

By-Laws and Policies

(As adopted May, 2019)

BY-LAWS OF THE SANDRA E. LERNER JEWISH COMMUNITY DAY SCHOOL A Nonprofit Corporation

ARTICLE ONE CORPORATE AFFAIRS

- 1.1 **Name.** The name of this Corporation will be “Lerner Jewish Day School” (hereinafter referred to as “Lerner”).
- 1.2 **Purpose.** The purpose of this Corporation is to operate and maintain a pre-school and an elementary school committed to excellence in Jewish and secular studies for children in the Jewish community of Durham, Chapel Hill, and Raleigh, NC and environs.
- 1.3 **Non-discrimination Policy.** Lerner admits students of any race, color, sex, national or ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students at the school. It does not discriminate on the basis of race, color, sex, national or ethnic origin in administration of its educational policies, admissions policies, scholarship and loan programs, and athletic and other school administered programs.
- 1.4 **Registered Office.** The Corporation will maintain a registered office as required by statute, at which it will maintain a registered agent. The registered office may, but need not, be identical with the principal office, and the address of the registered office may be changed from time to time by the Board of Directors. The Corporation may also have offices and places of business at such other places within or without the State of North Carolina as the Board of Directors may from time to time determine.
- 1.5 **Powers.** The property, affairs, and business of the Corporation will be managed and directed by its Board of Directors, which may exercise all powers of the Corporation and do all lawful acts and things authorized by its Articles of Incorporation or pursuant to the North Carolina Nonprofit Corporation Act.
- 1.6 **Records.** The Corporation will keep correct and complete books and records of account, and will also keep minutes of the proceedings of the Board of Directors and of committees established by the Board of Directors, and will maintain at its registered or principal office a record giving names, addresses, and telephone numbers of the Board of Directors.
- 1.7 **Fiscal year.** The fiscal year of the Corporation will be from July 1 through June 30.

ARTICLE TWO
MEMBERSHIP

2.1 Members. The membership of the Corporation consists of all parents/legal guardians of children currently enrolled in Lerner, parents/legal guardians of children who have been accepted for admittance to Lerner and whose acceptance fees have been received or deferred by Lerner at least 15 days before the date of the annual meeting, the Head of School of Lerner, staff members of Lerner who work at least half-time, and members of the Board of Directors not included in the above categories.

2.2 Meetings and Quorum. The annual meeting of the members will be held in May of each year to elect new Directors and to conduct such business as may be appropriate. The time and place of this meeting will be selected and announced by the Board of Directors. Special meetings of the members may be called by the Board of Directors, or will be called by the President upon receipt of a petition signed by at least 20% of members requesting a meeting. Such meetings will be scheduled by the President within thirty (30) days after receipt of a signed petition.

A meeting will require a quorum consisting of members representing ten percent (10%) of all members' households. The President will preside at all meetings of the members.

2.3 Notice of the Meetings. Members will be notified of the date, time and place of the annual meeting and any special meeting of members at least ten (10) days in advance of the meeting by mail or electronic communication. The notice will include a description of any matters to be approved by the members.

2.4 Voting. Each member will be entitled to one vote. No individual may cast more than one vote. Each member must vote in person; no votes by proxy will be allowed. A simple majority of the votes cast by the members present at a meeting at which a quorum is present will be necessary for the adoption of the matter voted upon by the members, unless a greater proportion is required by the Articles of Incorporation, these By-laws, or the North Carolina General Statutes.

ARTICLE THREE
BOARD OF DIRECTORS

3.1 Board Membership. The Corporation is governed by a Board of Directors elected by the members of the Corporation. The elected Board of Directors should consist of the President, the Past President for a period of 2 years after his/her term ends, the President-elect for a period of one year if not already a member of the Board in another capacity, the Officers (Vice Presidents, Treasurer, Secretary, and At-Large Officer – described in Article Four), the Chairpersons of the Standing Committees (described in

5.2), and additional board positions (described in 5.3). Six at-large voting members of the Board may be elected for a term of either one or two years, while a seventh at-large position may be filled by a community rabbi; however, all at-large positions need not be filled. The Head of School, all Past Presidents other than the immediate Past President, and the President of the Durham/Chapel Hill Jewish Federation will be non-voting, ex-officio members of the Board. Employees of Lerner may not serve as voting members of the Board of Directors.

