

BY-LAWS  
of  
PALISADES ENRICHMENT PROGRAMS,  
A Nonprofit Corporation

Section 1  
*Name*

The name of the corporation shall be Palisades Enrichment Programs, a Nonprofit Corporation. The corporation may also be known as "PEP."

Section 2  
*Purposes and Restrictions*

A. The corporation is a nonprofit public benefit corporation as described in the California Nonprofit Public Benefit Corporation Law (the "Law"). The property of the corporation is irrevocably dedicated to charitable purposes in a manner which meets the requirements of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("Internal Revenue Code"), and Sections 23701d and 214 of the California Revenue and Taxation Code.

B. The purposes and objectives of the corporation shall be those stated in its Articles of Incorporation. These objectives shall include:

1. Arranging activities and special events to supplement the academic program of Palisades Elementary Charter School (the "School") and enhance the School's sense of community;
2. Serving as a liaison to encourage and facilitate communication between families and the School's administration, teachers, staff and Governing Council; and
3. Being a vehicle for fundraising to help meet school expenditures not covered by state and school district or federal funding.

C. The business and activities of the corporation shall be subject to all requirements and restrictions set forth in the Articles of Incorporation. In addition to such requirements and restrictions, the following requirements and restrictions shall apply to all enrichment programs, courses of study and other activities designed, funded and/or operated by the corporation.

1. All-such enrichment programs, courses of study, or activities, and each of them, shall be made available to every student enrolled in Palisades Elementary Charter School in the grade or grades for which such program, course of study, or activity is designed or, in the case of programs, courses of study, or activities which must be limited in size, shall be of benefit to the school as a whole.

2. No such program or course of study shall discriminate on the basis of race, religion, gender, national origin, disability, sexual orientation or any other characteristic among students of the School.
3. No such program or course of study shall reflect the religious, social or political beliefs or doctrines of any institution, sect, or denomination, party or organization.
4. The content and curriculum of all programs or courses of study, and each of them, shall be subject to the approval of the Governing Council or other committees of the School in accordance with the terms of the School's charter.
5. Nothing herein shall preclude the corporation from accepting donations earmarked for programs or projects other than programs or projects under the corporation's direct control and expending such earmarked funds, provided that such programs or projects provide educational enrichment to the students of the School or benefit the School as a whole.
6. Nothing in this Section shall preclude the exclusion of a student from any or all such programs or courses of study by the School's administration if such exclusion is based solely upon disciplinary considerations.

### Section 3 *Membership*

- A. The corporation shall have one class of members, and each member shall have equal voting and other rights.
- B. Every person who is the parent or guardian of one or more children enrolled in the School shall be a member of the corporation. Members of the faculty, administration and staff of the School shall also be eligible to become members of the corporation, and will become members by notifying the Secretary of their wish to exercise that right.
- C. There shall be no required dues, fees or assessments of members, except to the extent that they may be solicited for donations from time to time. The Treasurer shall maintain an annual list of donors to the corporation.
- D. Membership begins when a member's child enters the school or the member is hired as an employee of the School or the corporation, and terminates when a member ceases to meet the eligibility requirement of Paragraph B. of this Section.
- E. No member of the corporation shall be personally or otherwise liable for any of the debts, liabilities, and/or obligations of the corporation.

Section 4  
*Meetings of Members*

A. Regular and Special Meetings.

1. *Annual meeting.* There shall be an annual meeting of members on a date set by the Board, which meeting shall occur no later than June 10 for the purpose of electing officers and Directors, informing members about the activities of the corporation, presenting an annual report; eliciting members' participation; recapping the funds raised and accomplishments achieved during the school year, approving a budget for the following school year, and for transacting such other business as may be necessary or appropriate.
2. *Additional meetings.* There shall be a minimum of six (6) additional meetings of members on dates set by the Board for the purposes of informing members about the activities of the corporation, eliciting members' participation, updating members on funds raised and expenditures made, and for transacting such other business as may be necessary or appropriate.
3. *Special meetings.* A special meeting of members may be called at any time by the Board, any Co-Chair, or any ten (10) members for any lawful purpose. When a special meeting is called by members pursuant to this Section, the Secretary of the corporation shall, within five (5) days of any such request, set a date for such meeting, which shall be no less than two (2) and no more than ten (10) days from the date such request is made.

