

BYLAWS
OF
INTERNATIONAL SPANISH LANGUAGE ACADEMY

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BYLAWS
OF
INTERNATIONAL SPANISH LANGUAGE SCHOOL
A Minnesota Charter School

ARTICLE I

OFFICES

The INTERNATIONAL SPANISH LANGUAGE ACADEMY (“ISLA” or the “School”) has been incorporated as a nonprofit corporation under Minnesota Statutes Chapter 317A.

1. The registered office of ISLA in the State of Minnesota is as stated in the Articles of Incorporation. The ISLA 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.
2. The principal office of ISLA shall be in Minnetonka, Minnesota, or at such other place as the Board of Directors shall designate from time to time. The business of the School shall be transacted from the principal office, and the records of the School shall be kept there.

ARTICLE II

PURPOSE

INTERNATIONAL SPANISH LANGUAGE SCHOOL, a Minnesota nonprofit corporation, has as its purpose education within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, including but not limited to, the establishment of a charter school under the laws of the State of Minnesota.

ARTICLE III

BOARD OF DIRECTORS

1. *Board of Directors.* Membership in the School shall consist only of the members of the Board of Directors.

2. *Number of Directors.* The Board of Directors of the School (“Board”) shall consist of not less than five (5) nor more than thirteen (13) members, excluding *ex officio* non-voting Directors, if any, as determined by the Board from time to time. The Board shall at all times meet the requirements of Minnesota Statutes Chapter 124D as such requirements may be amended from time to time. At least two, but less than a majority, of the members of the Board shall be licensed teachers employed by the School. At least one member of the Board shall be a parent of an ISLA student and at least one member of the Board shall be a non-parent community member, as required by Minnesota law. An employee who is a parent/legal guardian of a student enrolled in the School shall be considered an employee for purposes of this Article. Should Minnesota Statutes Chapter 124D be amended to change the requirements for composition of a Board of Directors of a Minnesota Charter School, such changed requirements shall preempt this Article to the extent, and only to the extent, that the provisions of this Article are inconsistent with such changed statutory requirements. No decrease in the number of Directors pursuant to this section shall effect the removal of any Director then in office. No vacancy in the number of Directors or any *ex officio* Directors on the Board of Directors shall render any Board action void or voidable.
3. *Director Qualifications.* Directors may only be adult natural persons. Each Director shall demonstrate his or her willingness to accept responsibility for governance and his or her availability to participate actively in governance activities. Directors shall be selected to bring a variety of interests and expertise to the School and to reflect the community served. Director candidates shall submit to an appropriate background check. Employees of the School (who are not teachers and) not parents/guardians of students enrolled at ISLA are not eligible to serve as Directors.
4. *Advisors to the Board of Directors.* The School’s Executive Director shall sit *ex officio* as a non-voting member of the Board of Directors. The Executive Director shall not be counted as a voting member of the Board. The following shall sit as non-voting advisors to the Board of Directors:
 - a. If the authorizing institution so desires, the School’s authorizing institution (Authorizer) as represented by an agent of the Authorizer selected by the Authorizer from time to time;
 - b. A representative of the School’s Parent-Teacher Organization, if any;
 - c. The founders of the School, Karen Terhaar, Angie Cabrera, Molly Quinn, and Kerry Krawczyk-LeMieux (“Founders”) shall be Directors *ex officio* without voting privileges unless otherwise elected as voting Directors pursuant to Section 6 below. Each Founder shall hold office as an *ex officio* non-voting Director until such Founder shall die, retire, resign, or be removed as an *ex officio* non-voting Director pursuant to Section 9 of this Article III.
5. *Section Reserved for Future Use.*

6. *Election of Board of Directors.*

a. *Staggered Terms.* Election to the Board of Directors shall be in compliance with Section 124D.10 subd. 4(c) of the Minnesota Statutes, as amended from time to time. Except for *ex officio* non-voting Directors, the Board of Directors shall be divided into three (3) classes of Directors so that the terms of office of approximately one-third (1/3) of the Directors shall expire each year. The Secretary shall maintain a schedule of the classes and terms of office for all seats on the Board of Directors.

b. *Designation of Open Board Seats.* The seats up for election each year will be specifically identified no later than the Board of Directors' regular February meeting. At such time, the Governance Committee shall also advise the Board of any applicable restrictions as to the identity of the individuals who may serve in any particular Board seat. The Governance Committee shall exercise its discretion in setting the seat restrictions in accordance with these Bylaws and state law, but in no year shall the Governance Committee fail to designate 2 seats as Teacher Seats, and one seat each for a Parent and a Community Member.