A Board member may hold only one Officer position, with the exception of the President-elect, who may continue in any capacity he or she already serves on the Board. Officers may also be elected to the Chairpersonship of a standing committee. The Treasurer will be the Chair of the Finance Committee. No Board member may serve as the chair of more than one standing committee.

3.2 **Duties.** The purpose of the Board of Directors is to safeguard the existence, and to establish and maintain the values and philosophy of Lerner. The Board of Directors is responsible for maintaining the integrity of the education offered by the School and insuring the future of the School. All the Corporate powers, except such as are otherwise provided for in these By-laws and in the laws of the State of North Carolina, will be and are hereby vested in, and will be exercised by, the Board of Directors.

The specific duties of the Board of Directors will include, but are not limited to, the following:

- a. The Board will oversee the hiring of the Head of School, and implement administrative, financial, and academic policy.
- b. The Board will direct an evaluation of the Head of School on at least an annual basis.
- c. The Board will review the administrative, academic, and financial policies of the School on at least an annual basis.
- d. The Board will maintain, or arrange for the maintenance by administrative staff of, a complete record of all meetings and actions and will make such records available to members of the Corporation.
- e. The Board will ensure that Lerner affairs are conducted consistent with the purposes of the Corporation and the laws of the United States and the State of North Carolina.
- f. The Board will annually file with the Corporation the minutes of the annual meeting and a report, verified by the President and Treasurer, or by a majority of the Directors, showing (1) the whole amount of funds and other real and personal property owned, administered, and managed by the Corporation, including where such property is located, and where and how funds are invested; (2) the amount and nature of the property acquired and administered by the Corporation during the year immediately preceding the date of the report, and the manner of the acquisition; and (3) the amount of funds applied, appropriated, or expended during the year immediately preceding such

date and the purposes, objects, or persons to or for which such applications, appropriations, or expenditures have been made.

g. The Board shall also be responsible for long-term planning.

The Board of Directors may establish committees or subcommittees for specified purposes as they may see fit. Such committees will report directly to the Board.

3.3 Number, Term, and Qualifications. All board members must support the Jewish nature and mission of the school. The composition of the Board should also reflect the diversity of our school community and its stakeholders. Directors must be at least eighteen (18) years or older and all Directors will serve a two (2) year term and no longer than three consecutive terms. The President-elect shall continue to serve in any prior capacity on the Board. Directors will serve no more than two terms in succession in any one position. A Director may be elected again to the same position to a term that begins at least one year after he/she leaves office. The terms of Directors begin on July 1 on the year of their election. A Director will serve until the end of the term of his/her elected office or until he/she resigns as described in Article 3.9 or is terminated as described in Article 3.8.

3.4 Compensation. Directors will serve without salary. The Board will have the power at its discretion to contract for and to pay Directors rendering specific services to the Corporation special compensation appropriate to the value of such service.

3.5 Election of Directors. The Governance Committee (described in Article Five) will nominate one or more candidates for each of the elected Director positions. The committee may recommend committee members, other parents of students, or other individuals from the community. The committee will take into account the specific skills and knowledge needed on the Board. Any person nominated must declare in writing a willingness to serve if elected.

The Governance Committee will obtain from the candidates personal statements regarding their qualifications to serve on the Board of Directors.

At least ten (10) days before the annual meeting of the Corporation, the Board Secretary will distribute to the members the names of all persons running for the Board, together with the information regarding the qualifications of the candidates, previously compiled by the Governance Committee. The names of the candidates will be listed alphabetically on the ballot. The ballot will not include endorsements of particular candidates. Any candidate that is unopposed on the ballot must be approved by two-thirds of the present Board of Directors at a regular or special Board meeting before the Members' annual meeting.

The year before the current President's term expires, as part of the process for election of Directors, the Governance Committee will nominate a President-elect, to be approved at the Members' annual meeting. If the Governance Committee nominates one President-elect, she or he must be approved by two-thirds of the present Board of Directors at a regular or special Board meeting before the Members' annual meeting.