B. Notice, Quorum, Voting, Place of Meeting.

1. *Notice of meetings.* Notice of meetings of members shall be given by the Secretary in writing, at least ten (10) days before the date of the meeting, by electronic mail to members, by posting notice of the meeting on bulletin boards at the School and on the School website, and by entering the meeting date on the School calendar used by administration, faculty and staff. Such notice shall state the date, time and place of the meeting and the general nature of the business to be transacted.
2. *Quorum.* A quorum for the transaction of business at a meeting of members shall be ten (10) members.
3. *Action by members.* Except as otherwise provided by law or by these By-Laws, the decision of a majority of members present and voting at a duly held meeting at which a quorum is present is the decision of the membership. At any meeting at which a quorum was initially present, business may continue to be transacted after the loss of a quorum, provided that any action taken is approved by at least a majority of the number which constitutes the quorum.
4. *Place of meetings.* All meetings of members shall take place at the School (or at an alternate nearby location selected by the Board in the event the School is unavailable on the date set for the meeting).
5. *Open meetings.* All meetings of members shall be open to any parent, School

administrator, faculty or staff member, or any other interested person, but only members are entitled to receive notice and to vote.

6. *Actions Requiring Members' Vote.* The following actions shall require a vote by the members (in addition to the Board) to be effective:
  - a) The amendment of the corporation's Articles of Incorporation or these By-Laws;
  - b) A vote to change the number of Directors (as provided in Section 5);
  - c) The appointment of Co-Chairs, Treasurer(s), Secretaries, an Administrator and, without duplication, the Board of Directors;
  - d) Approval of the corporation's annual budget;
  - e) Disbursement of funds not included in the budget, for any expenditure in excess of \$300;
  - f) Approval of minutes of the members; and
  - g) Dissolution of the corporation and winding up of business.

## Section 5

### *Board of Directors; Administration*

A. The affairs of the corporation shall be administered by a Board of Directors (the "Board"), consisting of not less than five (5) and no more than twelve (12) members, who shall be elected by the members in accordance with these By-Laws. The exact number of Directors may be changed by the members from time to time. Any reduction of the authorized number of Directors does not remove any Director prior to the expiration of the Director's term of office unless the reduction also provides for the removal of one or more specified Directors.

B. The Directors shall each hold one of the following officer positions, each of which is more fully described below: Co-Chair, Treasurer or Co-Treasurer, Secretary or Co-Secretary, and Administrator.

C. The Co-Chairs, (Co-)Treasurers, (Co-)Secretaries and Administrator shall be appointed for two year terms. Terms for Co-Chairs and for Treasurers and Secretaries (unless there is only one person in the Treasurer or Secretary position) should be staggered so that every year at least one incumbent member shall retain their office in the following year.

D. Only a member may be a Director of the corporation. Directors of the corporation shall serve without compensation, except that Directors may be reimbursed for expenses incurred in the performance of their duties for the corporation or for approved expenses advanced on behalf of the corporation, in reasonable amounts, as approved by the Board.

Section 6  
*Nomination of Directors*

A. At least sixty (60) days prior to the date of the annual meeting, the Co-Chairs shall solicit from the Board and the general membership written nominations to fill open Director positions. Nominations made by members should take into account: (i) the particular skills, abilities or expertise needed by the corporation and the role to be filled by such candidate, (ii) the demonstrated willingness of the nominee to contribute time and effort on behalf of the corporation, and (iii) the nominee's track record of attending membership meetings.

B. Each nominee shall be contacted by one or more members of the Board to determine such nominee's willingness to serve as a Director and their history of attendance at membership meetings, and whether or not the nominee has the appropriate skills, abilities and expertise to serve in the role for which they have been nominated. After this process, the Board shall develop a slate of nominees to be approved by the membership at the annual meeting. At least two (2) of the two (2) or more candidates for a Co-Chair position on the nominee slate should have served as another officer of the corporation or as a committee chair (or co-chair) for at least one year.