c. *Eligible Voters and Voting.* All staff members who are employed at the School, including teachers, all current Board members, and all parents/legal guardians of students enrolled at the School may participate in the election of Directors. The date to be used to determine eligibility for participation in an election of Directors shall be the date of the election.

d. *Nomination Process.*

(i) The Governance Committee shall serve as the Nominating Committee for the Board's first election year. Thereafter, the Nominating Committee shall consist of: one member of the current Board appointed by the Board Chair, one member of the current Board appointed by the Vice-Chair, one ISLA Founder if desired and as determined by the Founders, the Chair of the Governance Committee or his/her designee, one ISLA teacher who is not serving on the Board who is appointed by the Executive Director, an officer of the ISLA PTO as designated by the PTO, one parent/guardian not serving as a PTO officer who is appointed by the Chair of the Governance Committee, and one parent/guardian not serving as a PTO officer who is appointed by the PTO Chair. The Governance Committee shall confirm the composition of the Nominating Committee for any given school year by the Board's November meeting each year. The Nominating Committee has the authority to conduct business even without the full complement of members as described above. One member of the Nominating Committee shall be designated as the Chair of the Nominating Committee by the Board Chair.

(ii) Ninety (90) days prior to the School's annual meeting, a Nominating

Committee shall solicit applications for the Director positions to be filled at the next annual meeting. Interim Directors and Founders may be considered as potential nominees, subject to the same term of office requirements as other elected Directors.

- (iii) The Nominating Committee shall compile a list of nominees with a brief statement of their qualifications and evaluate such nominees in a manner the Nominating Committee deems appropriate. Based on the Nominating Committee's evaluation, it will advise the Governance Committee of its Nominations and Recommendations by no later than March 15th each year.
- (iv) Persons not nominated by the Nominating Committee who wish to run for election for any of the Director seats up for election will have the opportunity to submit their names and statements of interest to the Governance Committee by March 25th of each year.
- (v) The Governance Committee will inform all eligible voters of the candidates for each Director seat up for election (including Teacher Seats) by written communication and by posting of such information on ISLA's website by no later than April 1st of each year.
- (vi) The annual election of Directors, which is to occur at the annual meeting, will not occur sooner than thirty (30) days from the date the Governance Committee makes the slate of candidates available to eligible voters.

e. *Succession.* Vacancies on the Board of Directors caused by the expiration of a term of office shall be filled in the manner set forth in this Article III of these Bylaws.

7. *Term of Office.*

- a. Terms of office for Directors shall begin on June 30th in the year of election.
- b. All Directors shall hold office for three (3) years from the time of their election and thereafter until their respective successors are chosen and qualified or until their earlier death, resignation or removal from office, provided, however, that:
 - i. Each Founder shall hold office as an *ex officio* non-voting Director until such Founder shall die, retire, resign, or be removed as an *ex officio* non-voting Director in the same manner as set forth for voting Directors in the provisions of Section 9 of this Article III.
 - ii. [This subsection not used].
 - iii. If the status of a Director who (i) is an employee of the school (other than a teacher), and (ii) is also a parent/legal guardian of an ISLA student changes

such that the Director no longer has a student enrolled at ISLA, that Director is no longer eligible to serve on the Board. In this instance, steps to fill this vacancy as set forth in sections 7(b)(v) and 10 below should be taken.

- iv. A licensed teacher of the School may serve as a Director only so long as he/she is an employee of the School.
 - v. A Director appointed to fill a vacancy shall hold office until the next election of Directors, at the next annual meeting. A Director elected to fill a vacancy at the annual meeting shall then serve in that role for the remainder of the three-year term of the first-replaced Director. (For example, if Director Seat #4 is vacated in January of year 2 of that Director's three-year term, a replacement Director will be appointed to serve out the remaining months of the second year (January through June 29th). At the May election, Director Seat #4 will be up for election—in addition to the other scheduled seats up for election—for the remaining one year term. After that last year, Director Seat #4 will be up for election for a regular three-year term.)
- c. Directors may be reelected to successive terms and may serve simultaneously as officers. Each elected Director of the Corporation shall serve until the expiration of his or her term of office, and thereafter until his or her successor has been elected or until his or her prior death, resignation, removal or cessation of representative qualifications. Each *ex officio* Director shall serve until his or her successor has been confirmed or until his or her prior death, resignation, removal, or cessation of representative qualifications. No Director may serve more than two (2) consecutive three (3)-year terms, except for officers and committee chairs. If an individual is elected to serve a term which is less than two (2) years, such term shall be disregarded for the purpose of the previous sentence. A Director who has served two (2) consecutive three (3)-year terms may again be elected as a Director after an interval of one (1) year from the expiration of his or her previous term. All voting Directors shall have equal voting rights.
8. *Resignation of a Director.* A Director may resign at any time, effective immediately or at a specified later date, by giving written notice of such resignation to the Board Chair or the Secretary of the School. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective, and such resignation shall be effective upon delivery, unless a later date is specified in the notice.
9. *Removal of Directors.* A Director may be removed with or without cause as provided by Chapter 317A of the Minnesota Statutes by an affirmative vote of two-thirds (2/3) of the Directors then in office excluding the Director proposed for removal. The Board of Directors may remove any Director who:
- a. Has failed to attend two or more of the Board's regular meetings without good excuse in any fiscal year;