- 3.6 Decisions by Vote. With the assent of the President, any or all Directors may participate in any meeting of the Board of Directors by means of a telephone or video conference or by any means of communication by which all persons participating in the meeting are able to communicate with one another, and such participation shall constitute presence at the meeting. The Board of Directors will vote on questions only when there is a quorum present consisting of more than 50% of the total voting Board membership. All matters voted by the Directors will be determined by a majority vote of those present at a meeting at which there is a quorum, except as may be otherwise regulated by statute, or as specifically provided in these By-laws. Each Director present will have one vote except ex-officio members who will not vote. Votes generally will be taken verbally or by a show of hands. No proxy voting will be permitted.
- 3.7 Notice. All matters to be discussed and voted upon at meetings of the Board will be announced to the Directors, and all relevant materials will be provided to the Directors, at least 48 hours prior to the start of the meeting, not including hours that are part of a Jewish holiday. Three-quarters of present Directors may vote to waive this notice requirement.
- 3.8 Termination for Cause. Members of the Corporation or members of the Board of Directors of the Corporation may petition, in writing, for a special meeting to vote on the removal from office of any Director if that Director's actions are deemed counter to the best interests of Lerner. Such a petition must state the reasons for which the dismissal is requested and include the signatures of 10% of the members of the Corporation. The petition must be presented to the Secretary or President of the Board of Directors. All members of the Corporation must be notified of the special meeting at least ten (10) days in advance. Members of the Corporation and the Director in question will be given the opportunity to address the membership regarding the specifics of the charges. Removal for cause will require a majority vote of the Corporation members who are present at the Meeting. A quorum must be present as described in section 2.2.

Independent of the above process, if a member of the Board of Directors misses any three (3) consecutive meetings, or one-third or more of the meetings of the Board of Directors in any given year, the Board of Directors may vote by a majority of the entire number of Directors to remove the Director from office. Notice must be given to the Director at least ten (10) days prior to the meeting at which his/her removal will be considered by the Board of Directors.

- 3.9 Resignation. A Director may resign at any time by giving written notice of such resignation to the Board. The effective date of the resignation will be 30 days after receipt of written notice by the President or Secretary of the Board.
- 3.10 Vacancies. If a Director is not able to complete his/her term for any reason, the Trustees committee, within ninety (90) days of receiving notice that the position has or will become vacant, will nominate another person to serve in that position, which two-thirds of the present Board of Directors must approve at the appropriate Board meeting. The new Board member will serve until the next annual meeting at which

time, if the term has not been completed, the position will be filled for the remainder of the original term by election as provided in Article 3.5.

- 3.11 Regular Meetings. The Board of Directors shall hold regular meetings at least six times during each fiscal year, which are open and advertised to members of the Corporation. The President shall provide a schedule of regular meetings to the Board of Directors for the academic year no later than July 1, by any usual means of communication, including electronic means. The meetings shall be conducted pursuant to the most recent version of Robert's Rules of Order. The President and Head of School will make reasonable efforts to deliver written agendas, committee minutes and reports, financial and staff reports and other background material for action items to Directors in advance of each regular meeting. Each Director shall have the right to request an item on the agenda of any reasonable topic or matter of business, with at least one week's notice prior to a the scheduled meeting. The Head of School and President shall work with the Secretary and the Committee Chairs to ensure that minutes, reports, and agenda items are received by the Secretary in advance for inclusion in the Board meeting minutes. During a Board meeting, any voting member of the Board may request a vote for executive session to discuss a particular issue, which must be specified. Executive session is a closed session of the Board, meaning only voting members and others specified by the board may be present. Entrance into executive session requires a majority vote of board members present. Any duly convened regular meeting may be rescheduled by the Directors to a later time without further notice.
- 3.12 Special Meetings Special meetings of the Board of Directors may be called by or at the request of the President or any five Directors by giving at least one week notice to the Secretary. Secretary will notify the rest of the Board within two days of the notice. Special meetings may be held in person or via a conference telephone call, video chat or other means of electronic communication. Such notice need not specify the purpose for which the meeting is called. Upon a vote of the majority of the Directors present an "executive session" (defined in section 3.1) may be held, to discuss a particular issue, which must be specified.
- 3.13 Informal Action by the Directors. Action taken by all of the Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the Directors and filed with the minutes of the proceedings of the Board, whether done before or after the action is taken.

ARTICLE FOUR OFFICERS

- 4.1 Officers of the Corporation. The Officers of the Corporation, all of whom will be Directors, will consist of a President, a President-elect if such a person is elected and not already on the Executive Committee, a Past President, the Vice-Presidents, a Treasurer, and a Secretary. There may be one At-Large Officer, chosen by the President. An individual may only hold one (1) Officer position, with the exception of

the President-elect, who may continue in any capacity he or she already serves on the Board. An Officer may also be elected to one (1) committee chairpersonship. Each individual Board member has only one vote, even if he/she holds two positions.