Section 7  
*Election of Directors*

A. The slate of Directors shall be approved or disapproved by the membership at the annual meeting through a show of hands. For the slate to be approved, a majority of the members in attendance must approve the slate, and there must be a quorum at the meeting.

B. In the event that the slate of Directors is not approved, the Board shall put up a slate which includes any other nominees who expressed a willingness to serve or, if there are not sufficient nominees to fill the vacant positions, shall solicit a new round of nominations. The current Board shall continue to serve until a new Board is approved by the membership.

Section 8  
*Powers and Duties of Directors*

A. *General Powers.* Subject to any limitations in the corporation's Articles of Incorporation (the "Articles") or these By-laws, the Board shall manage the activities of the corporation and shall exercise or oversee the exercise of all corporate powers. The Board may delegate its duties and powers as it sees fit to the extent permitted by law, *provided however*, that the activities and affairs of the corporation shall be managed by, and all corporate powers shall be exercised under the ultimate direction of, the Board. The Board shall have all powers permitted to or conferred on a board of directors of a nonprofit public benefit corporation by law, except as limited by the Articles or these By-laws.

B. *Specific Powers.* Without prejudice to the foregoing general powers, the Directors shall have the following specific powers – namely, the power:

1. To determine the means by which the corporation will raise funds to conduct its programs, and to appoint persons and/or committees to carry out such fund-raising activities.
2. To plan and implement specific educational and/or other enrichment programs or activities for the students of the School, as may be approved by the Governing Council of the School, and to enter into contracts with individuals or organizations for the provision of such educational services or materials, and to negotiate and agree upon the terms and conditions of such contracts.
3. To grant funding to the School for purposes to be agreed upon between the School and the corporation, including, but not limited to, the hiring of additional faculty members, instructional aides and coaches.
4. To designate individuals or appoint committees to administer particular educational enrichment programs approved by the Governing Council of the School.
5. To appoint and remove officers (other than Co-Chairs, Secretaries and Treasurers), and to prescribe and assign their duties.
6. To make and change such rules and regulations for the conduct of the business of the corporation as are not inconsistent with these By-Laws.

C. *Duties.* In addition to other duties stated or implied by these By-Laws or by law, the Board shall, before each annual meeting, prepare a proposed budget for the subsequent school year to be adopted at the annual meeting of the members.

## Section 9 *Meetings of Directors*

A. *Calls of Meetings.* Meetings of the Board of Directors shall be called from time to time, whenever necessary or deemed desirable, for the transaction of the business of the corporation. A meeting of the Board may be called by a Co-Chair, the Secretary, or any two (2) Directors.

B. *Place of Meetings.* Meetings of the Board shall take place at such location in Pacific Palisades as is stated in the notice of the meeting.

C. *Notice.* The Secretary (or Co-Secretary), or such other person as the Board, may designate, shall give notice stating the time, date and place of the meeting and the general nature of the business to be transacted therein to each Director in person or by telephone or electronic mail at least 48 hours prior to the time of the meeting, or by first-class mail at least four (4) days prior to the date of the meeting.

D. *Waiver of Notice.* Notice of any meeting of Directors may be waived by any Director prior to or subsequent to the time of the meeting. Attendance at any meeting

shall constitute waiver of notice.

E. *Quorum.* A majority of the authorized number of Directors (but no fewer than three) shall constitute a quorum.

F. *Open Meetings.* Meetings of Directors are open to any member of the corporation.

G. *Transaction of Business.* Except as otherwise provided, the act or decision of a majority of the Directors present at a duly held meeting at which a quorum is present is the act of the Board. At any meeting at which a quorum is initially present, business may continue to be transacted notwithstanding the loss of a quorum, so long as any action taken is approved by at least a majority of the number of Directors constituting a quorum (or by such greater number as may be required by law or by these By-Laws).

H. *Action Without A Meeting.* Any action required or permitted to be taken by the Board may be taken without a meeting, if all Directors individually or collectively consent in writing to such action. Such written consent or consents shall have the same force and effect as the unanimous vote of the Directors.

#### Section 10 *Resignation and Vacancies*

A. *Resignation.* A Director may resign at any time by submitting their written resignation to a Co-Chair or Secretary of the corporation.

