



# **Fifth Amended and Restated Bylaws**

**Parnassus Preparatory School**

11201 96<sup>th</sup> Avenue N. / Maple Grove, MN 55369

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**FIFTH AMENDED AND RESTATED  
BYLAWS  
OF  
PARNASSUS PREPARATORY SCHOOL  
(the “Corporation”)**

**ARTICLE I  
PURPOSE**

The purposes of the Corporation are as stated in its Articles of Incorporation.

**ARTICLE II  
OFFICES**

The registered office of the Corporation in the State of Minnesota is as stated in the Articles of Incorporation. The Corporation may have such other offices within the State of Minnesota as the Board of Directors may determine or as the affairs of the Corporation may require. The registered office may be, but need not be, identical with the principal office in the State of Minnesota.

**ARTICLE III  
MEETINGS**

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held, in the Board’s discretion, the second Tuesday of each month. The Board may determine, however, to hold a meeting on a day other than the second Tuesday. The Board of Directors shall meet no less than ten (10) times per fiscal year.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by the President or upon the written request of at least two Directors.

Section 3. Quorum and Adjourned Meeting. A meeting at which at least a majority of the members of the Board of Directors are present shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If, however, such quorum shall not be present at any such meeting, a majority of the directors present thereat shall have the power to adjourn without notice other than announcement at the meeting, until a quorum shall be present. The meeting shall be rescheduled in accordance with the Open Meeting Law, Minnesota Statutes chapter 13D, as amended. The existence of a quorum is determined when a duly called meeting is convened.

Section 4. Voting. Except as otherwise set forth herein or as required by applicable law, the affirmative vote of a majority of Board members present and

entitled to vote at a meeting at which a quorum is present shall constitute a duly authorized action of the Board. Each Director shall have the power to exercise one (1) vote on all matters to be decided by the Board of Directors. Voting by proxy shall not be allowed.

Section 5. Open Meeting Law. All Board of Director meetings and committee meetings of the Board of Directors, and notice of all such meetings, shall comply with the Open Meeting Law, Minnesota Statutes chapter 13D, as amended.

#### **ARTICLE IV** **BOARD OF DIRECTORS**

Section 1. General Powers. The business and affairs of the Corporation shall be managed by its Board of Directors. Except as limited by the Articles of Incorporation, these Bylaws, Minnesota Statutes chapter 124E, as amended, and by other applicable law, the Board of Directors shall have the power and authority to do all acts and perform all functions that the Corporation may do or perform.

Section 2. Number, Tenure, and Qualifications.

- (a) Number. The Board of Directors shall consist of at least five (5) and no more than seven (7) members.
- (b) Tenure -- Board of Directors. Each director shall hold office for a four (4) year term and until a successor has been duly elected and qualified, or until the earlier death, resignation, removal, or otherwise expiration of the director's term.
- (c) Qualifications.
  - (i) Related Parties Prohibited. The Board of Director membership shall not contain any related parties, as defined by Minn. Stat. ch. 124E, as amended.
  - (ii) Additional Qualifications -- Ongoing Board.
    - (A) Employee Termination. A teacher who is a Director and who resigns his or her employment at the school or whose employment is terminated at the school is ineligible to be a Director and is removed from the Board as of the date of employment resignation or termination.
    - (B) Teacher Who is Also a Parent. A teacher employed at the school who is also a parent of a child enrolled at the

school is eligible for a teacher Director position and is ineligible for a parent Director position.

- (C) Community Member Who Becomes an Employee or a Parent or No Longer Resides in Minnesota. A community member Director who, during his or her Board term, becomes employed at the school or a parent of a child enrolled at the school or no longer resides in Minnesota is removed from the Board as of the date of such employment or enrollment or the date when they no longer reside in Minnesota.
- (D) Parent Whose Child is Unenrolled. A parent Director whose child is unenrolled from the school during such Director's term, is removed from the Board as of the date of such unenrollment.