- 4.2 Executive Committee. The Officers of the Corporation will comprise the Executive Committee. The Executive Committee will meet, when necessary, to discuss matters that require a timely decision between regular Board meetings. The Executive Committee has the power to act on behalf of the Board on all matters, subject to approval of the Board at the next regular meeting. If he or she does not already hold a position as an officer of the Corporation, the President-elect will serve on the Executive Committee as a non-voting member.
- 4.3 Election and Term. Officers of the Corporation and other members of the Board of Directors will be elected in the elections for Board of Directors according to the process described in Article 3.5 of the By-laws. Officers will serve for a term of two (2) years, except that the President-elect will serve in the capacity only for one year. An Officer's service may be terminated for cause pursuant to Article 3.8 of these By-laws or by resignation as provided in Article 3.9.
- 4.4 Bonds. The Board of Directors may by resolution require any Officer of the Corporation, agent, or employee of the Corporation to give bond to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of his/her respective office or position, and to comply with such other conditions as may from time to time be required by the Board of Directors.
- 4.5 President. The President will be the principal executive officer of the Corporation and Chairperson of the Board. The President will preside over meetings of the members of the Corporation and the Board of Directors and act as liaison between the Board and Lerner JCDS administrators. The President will, with the Vice-Presidents, oversee the activities of all committees. The President will set the agenda for each meeting of the Directors and the members of the Corporation and will see that all Directors and members are informed in detail of the issues to be discussed at their respective meetings. Directors and members may also request that specific agenda items be included, and the President will accommodate such requests in so far as is reasonably possible. In general he/she will perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.
- 4.6 Vice President. There shall be two Vice Presidents. The Vice Presidents shall be available to the President to chair ad hoc committees, execute special assignments, and share in other responsibilities. Each Vice President shall support the activities of at least three (3) committees by maintaining regular contact with committee chairs and attending meetings on a regular basis. If the President is absent or unable to perform his/her duties, then one of the Vice Presidents shall temporarily perform the duties of the President as delegated by the Board.
- 4.7 Secretary. The Secretary will see that all records, minutes, and accounts of Director business are kept in proper order and will oversee the school Secretary's work for the Directors. The Secretary will be responsible for notifying members of Board meetings

and notifying members of the annual meeting and other special meetings of the Corporation. The Secretary will in general perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

- 4.8 Treasurer. The Treasurer shall be responsible for carrying out the mandates of the Board and its Finance Committee in overseeing the financial affairs of the School. The Treasurer shall, with the assistance of the Head of School, monitor all accounts and records and shall direct the preparation of the budget and annual financial statements. The Treasurer will serve as chair of the Finance Committee and shall oversee the custody of the funds and securities of the School and shall render periodic (at least four times a year) accounting of the financial condition of the School to the Board. The Treasurer will also supervise the Financial Scholarship Committee, which is a subcommittee of the Finance Committee. The Treasurer shall perform such other duties as from time to time may be prescribed by the President or Board.
- 4.9 Vacancies. If for any reason any Officer of the Corporation is not able to complete his/her term of office, the Directors, within sixty (60) days of receiving notice that the position has or will become vacant, will meet and elect another Director to serve in that position for the remainder of the term.

ARTICLE FIVE

POWERS AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

- 5.1 Committees. The responsibilities of the Board of Directors will be carried out by standing, special, and ad hoc committees subject to approval of the Board of Directors. Standing committee members shall be appointed by the committee chair. Members of special and ad hoc committees may volunteer with the approval of the committee chair or the President or be appointed by the committee or the President. All committees will be directly responsible to the Board of Directors. No committee may exercise the authority of the Board of Directors. All decisions requiring Board authority must be brought to the Board of Directors for approval. The President and Vice Presidents will share the responsibility for oversight of the activities of the standing committees. Each will be an ex-officio, non-voting member of all committees he/she oversees. The Head of School will be a non-voting, ex-officio member of all standing committees. The members of any committee will remain in office at the pleasure of the Board of Directors.

In general, all regular standing committee meetings are open to all members of the Corporation. Only committee members may vote. From time to time, a standing, special or ad hoc committee may convene a special meeting which, due to the sensitive nature of the discussion (e.g. problem with a student, financial assistance, etc.), only committee members may attend.