B. *Declaration of Vacancy.* If a Director becomes ineligible for membership in the corporation during their term as Director, the Board shall declare a vacancy on the Board. The Board may also declare vacant the office of a Director who has been declared of unsound mind by a final order or judgment of any court, or who is convicted of a felony and/or a hate crime, or who has been found by a final order or judgment of any court to have breached a duty to the corporation.

C. *Removal of a Director.* A majority of the members may remove a Director who fails to fulfill his or her duties, including failing to attend meetings of the Board or failing to fulfill tasks designated by the Board or to perform their duties and responsibilities to the Board and to the corporation.

D. *Filling Vacancies.* Should a vacancy occur on the Board (including as a result of an increase in the number of Directors), the members shall either (i) elect a Director to serve for the unexpired term at the next subsequent meeting or (ii) unless the number of Directors shall fall below five, determine that the vacant Director position need not be filled and that the authorized number of Directors be reduced accordingly. If the number of Directors would fall below five, the members shall fill vacancies as promptly as possible to avoid such result.

Section 11  
*Officers*

A. The officers of the corporation shall be two or more Co-Chairs, one or more Secretaries and one or more Treasurers, an Administrator, and such additional officers as the Board may from time to time designate. The Co-Chairs, Treasurer(s), Secretary(ies) and Administrator shall be elected by the members to two year terms. All other officers shall be appointed by the Board for one year terms. Officers may be elected and/or appointed for successive terms.

B. *Co-Chairs.* The Co-Chairs shall be the chief executive officers of the corporation. Individually and/or collectively they shall preside over all meetings of the members and of the Board, and shall have such other powers and shall perform such other duties as are stated elsewhere in these By-Laws, including to:

1. Act as official spokespersons/representatives of the organization;
2. Preside or present at school events;
3. Develop meeting agendas, gathering input from all appropriate parties;
4. Foster a sense of open communication, seek input/ideas from members and develop proposed annual programs and initiatives based on this input;
5. Call special meetings of the Board and/or general membership;
6. Recruit/confirm program committee chairs, as well as provide guidance and support, as necessary to, and collect periodic updates from, program committee chairs;
7. Approve and sign contracts binding the corporation and execute documents on behalf of the corporation, including any required LAUSD, City, state or federal filings;
8. Allow time for open discussion at all general and executive meetings;
9. Have the ability to disburse funds of up to \$300.00 following a phone or email consensus vote from the Board, providing details at the next scheduled general membership meeting;
10. Have at least one Co-Chair be a signatory on the corporation's bank accounts along with the Treasurer(s);
11. Reserve the right to audit/inspect the Treasurer(s)'s records;
12. Ensure prompt review, editing and approval of membership meeting minutes submitted by the Secretary to enable them to be publicly disseminated and posted;
13. Confirm that the Treasurer (and/or corporation accountant) has filed Form 990 with the IRS and any equivalent forms required by California state law when the books are closed for the year, or by September 1<sup>st</sup>;



14. Be responsible for ensuring that required reports are filed with state agencies and that the corporation responds to any court filings or administrative agency requests served on the corporation (including retaining outside assistance to assist with the same, if needed);
15. Maintain working knowledge of the By-Laws;
16. Serve as Parliamentarians, keeping order during the meetings;
17. Attend Governing Council meetings;
18. Have at least one Co-Chair serve as liaison to the Human Resources Committee of the School's Governing Council (if a Co-Chair is not serving as a member of that Committee);
19. Have at least one Co-Chair or Treasurer (or Administrator, if the Administrator is not also a Co-Chair) serve as a member of the Budget Committee of the School's Governing Council (if a former Co-Chair is not serving in that role); and
20. Serve as liaison to the School administration, faculty and staff on behalf of the corporation, including to address any concerns raised by such parties, as well as to assist with the resolution of any issues involving programs supported by the members or personnel in such programs or in its employ.