### Section 3. Designation & Change of Governance Structure.

- (a) Designation of Governance Structure. The Board of Director membership shall adhere to the Non Teacher Majority structure. With regard to composition, the Board of Directors must be comprised of (1) at least one licensed teacher who is employed as a teacher at the school or provides instruction under contract between the school and a cooperative; (2) at least one parent or legal guardian of a student enrolled in the school who is not an employee of the school; and (3) at least one interested community member who resides in Minnesota, is not employed by the school, and does not have a child enrolled in the school.
  - (b) Requirements to Change Governance Structure. The Board may change the governance structure only upon:
    - (i) a majority vote of the Board of Directors and a majority vote of the licensed teachers employed by the school as teachers, including licensed teachers providing instruction under a contract between the school and a cooperative, with licensed teachers who are both employed at the school and a Director having one vote.
- AND
- (ii) approval of the school's authorizer.
- (c) Process & Procedures to Change Governance Structure.

- (i) Requests & Petitions to Change Structure. The Board may consider a change in its governance structure upon receipt of a request for such consideration signed by at least two Directors, or the receipt of a petition to so change the governance structure signed by at least 70% of the parents of students enrolled in the school or 70% of the licensed teachers employed at the school.
- (ii) Special Board Meeting to Solicit Community Comment. Upon receipt of a request or petition complying with (i) above, the Board shall schedule and publicize a special board meeting, to be held within thirty days of receipt of such request or petition, for the sole purpose of receiving community comment regarding the governance structure. When publicizing the special board meeting, the Board shall also invite the school community to submit written comments to the Board prior to the special board meeting.
- (iii) Board Meeting. The Board shall place on the agenda of its regular meeting following the special board meeting consideration of changing the governance structure. Placing the item on the agenda does not require any board member to introduce a motion or second a motion for such consideration.
- (iv) Effective Date of Change in Governance Structure. Any change in the governance structure complying with this Section 3 is not effective for the duration of the current charter contract period and will be effective for the subsequent charter contract period and begin on the same date as the effective date of the charter contract next executed between the school and its authorizer.

Section 4. Nomination Process. At least sixty (60) days prior to the Corporation's Board election, the Board of Directors, or its committee, will solicit nominations from teachers, parents/legal guardians, and community members, for all of the Director positions that are required to be filled at the next election. Each nominee shall identify the category of board membership – licensed teacher, parent/legal guardian, community member – for which s/he is seeking election. The Board of Directors will compile a list of said nominees and notify eligible voters of the nominees, the category of board membership for each nominee, and the date of the election, at least thirty (30) days prior to the election. The Board of Directors shall prepare ballots for use by voters which shall segregate nominees by category of board membership. The Corporation may conduct its Board election as it sees fit. For example, Directors may be elected at a Board meeting or the Board may specify alternative procedures, as authorized by law, by which eligible voters can vote to elect Directors, including voting by mail.

Section 5. Eligible Voters. Each parent and legal guardian of a child enrolled

at the school and each employee of the school, in each case as of a date not more than sixty (60) days prior to the election reasonably established by the Board (a "Record Date") shall be a member of the Corporation and shall have the limited right to exercise one (1) vote for nominees to the Board in each category to be filled. For purpose of this section, employee means staff members employed at the school, including teachers providing instruction under a contract with a cooperative. Besides parents and legal guardians and employees, members of the Board of Directors as of the Record Date also have the right to elect the Directors. An individual holding positions in multiple categories (i.e., parent/legal guardian who is also employed at the school; parent/legal guardian who is a Director; teacher who is a Director) shall have the right to exercise only one (1) vote. The Board nominee (or, in the event more than one Director position in a category is to be filled, the nominees) in each category receiving the highest number of votes shall be elected as a Director. Notwithstanding the foregoing, a person eligible to vote for Directors pursuant to the foregoing shall not be eligible to vote on any other matter affecting or concerning the Corporation, and shall have no other rights or privileges except as explicitly set forth in these Bylaws or provided by Minnesota Statutes chapter 124E, as amended.

Section 6. Resignation and Removal. Directors may resign at any time, effective immediately or at a specified later date, by giving written notice to the Board President or the Secretary of the Corporation and shall be effective at the time specified therein, or if no time is specified, at the time of its receipt by the President or Secretary. The acceptance of such resignation shall not be necessary to make it effective. A director may be removed at any time, with or without cause, by a two-thirds (2/3) vote of a majority of all remaining directors of the Corporation. Notwithstanding the foregoing, three (3) unexcused absences anytime during the year from a regular or special Board meeting will operate as the resignation of that Board member. An unexcused absence is defined as a failure to notify the Board of the Board member's absence at least two (2) days prior to the meeting. Notification occurs when the Board member submits a written notice via email to the Board President.

