and other board members. The board must approve the budget and all expenditures must be within budget. The financial records of the organization are public information and shall be made available to board members and the public.

ARTICLE V — EXECUTIVE DIRECTOR AND STAFF

Section 1 — Executive Director: The executive director is hired by the board. The executive director has day-to-day responsibilities for the organization, including carrying out the organization's goals and policies. The executive director will attend all board meetings, report on the progress of the organization, answer questions of the board members and carry out the duties described in the job description. The board can designate other duties as necessary.

Section 2 — Staff: The Executive Director shall be responsible for hiring and supervising all staff. In the absence of an Executive Director, the board of directors shall be responsible as a body for hiring and supervising all staff. The board chair shall have the authority of the full board to supervise staff in the intervals between meetings of the board of directors, and to direct other board members to undertake supervisory duties as it becomes necessary.

ARTICLE VI — FISCAL YEAR

Section 1 — Fiscal year of the organization: The fiscal year of the organization shall begin on August 1, and end on July 31.

ARTICLE VII — INDEMNIFICATION

Section 1 — Terms of indemnification: The corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, director, or employee of the corporation against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the corporation; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of directors who are not at that time parties to the proceeding.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of such indemnified person.

This Article constitutes a contract between the organization and the indemnified officers, directors, and employees. No amendment or repeal of the provisions of the Article which adversely affects the rights of an indemnified officer, director, or employee under this Article shall apply to such officer, director, or employee with respect to those acts or omissions which occurred at any time prior to such amendment or repeal.

ARTICLE VIII —AMENDMENTS

Section 1 — Amendments: These bylaws may be amended when necessary by two-thirds majority of the board of directors. Proposed amendments must be submitted to the secretary to be sent out with regular board announcements.

CERTIFICATION

These bylaws were approved at a meeting of the board of directors by a two-thirds majority vote on April 19, 2017.

Secretary

Date