- 5.2 Standing Committees of the Board. The Board of Directors will be assisted in their work by several standing committees. The chairpersons of these committees will be elected at the annual meeting of the Corporation for a term of two (2) years. Their

terms will begin on July 1 of the year of their election. Any member of the Corporation or the community at large may serve as a member of a standing committee. Except for the President and Vice Presidents, no member of the Board will serve on more than three (3) standing committees. The standing committees of the Board of Directors will include the following:

- a) Governance Committee. This committee will be commissioned by the Directors to study certain governance issues that come into question and will make recommendations for governance changes. The Governance Committee also will conduct an annual review of the By-laws and recommend any necessary changes. Members of the Corporation may recommend By-law changes to the Governance Committee or to the Board of Directors. The Committee is also charged with developing a nomination slate of Directors to be approved by the Board (for vote at the annual meeting), orientation of new Board members and continuing education of existing members of the Board.
- b) Finance Committee. The Treasurer will serve as chair of the Finance Committee. The Committee will develop and oversee the budgeting and financial reporting processes of Lerner in conjunction with the School's Director or other responsible person approved by the Board.
- c) Financial Scholarship Committee. The Financial Scholarship Committee is a subcommittee of the Finance Committee. Its duties shall include reviewing all student applications for scholarships and/or tuition allowances based upon financial need, and providing recommendations to the Head of School for distribution of financial assistance funds. The identity of financial assistance applicants shall be kept confidential. The Chair of the Finance Committee shall also serve as the Chair of the Financial Scholarship Committee; provided, however, that if the Chair of the Finance Committee is a parent or legal guardian of a School student, he/she may not serve as Chair of the Financial Scholarship Committee and shall appoint another member of the Finance Committee to serve as the Chair of the Financial Scholarship Committee. The Chair of the Financial Scholarship Committee is a voting member of the committee. Other members of the Financial Scholarship Committee shall consist of the Head of School, the Business Manager, and one at-large member. The at-large member shall not be a parent or guardian of a School student, and shall be appointed by the unanimous consent of the Chair of the Finance Committee and the Head of School and shall serve for a term of two years.
- d) Public Relations Committee. This committee will be responsible for making known the existence and activities of Lerner to the Jewish and general public of the Durham/Chapel Hill/Raleigh community in order to build interest in and support for the School, as directed by the Board.
- e) Development Committee. The Development Committee will work closely with the Development Director staff person on strategic planning for a variety of initiatives, including the annual fund, fundraisers and the special projects such as an endowment or capital campaign.
- f) Strategic and Long-Range Planning Committee. The duties of the Strategic and Long-Range Planning Committee shall involve strategic future planning for the School as directed by the Board.

5.3 Additional board positions (may include any of the following):

- a) Jewish Life Chair. The Board of Directors will include a Jewish Life Chair, who shall advise the Board and Head of School on matters pertaining to the School's Jewish life, including religious practices, holiday observances, and other related matters. There is no standing Jewish Life Committee.
- b) Facilities Chair. The Board of Directors will include a Facilities Chair, who shall assist in the oversight, operation and maintenance of the facilities and grounds of the School. There is no standing Facilities Committee.
- c) Parent Association Chair. The duties of the Parent Association shall include planning, scheduling, and organizing activities; including, but not limited to, school-wide social and/or cultural events (back to school and newcomers gatherings) parent gatherings with Head of School, tzedakah projects, etc. Members of the Parent Association shall consist of School parents and/or guardians.

5.4 Rabbinical Advisors. Rabbis from the Durham/Chapel Hill/Raleigh area may be asked by the Trustees Committee to serve as Advisors, and counsel the Board of Directors as needed.

5.5 Special Committees and Ad Hoc Committees. The Board will be assisted in its work by special and ad hoc committees which may not meet regularly throughout the year but will meet either at specified times each year or on an as needed basis. There are two established special committees. Other special and ad hoc committees may be formed when deemed necessary by the Board of Directors. The special committees are the following:

a) Head Evaluation Committee. This will be composed of the Board President, who will serve as the Committee chair, an Executive Committee Member or Chair of the Governance Committee, and one additional Board member. The Head Evaluation Committee will manage the Evaluation process, which includes gathering input from the Head of School Self-Evaluation, 360 Feedback from faculty and staff, results from the Parent Survey, and data from a Board Survey. The results of the evaluation and information collected, as well as any recommendations are shared with the Head of School by the Board President in a private meeting. The same information is then shared with the Board in an Executive Session.

b) Head Support Committee. The Head Support Committee will provide regular support to the Head of School as requested by the Head of School or by the President of the Board. The Head Support Committee will consist of at least three and no more than five members. Each year, the Head of School will propose a list of Committee members to be approved by the Executive Committee of the Board. One member of the Committee, mutually agreed upon by the President and the Head of School, shall act as a liaison to the Board and Executive Committee. Head Support Committee members should provide the Head of School with advice and guidance as requested based on their professional knowledge, experiences, and relationships. Further, all Head Support Committee members should have a firm understanding of the mission of Lerner and annual goals of the Head of School.