Section 7. Filling Vacancies. Vacancies on the Board of Directors caused by death, disqualification, resignation, disability, removal or such other cause may be filled by appointment of a new director, and any such appointment shall be by the affirmative vote of a majority of the remaining directors, even if less than a quorum. A director filling a vacancy shall hold office for the unexpired term that director is filling, and until his or her successor has been duly elected and qualified, subject to his or her earlier death, disqualification, resignation or removal.

Section 8. Compensation. Directors shall not receive compensation for their services as a Director, but nothing in these Bylaws shall be construed to preclude any director from serving the Corporation as a teacher and receiving compensation



therefore. In addition, the directors of this Corporation may be reimbursed for reasonable out-of-pocket expenses incurred by them in rendering services to this Corporation, as the Board of Directors from time to time determines such services to be directly in furtherance of the purposes and in the best interest of the Corporation.

Section 9. Committees of the Board. The Board of Directors may, by resolution passed by a majority of the Board of Directors, designate, define authority of, set the number and determine the identity of, members of one or more committees, and disband any committee as it sees fit. Committee members must be natural persons, but need not be members of the Board of Directors. The Board may, by similar vote, designate one or more alternate members of any committee who may replace any absent or disqualified member of any meeting of the committee.

- (a) Authority of Committees. All committees shall be advisory only and make recommendations to the Board of Directors. No committee shall have the authority to act on behalf of the Board of Directors, unless such authority is specifically delegated to the committee by the Board of Directors.
- (b) Procedures for Conducting Committee Meetings. The activities of all committees of this Corporation shall be conducted in such manner as will advance the best interest of the Corporation. Each committee shall fix its own rules of procedure and other regulations, which shall be consistent with the Articles of Incorporation, these Bylaws and the policies of the Corporation. The meetings of all committees shall be open to the public, except that, upon request and if allowed by the Open Meeting Law, the school's authorizer may provide approval for a committee not to hold an open meeting.
- (c) Limitation on Authority of Committees. Each committee shall be under the direction and control of the Board and shall keep regular minutes of its proceedings, and all action of each committee shall be reported to the Board of Directors and shall be subject to revision and alteration by the Board of Directors.
- (d) Committee Establishment. Committees of the Board of Directors may include a Facility Committee; a Budget, Finance, and Audit Committee; a Marketing/Development Committee; and a Curriculum Committee. The Board may establish other committees by majority vote of the Board of Directors. Committees may be temporary, lasting until a date determined by the Board, or may remain in existence until dissolved by the Board. All such committees shall report to the Board, and shall have no decision-making authority, unless such authority is specifically delegated to the committee by the Board of Directors.

Section 10. Conflict of Interest. Statutory and common law conflicts of interest are prohibited. A Conflict of Interest Policy will be established by the Board of Directors.

**ARTICLE V**  
**OFFICERS AND EMPLOYEES**

Section 1. Number & Election.

- (a) Number of Officers. The officers of this Corporation shall consist of a President (Board Chair), Vice-President, Treasurer, Secretary and such other officers as the Board of Directors shall determine from time to time.
- (b) Election of Officers & Term. The officers of the Corporation shall be elected by the Board for the lesser of a one (1) year term or the remaining unexpired term of the Board member.

Section 2. Vacancies. A vacancy in any office of this Corporation occurring by reason of death, disqualification, resignation, removal, or other cause may, or in the case of a vacancy in the office of President or Treasurer must, be filled by a majority vote of the Board for the remaining unexpired term of the office.

Section 3. President (Board Chair). The President shall:

- (a) Exercise the functions of the Office of the President of the Corporation;
- (b) Preside at all meetings of the Board of Directors;
- (c) Perform such duties and exercise such powers as are necessary or incident to the supervision and management of the business and affairs of the Corporation as directed by the Board of Directors;
- (d) Sign and deliver, in the name of the Corporation, all deeds, mortgages, bonds, contracts or other instruments requiring an officer's signature, unless otherwise directed by the Board;
- (e) Have the general powers and duties usually vested in the office of the president and;
- (f) Have such other powers and perform such other duties as are prescribed by Minnesota Statutes, Section 317A.305, subd. 2, as amended, and as the Board of Directors may from time to time prescribe.