b. For such other good causes as the Board of Directors may determine.

10. *Vacancies.* A Board vacancy shall be deemed to exist if: a) any Director dies, resigns, or is removed; b) if any Director becomes ineligible to serve as a Director of the School; or c) if the authorized number of Directors is increased. Unless otherwise provided by Minnesota Statutes, Section 317A.227, any vacancy on the Board of Directors shall be filled by the appointment of a new Director by the affirmative vote of a majority of the remaining Directors, even if less than a quorum. The Governance Committee shall be responsible for nominating a candidate to fill a vacancy. A Director filling a vacancy shall hold office until the next annual meeting, pursuant to section 7(b)(5) above.

11. *Powers.* The Board shall conduct or direct the affairs of the School and exercise its powers, subject to the limitations of the Minnesota Statutes Chapter 317A and Section 124D.10, the Articles of Incorporation, these Bylaws, and any other controlling law. The Board of Directors may delegate the management of the activities of the School to others. The Board may exercise all powers of the School and perform all acts that are not prohibited by law, by the Articles or by these Bylaws, all as may be amended. The Board of Directors may exercise all its powers notwithstanding any vacancy or vacancies on the Board. The powers of the Board include, but are not limited to, the following specific powers:

- a. To select and remove officers, agents, and employees of the School; to prescribe powers and duties for them; and to fix their compensation;
- b. To manage, and oversee the affairs and activities of the School, and to make rules and regulations;
- c. To enter into contracts, leases, and other agreements which are, in the judgment of the Board of Directors, necessary or desirable in obtaining the purposes of promoting the interests of the School;
- d. To acquire real or personal property, by purchase, exchange, lease, gift, devise, bequest, or otherwise, and to hold, improve, lease, sublease, mortgage, transfer in trust, encumber, convey, or otherwise dispose of such property;
- e. To borrow money, incur debt, and to execute and deliver promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities;
- f. To indemnify and maintain insurance on behalf of any of its Directors, officers, employees, or agents for liability asserted against or incurred by such person in such capacity or arising out of such person's status as such, subject to the provisions of Minnesota Statute Chapter 317A and the limitations noted in these bylaws; and
- g. To remove Directors.

12. *Compensation.* Directors shall not receive compensation for their services, however, the Directors of the School may be reimbursed for reasonable out-of-pocket expenses incurred by them in rendering services to the School, as the Board of Directors from time to time determines such services to be directly in furtherance of the purposes and in the best interests of the School. Notwithstanding the foregoing, Directors who are also employees of the School shall be entitled to reasonable compensation for services rendered to the School as employees; provided that no part of the compensation of an employee of the School shall be compensation for services as a Director. The School shall be entitled to purchase officers' and Directors' liability insurance without obtaining reimbursement of all or any part of the premium, and doing so shall not be a violation of these Bylaws.
13. *Review.* At the regularly scheduled meeting of the Board of Directors in August of the third year of operation and every third year thereafter, the Board shall review its composition and membership to ensure compliance with then-current state law.