C. *Secretar(y)(ies)*. The Secretar(y)(ies) shall keep a record of all proceedings of the Board and of all meetings of members, and shall draft and deliver minutes to the Co-Chairs and other Board members within five (5) business days of each meeting. The Secretary shall ensure that minutes of general meetings are posted on the School website and School bulletin board promptly upon their being approved by the Co-Chairs. The Secretary shall also maintain a corporate book containing copies of the Articles of Incorporation, these By-Laws and any amendments thereto, as well as any rules and regulations issued thereunder. The Secretary shall serve and/or file all notices required by law or by these By-Laws and retain copies thereof. Such books and records shall be available for review by any member (upon advance request).

D. *Treasurer(s)*. The Treasurer(s) shall keep the financial books and records of the corporation, which shall show all receipts and disbursements, the amount of cash on hand and in any reserves, the amount of money owed by the corporation or owing to it, and all other financial records required by law or by the Board. Such books and records shall be available for review by any member (upon advance request). The Treasurer shall prepare and/or file such reports and statements as may be required by law or by the Board, and shall disseminate such reports and statements as directed by the Board. In addition to the foregoing, the Treasurer shall:

1. Participate in all membership and Board meetings;
2. Be the custodian of all corporation funds and bank accounts;
3. Ensure that all accounts are in balance at all times, that checks received are promptly deposited and credit cards charged, and that the Co-Chairs are immediately informed of any instances where checks deposited into the

corporation's accounts are returned for insufficient funds or charges on credit cards for donations to the corporation or for any activities or fundraisers sponsored by the corporation are declined;

4. Review, authorize and process, as appropriate, all reimbursement requests inside of specified, valid budget line items and within estimates previously submitted for such expenses. (In the event any such expenses exceed the estimate (or estimated range) previously approved for such items, additional approvals for such reimbursement may be required by the Co-Chairs and/or members prior to reimbursements being processed and issued.)
5. Monitor monthly expense totals for budget compliance and ensure that the Co-Chairs are informed of any instances where more than nominal variances from the budget are noted or anticipated;
6. Collect and distribute monies, as necessary, within approved guidelines;
7. Manage procedures for, and ultimately receive, all monies from fundraising events which have been collected by volunteer program chairs or other members, and coordinate with or assist program chairs with their tabulations and fiscal reporting, to the extent necessary;
8. Provide a Treasurer's Report at all Board and membership meetings which shall include a balance sheet, cash flow statement and income and expense statement, with income and expenses measured against budget and the prior year's budget and actual income and expenditures;
9. Oversee time card approvals and payroll processing for personnel in programs funded by the members;
10. Provide an annual Treasurer's report at the annual membership meeting;
11. Liaise with the corporation's outside accountant and/or independent auditor and maintain financial records (and make any changes to the manner in which the same are maintained), as may be required; and
12. Ensure that a Form 990, "Return of Organization Exempt From Income Tax", is filed with the IRS (and with any state or other agency requiring the same type of filing) after the corporation's books are closed for the year or by September 1<sup>st</sup>.

E. *Administrator.* The Administrator shall be responsible for the following areas:

1. *Insurance.* All insurance related matters and tasks, including, but not limited to, maintenance and renewal of the corporation's liability insurance, the Directors' and Officers' liability coverage, and any required Workers' Compensation insurance. The Administrator shall calendar these renewals and keep the policies current, as well as obtain liability waivers for all events and fundraisers sponsored by the corporation, whether they take place on or off School property, including but not limited to, the annual fundraising event and auction and all regularly scheduled community events and fundraisers, and such other events as are approved by the members in any school year.

2. *Tax, Corporate and Legal Filings.* Although it is the Treasurer's duty to oversee and file all tax returns and related documents required to maintain the corporation's status as a 501(c)(3) non-profit corporation, the Administrator will ensure that any other tax, corporate or legal filings or renewals that may be required are filed, when due.
3. *Budget.* The Administrator participates in the budgeting process and, along with the other Co-Chairs and Treasurer(s), assists in the creation, vetting and presentation of the budget for approval by the members, based on the budgetary proposals submitted by individual program chairs. Thereafter and throughout the school year, the Administrator will be expected to be familiar with the corporation's budget and to serve as the corporation's main contact with the School's administrative and office staff on issues relating to money budgeted for faculty support, including ensuring that monies committed by the corporation to the School are transferred to and used by the School during the school year in the manner approved.
4. *Personnel.* The Administrator oversees the preparation and execution of all contracts entered into by the corporation, including with all employees hired as part of the School's enrichment programs (such as the coaches, music instructor, technology lab instructor and IT administrator, drama teacher and dance teacher), as well as with any and all persons being paid by the corporation *or* on its behalf (such as instructional aides who are not processed through LAUSD). The Administrator shall also ensure that the Treasurer receives a copy of all contracts necessitating payment by the corporation, and shall make sure that all new employees of the corporation are fingerprinted and submit their LAUSD-required criminal background check. The Administrator shall also work with the Treasurer in responding to any workers' compensation claims, audits and unemployment insurance claims, to the extent necessary.
5. *Co-Chair responsibilities.* As a Co-Chair, the Administrator partners with the other Co-Chairs in running the corporation and, therefore, also carries the responsibilities and duties of the Co-Chairs, as outlined above.