Section 4. Vice-President. The Vice-President shall:

- (a) Exercise the functions of the Office of the President of the Corporation, in the absence of the President;
- (b) Preside at all meetings of the Board of Directors, in the absence of the President;
- (c) Perform such duties and exercise such powers as are necessary or incident to the supervision and management of the business and affairs of the Corporation as directed by the Board of Directors, in the absence of the President;
- (d) Sign and deliver, in the name of the Corporation, all deeds, mortgages, bonds, contracts or other instruments requiring an officer's signature, unless otherwise directed by the Board, in the absence of the President;
- (e) Have the general powers and duties usually vested in the Office of the President, in the absence of the President; and,
- (f) Have such other powers and perform such other duties as are prescribed by Minnesota Statutes, Section 317A.305, subd. 2, in the absence of the President, and as the Board of Directors may from time to time prescribe.

Section 5. Treasurer. The Treasurer shall:

- (a) Keep accurate accounts of all monies of the Corporation received or disbursed;
- (b) Deposit all monies, drafts and checks in the name of, and to the credit of, the Corporation in such banks and depositories as the Board of Directors shall from time to time designate;
- (c) Ensure the proper care and custody of the corporate funds and securities;
- (d) Have the power to endorse for deposit all notes, checks and drafts received by the Corporation at the direction of the Board;
- (e) Disburse the funds of the Corporation as ordered by the Board of Directors, making proper vouchers therefore;
- (f) Render to the Board President and the Board of Directors, whenever required, an account of all of the transactions as Treasurer and of the

financial condition of the Corporation; and,

- (g) Perform such other duties and have such other powers as may from time to time be prescribed by the Board of Directors.

Section 6. Secretary. The Secretary shall maintain the records of the Office of the Corporation and shall:

- (a) Attend all meetings of the Board of Directors and all committees as required;
- (b) Record all proceedings in the Minutes of the Board of Directors and committees in a book to be kept for that purpose;
- (c) Preserve all documents and records belonging to the Corporation;
- (d) Give or cause to be given notice of all meetings of the Board of Directors and its committees; and,
- (e) Perform such other duties as may be prescribed by the Board of Directors.

Section 7. Management and Administrative Employees. The Corporation may have such management and administrative employees as the Board of Directors deems necessary. The Board of Directors shall determine the hiring process and the duties and responsibilities for such employees.

Section 8. Compensation. The employees of the Corporation may be paid such reasonable compensation, if any, for their services rendered to the Corporation in such capacity, and may be reimbursed for reasonable out-of-pocket expenses, as the Board of Directors from time to time determines to be directly in furtherance of the purposes and in the best interests of the Corporation.

Section 9. Bond. The Board of Directors of this Corporation shall from time to time determine which, if any, of the officers, agents or employees of this Corporation shall be bonded and the amount of each bond.

Section 10. Removal of Officer. Any officer may be removed at any time, by the vote of a majority of the Board of Directors (present and entitled to vote at a meeting at which a quorum is present) at any regular meeting or at a special meeting called for that purpose.

Section 11. Resignation. Any officer may resign at any time. Such resignation shall be made in writing to the President or Secretary of the Corporation and shall take effect at the time specified therein, or if no time be

specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective.

## **ARTICLE VI** **DISTRIBUTION OF ASSETS**

Section 1. Right to Cease Operations and Distribute Assets. By a two-thirds (2/3) vote of all Directors, the Board of Directors may resolve that the Corporation cease operations and voluntarily dissolve. Such resolution shall set forth the proposed dissolution and direct designated officers of the Corporation to perform all acts necessary to effect dissolution. If such cessation and distribution is called for, the Board of Directors shall set a date for commencement of the distribution.