ARTICLE IV

MEETINGS OF THE BOARD OF DIRECTORS

1. *Open Meetings.* A meeting of the Board shall be open to the public in accordance with, and to the extent required by, applicable law including Minnesota Statutes Section 124D.10 and Chapter 13D unless the meeting is closed pursuant to Section 13 of this Article IV. All meetings of the Board shall be conducted in compliance with Minnesota Statutes Chapter 13D, and in the event of a conflict between the requirements of Chapter 13D and these By-Laws, the requirements of the statute shall prevail.
2. *Place of Meetings.* Board meetings may be held at the School's principal office or at any other reasonably convenient place as the Board may designate. The Board of Directors may determine that one or more meetings of the Board may be held by means of remote communication, provided appropriate notice is given, in accordance with Minnesota law. Such determination authorizing such meeting(s) may be general or confined to specific instances.
3. *Regular Meetings.* Regular meetings shall be held each month at such times as are set on the school calendar adopted annually by the Board of Directors. The Board of Directors shall meet no less than nine (9) times per fiscal year as the Board of Directors, or the Chair of the Board of Directors, shall determine. At each regular meeting, the Board of Directors shall conduct such business as may properly come before the meeting.
4. *Annual Meeting.* The regular meeting of the Board in May of each year shall be constituted as the School's annual meeting, which shall be held for the purpose, among other business as determined by the Board, of electing Directors, officers and standing committee chairs for the upcoming year, making and receiving reports on corporate affairs, and transacting such other business as comes before the meeting.

5. *Special Meetings.* Special meetings of the Board of Directors may be called at any time for any purpose by the Board Chair. The Board Chair shall call a special meeting of the Board of Directors upon the written request of one-third (1/3) of the Directors.
6. *Cancellation of Meetings.* The Board Chair may cancel a meeting with reasonable cause.
7. *Adjournment.* A majority of the Directors present at a meeting, whether or not a quorum, may adjourn the meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given if the time and place be fixed at the meeting adjourned and recorded in the minutes of that meeting, except, if the meeting is adjourned for longer than 24 hours, notice of the adjournment shall be given as for special meetings.
8. *Notice of Meetings.* Notice of meetings of the Board shall be given as follows:
 - a. *Regular Meetings.* Not less than ten (10) days' written notice of a regular meeting of the Board of Directors, excluding the day of the meeting, shall be given to all Directors and to the public in accordance with Minnesota Statutes Chapter 13D. Said notice shall include proposed agenda items, but the failure to include an agenda item in the notice shall not prevent action from being taken with respect to such item, except that notice of a meeting at which an amendment to the Articles of the Corporation will be proposed must contain the substance of the proposed amendment. Notice of a meeting to be held by means of remote communication shall include a statement identifying the means by which Directors and the public may participate in such meeting. A schedule and the location of regular meetings of the Board shall be provided to each Director and shall be kept on file at the School's principal office, to the extent the Board develops such a schedule of meetings further in advance than the ten day notice period required. If the Board holds a regular meeting at a time or place different from the time or place stated in its schedule of regular meetings, the same notice shall be given as if the meeting were a special meeting pursuant to paragraph b below.
 - b. *Special Meetings.* Written notice of the date, time, place and purpose of a special meeting shall be delivered to each Director, posted on the principal bulletin board of the School and mailed or otherwise delivered to each person who has filed a written request for notice of special meetings with the Secretary. This notice shall be posted and mailed or delivered at least three (3) days before the day on which the meeting is to be held.
 - c. *Annual Meeting.* In addition to the schedule required by paragraph a above, written notice of the date, time, place and purpose of the annual meeting shall be delivered to each eligible voter, as defined in Article III, Section 6, or posted on the principal bulletin board of the School, at least fifteen (15) days in advance of the annual

meeting. The Board shall from time to time determine the method of delivering such notice.

- d. **Other Methods.** Notice to Directors shall be delivered: personally; sent by facsimile communication; sent by electronic mail; posted on an electronic network together with a separate notice to the Director of the specific posting; or mailed, first class, postage prepaid; or delivered by such other method(s) as are fair and reasonable as determined in the sole discretion of the Secretary of the School. Whenever written notice to Directors provides less than five (5) days' prior notice of the meeting, excluding the date of the meeting, reasonable efforts shall be made to notify Directors by telephone of the meeting at the time of giving written notice, but the failure to contact any Director(s) by telephone shall not affect the validity of the meeting or any action taken at such meeting. The School may provide such other notices of meetings to parents/legal guardians of students enrolled at the School, employees of the School, and other members of the public, as the Secretary or the Board may from time to time determine.
9. *Actual Notice.* If a person receives actual notice of a meeting of the Board at least twenty-four (24) hours before the meeting, all notice requirements of this Article are satisfied with respect to that person, regardless of the method of delivery of notice.
 10. *Waiver of Notice.* Any Director may waive notice of any meeting of the Board of Directors in writing before, at or after a meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, unless he or she objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and does not participate in the meeting.
 11. *Agendas for Meetings.* The Board Chair shall set the agendas for meetings of the Board of Directors. Any Director, parent/legal guardian of a student enrolled in the School, employee of the School, or student enrolled in the School may request that an item be placed on the agenda of the next regular Board of Directors meeting by contacting the Board Chair in writing, by phone, or via email with such request not less than five (5) days prior to the scheduled meeting.
 12. *Public Comment at Meetings.* A minimum of ten (10) minutes shall be reserved at each regular meeting for public comment. The Board Chair may reasonably limit individual speaking times.
 13. *Closed Meetings.*
 - a. The Board may close a meeting to evaluate the performance of an individual who is subject to its authority, including but not limited to employees of the School, or as otherwise permitted by law or the attorney-client privilege. If a meeting is closed to evaluate the performance of an individual, prior to closing the meeting, the Chair shall identify the individual to be evaluated and at the next open meeting, the Chair shall