ARTICLE SIX
PROFESSIONAL STAFF

6.1 The Head of School. The Head of School will be selected by the Board of Directors and employed by the Corporation to develop and maintain the environment, staff, and program of Lerner consistent with the educational philosophy and policies as established by the Board of Directors. Assistants to the Head of School may be employed by the Corporation. Any assistants to the Head of School will be hired and dismissed on the recommendation of the Head of School and will be responsible and accountable to the Head of School for all matters pertaining to their employment at Lerner.

The Head of School will be an ex-officio member of the Board of Directors.

While the Board of Directors is responsible for establishing the purposes and policies of Lerner, the Head of School is the administrative and operating head of the School who has complete authority and responsibility for the execution of the Board's purposes and policy in the daily management of the School.

If a member of the Corporation objects to the Head of School's decision on any matter, an appeal may be submitted in writing to the Board of Directors within 15 days of the Head of School's decision. If requested by the Board, the President will convene an Appeals Committee consisting of at least five Directors to hear the appeal within 45 days of receipt of the appeal. The Appeals Committee will primarily be interested in assuring that there is no evidence of discrimination or disregard for proper procedures or School policy in the Head of School's handling of the matter. The Head of School's decision will stand until the appeals process is complete. The appealing party and the Head of School will have the right to present to the Appeals Committee those facts deemed appropriate to review of the Head of School's decision. The Appeals Committee may request the appealing party and/or the Head of School to personally attend the appeals session. The Appeals Committee will notify the appealing party and the Head of School in writing of their decision within thirty (30) days of the hearing.

The Head of School may be dismissed by a vote of more than 50% of the Directors. The meeting time and agenda for such action must be announced to the members of the Corporation ten (10) days in advance.

6.2 Professional Staff. The teaching staff will be employed by Lerner to develop and implement the educational program consistent with the educational philosophy and the policies established by the Board of Directors.

The teaching staff will be hired and dismissed on the recommendation of the Head of School and will be responsible and accountable to the Head of School for all matters pertaining to their employment at Lerner. Duties of the teaching staff will be determined by the Head of School.

ARTICLE SEVEN THE BOARD OF ADVISORS

A Board of Advisors may be commissioned by the Board of Directors to assist in evaluating and planning for the future of Lerner. Advisors will be persons of any faith who, because of their profession and interest, can offer knowledge, advice, and support to the Corporation. Nominations will be approved by the Board of Directors. Advisors may be called upon individually by the Board of Directors or professional staff when advice and assistance is needed by the Corporation in the area of their expertise.

ARTICLE EIGHT CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

8.1 Contracts. The Board of Directors may authorize any Officer or Officers, agent or agents of the Corporation, in addition to the Officers so authorized by these By-laws, 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 defined in specific instances.

8.2 Checks and Drafts. All checks, drafts or orders for the payment of money issued in the name of the Corporation will be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as will from time to time be determined by resolution of the Board of Directors.

8.3 Loans. No loans will be contracted on behalf of the Corporation and no evidence of indebtedness will be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

8.4 Deposits. All funds of the Corporation not otherwise employed will be deposited from time to time to the credit of the Corporation in such depositories as the Board of Directors may select.

ARTICLE NINE INDEMNIFICATION

9.1 The Corporation will indemnify and hold harmless each person who will serve at any time hereafter as a Director, Officer, employee, or authorized agent of the Corporation (including heirs, executors, administrators, or estate of such person) from and against any and all claims and liabilities to which such person will become subject by reason of his or her having heretofore or hereafter been a Director, Officer, employee, or authorized agent of the Corporation, or by reason of any action alleged to have been heretofore or hereafter taken or omitted by him or her as such Director, Officer, employee or authorized agent to the fullest extent permitted under the laws of the State of North Carolina, and will reimburse such person for legal and other expenses reasonably incurred by him or her in connection with any such claim or liability provided, however, that no such person will be indemnified against, or be reimbursed for, any expense incurred in connection with any claim or liability arising out of any appropriation of any business opportunity of the Corporation, any act or omission not in good faith or which involves intentional misconduct or a knowing violation of law, or any transaction from which he or she derived an improper person benefit.