## Section 12

### *Liability of Officers and Directors; Indemnification*

- A. No Director or officer of the corporation shall be personally or otherwise liable for the debts, liabilities and/or obligations of the corporation.
- B. The corporation shall, to the maximum extent permitted by the law, indemnify each of its Directors, officers, members, employees, and agents against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact that any such person is or was a Director, officer, member, employee or agent of the corporation, and shall advance to such person expenses incurred in defending any such proceeding to the maximum extent permitted by the law. For purposes of this Section 12, a "Director,"

“officer,” “member,” “employee” or “agent” of the corporation includes any person who is or was a Director, officer, member, employee or agent of the corporation, or who is or was serving in such capacity at the request of the corporation. The Board may, in its discretion, provide by resolution for indemnification of, or advance of expenses to, other agents of the corporation and, likewise, may refuse to provide for such indemnification or advance of expenses except to the extent such indemnification is mandatory under the law.

### Section 13 *Insurance*

The corporation shall have the power to purchase and maintain insurance on behalf of any Director, officer, member, employee, or agent of the corporation against any liability asserted against or incurred by such person in such capacity or arising out of the person’s status as such, whether or not the corporation would have the power to indemnify the person against such liability under the provisions of Section 12, *provided, however*, that the corporation shall have no power to purchase and maintain such insurance to indemnify any person in respect of a violation of Section 5233 of the law (relating to self-dealing) or any successor provision or for any willful violation of federal or state law.

### Section 14 *Records and Accounts*

The corporation shall keep adequate and correct written records of accounts and of minutes of the proceedings of its members and the Board.

### Section 15 *Principal Office*

The principal office of the corporation shall be the School.

### Section 16 *Fiscal Year*

The fiscal year of the corporation shall run from July 1 through June 30.

### Section 17 *Annual Statement of Certain Transactions and Indemnifications*

The corporation shall make available to its Directors, officers, employees and members an annual statement which briefly describes (a) any transaction(s) during the previous fiscal year involving both (i) the corporation and either a Director, officer or member of the corporation and (ii) more than \$5,000; or (b) any indemnifications or advances aggregating more than \$1,000 paid during the fiscal year to any Director, officer, member or employee of the corporation.

Section 18  
*Prohibition on Loans to Directors and Officers*

The corporation shall not make any loan of money or property to or guarantee the obligation of any Director, officer, member or employee, unless approved by the Attorney General; *provided, however,* that the corporation may advance money to a Director, officer or member of the corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such Director, officer or member, provided that in the absence of such advance, such Director, officer or member would be entitled to be reimbursed for such expenses by the corporation or any affiliated entity thereof.

Section 19  
*Donations*

The corporation may accept gifts, legacies, donations and/or contributions in any form, upon such terms and conditions as may be decided from time to time by the Board (or approved on a case by case basis for any specific items), and shall provide the donors with letters acknowledging such donations made in response to special donation drives and solicitations, and otherwise, upon request.

Section 20  
*Checks, Drafts, and Notes*

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation for all debts of the corporation shall be signed by such officers as shall be determined by the Board.

Section 21  
*Amendment of By-Laws*

These By-Laws may only be amended by a vote of the members at a duly constituted meeting. Additionally, the By-Laws shall be reviewed every 5 years in connection with the charter review process of the School, to determine whether any amendments or revisions are appropriate or required in conjunction therewith.