Section 2. Cessation and Distribution. When cessation of operations and distribution of assets has been called for, the Board of Directors and the designated officers shall cause the Corporation to discontinue its regular business activities and operations as soon as practicable, and shall liquidate and distribute all the Corporation's assets to other entities in accordance with Minnesota Statutes, Section 317A.735, as amended, and in accordance with the Articles of Incorporation. Notice of intent to dissolve shall be filed with the Secretary of State pursuant to Minnesota Statutes, Section 317A.723, as amended.

## **ARTICLE VII** **INDEMNIFICATION**

Section 1. Indemnification. Each director, officer and employee of the Corporation, past or present, shall be indemnified by the Corporation in accordance with, and to the fullest extent permitted by, Minnesota Statutes, Section 317A.521, as amended, except that such indemnification will be limited as required by applicable law including Minnesota Statutes chapter 124E. The Corporation shall also indemnify and hold harmless the individuals identified in Minnesota Statutes, Section 124E.09(d), in accordance with that statute, as amended. This duty to indemnify applies provided the individuals identified in this Section were acting in the performance of their duties of the position and were not guilty of malfeasance of office, willful neglect of duty, or bad faith. The Corporation shall not be obligated to indemnify any other person or entity except to the extent such obligation shall be specifically approved by resolution of the Board of Directors. The Corporation shall have the power to advance such person's expenses incurred in defending any such proceeding to the maximum extent permitted by law. This Section is and shall be for the sole and exclusive benefit of the individuals designated herein and no individual, firm or entity shall have any rights under this Section by way of assignment, subrogation or otherwise, whether voluntarily, involuntarily or by operation of law.

Section 2. Insurance. The Corporation shall purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or who is identified in Section 1, against any liability asserted against and incurred by such person in his or her official capacity, or

arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against liability.

**ARTICLE VIII**  
**AMENDMENTS TO BYLAWS**

The bylaws may be amended, altered, or repealed and new bylaws adopted, upon a two-thirds majority vote of the Board of Directors.

**ARTICLE IX**  
**FINANCIAL MATTERS**

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, and any such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors or these Bylaws, 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 financially liable for any purpose or to any amount.

Section 2. Loans and Pledges. No loans shall be contracted nor pledges or guarantees given on behalf of the Corporation unless specifically authorized by the Board of Directors.

Section 3. Authorized Signatures. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation shall be signed by such person or persons and in such manner as shall from time to time be determined by the Board of Directors or these Bylaws.

Section 4. Deposits. All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may designate and shall be disbursed under such general rules and regulations as the Board of Directors may from time to time determine.

Section 5. Corporate Seal. The Corporation shall not have a corporate seal.

Section 6. Documents Kept at Registered Office. The Board of Directors shall cause to be kept at the registered office of this Corporation original or copies of:

- (a) Approved minutes and records of all proceedings of the Board of Directors and all committees having any authority of the Board;

- (b) Records of all votes and actions of the Board of Directors;
- (c) Accounting records, including all financial statements of this Corporation; and,
- (d) Articles of Incorporation and Bylaws of this Corporation and all amendments and restatements thereof.

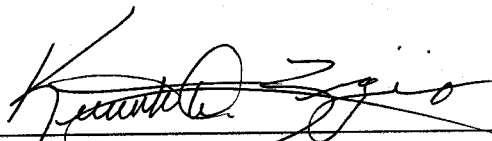
Section 7. Accounting System and Audit. The Board of Directors shall cause to be established and maintained, in accordance with generally accepted standards of fiscal management for a public charter school, an appropriate accounting and financial reporting system for the Corporation. The Board shall cause the records and books of account of the Corporation to be audited, in accordance with Minnesota Statutes, Section 124E.16, as amended, at least once each fiscal year and at such other times as it may seem necessary or appropriate, and may retain such person or firm for such purposes as it may deem appropriate.

#### **ARTICLE X MISCELLANEOUS**

Section 1. Gender References. All references in these Bylaws to a party in the masculine shall include a feminine and neuter.

Section 2. Plurals. All references in the plural shall, where appropriate, include the singular and all references in the singular shall, where appropriate, be deemed to include the plural.

**THESE FIFTH AMENDED AND RESTATED BYLAWS  
WERE ADOPTED ON SEPTEMBER 13, 2022,  
BY RESOLUTION OF THE BOARD OF DIRECTORS OF  
PARNASSUS PREPARATORY SCHOOL**

  
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SECRETARY