9.2 The right accruing to any person under the foregoing provisions of this Article will not exclude any other right to which he or she may be lawfully entitled, nor will anything herein contained restrict the right of the Corporation to indemnify or reimburse such persons in any proper case even though not

specifically herein provided for. The Corporation, its Directors, Officers, employees, and authorized agents will be fully protected in taking any action or making any payment under this Article or in refusing to do so in reliance upon the advice of counsel to the Corporation.

ARTICLE TEN
PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

No Director, Officer or employee of, or member of a committee of the Corporation, or any other private individual (within the meaning of Section 501 of the Internal Revenue Code or its successor provisions), will at any time receive any of the net earnings from the activities of the Corporation, but this will not prevent the payment to any person of such reasonable compensation as will be fixed by the Board of Directors for services rendered to or for the Corporation in effecting any of its purposes, and no such person will be entitled to share in the distribution of any corporate assets upon the dissolution of the Corporation. All Directors of the Corporation will be deemed expressly to have consented and agreed that upon such dissolution or similar winding-up of the affairs of the Corporation then remaining in the hands of the Board of Directors, after satisfaction of the Corporation's liabilities, will be transferred, conveyed, delivered, and paid over as provided in the Articles of Incorporation.

ARTICLE ELEVEN
SEAL

The seal of the Corporation will be in such form as the Board of Directors may from time to time determine. In the event it is inconvenient to use such a seal at any time, the signature of the Corporation following the word "Seal" enclosed in parentheses or scroll will be deemed the seal of the Corporation. The seal will be in the custody of the Secretary and affixed by him or her, or an Assistant Secretary, on such papers as may be directed by law, by these By-laws, or by the Board of Directors.

ARTICLE TWELVE
CONFLICT OF INTEREST

A Conflict of Interest exists any time a Board or staff member, or any organization with which that individual is affiliated, has a direct or indirect interest with the business of the School. Such interests include gaining or suffering a negative impact, either directly or indirectly, from a decision regarding the School, or creating the perception that such a gain or negative impact might occur. Whenever a Conflict of Interest does or may exist, the Board/staff member shall disclose to the Board (or relevant Committee) the nature of the actual or potential conflict of interest. When there is doubt as to whether a conflict of interest exists, the matter shall be resolved by a vote of the Board, excluding the individual(s) concerning whose circumstances the doubt has arisen. The Board/staff member's disclosure, participation and abstention from voting shall be recorded in the minutes, absent a majority vote of the Board to the contrary. If a Conflict of Interest is discovered with respect to an action that the Board or School has

already taken, the Board shall reconsider the matter at the next regular meeting of the Board, or, at the discretion of the Executive Committee, at a special meeting of the Board.

ARTICLE THIRTEEN
GENERAL PROVISIONS

- 13.1 Limit of Use of Property and Funds to Purposes of the Corporation. No funds or property of the Corporation will be devoted to or expended for any purpose or objective not set forth in the Corporation Articles of Incorporation, but all of the Corporation's funds and properties at all times will be used exclusively for said Corporate purposes.
- 13.2 Waiver of Notice. Whenever any notice is required to be given to any Director or other person under the provisions of these By-laws, the Articles of Incorporation, or any applicable law, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, will be equivalent to the giving of such notice.
- 13.3 Amendments. Any amendment to these By-laws will be made upon recommendation to the general membership at a regular or special meeting called for this purpose by the President provided that:
- a) The amendment is approved by a majority vote of the Board of Directors.
 - b) Copies of the proposed amendment are sent to the general membership at least two (2) weeks prior to the said meeting.
 - c) The amendment so proposed is ratified by a two-thirds majority of the membership present at said meeting.
- 13.4 Rules of Order. All Parliamentary questions on rules of order not otherwise determined by these By-laws will be decided upon in accordance with "Robert's Rules of Order". The Vice Presidents will act as parliamentarians at all Board of Directors and membership meetings of the Corporation.

No By-law adopted or amended by the members will be altered or repealed by the Board of Directors.

These By-laws adopted and effective by action of the Steering Committee and Parents of Lerner as of April, 1995 and amended by the action of the Membership of the Lerner as of May 2019,

_____, Secretary, Lerner Board.