summarize the Board's conclusions regarding the evaluation; provided, however, that the meeting must be open at the request of the individual who is the subject of the meeting.

- b. The Board shall close a meeting if expressly required by law or to discuss information that would identify alleged victims or reporters of criminal sexual conduct, domestic abuse, or maltreatment of minors or vulnerable adults, active investigation data as defined in Minnesota Statutes Section 13.82, or educational data that is not public under Minnesota Statutes Section 13.32.
 - c. The Board shall also close a meeting for preliminary consideration of allegations or charges against an individual subject to its authority; provided, however, that if the Board determines discipline may be warranted as a result of such allegations or charges, further meetings related to such allegations or charges shall be open, and all meetings related to such allegations or charges shall be open at the request of the person who is the subject of such allegations or charges.
 - d. Before closing a meeting, the Board shall state on the record the specific grounds permitting the meeting to be closed and describe the subject to be discussed.
14. *Rules of Procedure.* The Board of Directors may, by a 2/3 majority vote of the Directors currently in office, adopt or establish rules of procedure for conducting meetings provided such rules are not inconsistent with the Corporation's Articles of Incorporation, these Bylaws or Minnesota law. In the absence of Board action, the Chair of the Board of Directors shall establish rules of procedure for conducting meetings provided such rules are not inconsistent with the Corporation's Articles, these Bylaws or Minnesota law, and shall establish such rules by reference to the most recent edition of *Robert's Rules of Order Newly Revised*.
15. *Minutes.* The minutes of meetings of the Board shall record all votes taken at the meeting. The minutes shall record the vote of each Director on appropriations of money, except for payment of judgments and amounts fixed by statute. Minutes of Board meetings shall be open to the public for inspection and copying during all normal business hours where records of the School are kept.
16. *Public Copies of Directors' Materials.* Unless a meeting is closed pursuant to Section 13, materials prepared or distributed by or at the direction of the Board relating to one or more agenda items of the meeting and distributed at or before, or made available during, the meeting to all Directors shall be available to the public in accordance with applicable law. This section does not apply to materials classified by law as other than public, or to materials relating to the agenda items of a closed meeting.

ARTICLE V

ACTION BY THE BOARD OF DIRECTORS

1. *Quorum.* The presence of a majority of the voting members of the Board of Directors currently in office, including voting *ex officio* Directors, shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but the Directors present at any meeting, although less than a quorum, may adjourn the meeting from time to time. If a quorum is present when a duly called or held meeting is convened, the Directors present may continue to transact business until adjournment, even though the withdrawal of Directors originally present leaves less than the proportion or number otherwise required for a quorum. At any meeting of the Board of Directors, each voting Director present at the meeting shall be entitled to cast one (1) vote on any question coming before the meeting. Except as otherwise provided in these Bylaws, a majority vote of the voting Directors present at any meeting duly constituted of a quorum shall be sufficient to transact any business.
2. *Action by the Board.*
 - a. The actions done and decisions made by a majority vote of the Directors present and entitled to vote at a meeting duly held at which a quorum is present are the actions and decisions of the Board of Directors unless a greater or lesser vote is required for the specific action as set forth in these Bylaws, the Articles of Incorporation, or by law. One such provision shall be that approval of the annual budget will require a 2/3 majority vote of the Directors currently in office. The Board of Directors may continue to transact business at a meeting at which a quorum was originally present, even though Directors withdraw, and a majority vote of the voting Directors present at any meeting duly constituted of a quorum shall be sufficient to transact any business. Each Director shall have the power to exercise one (1) vote on all matters to be decided by resolution of the Board of Directors.
 - b. Approval of the School's annual budget requires a 2/3 majority vote of the Directors currently in office.
3. *Individual Participation in Meetings by Means of Remote Communication.* A Director may participate in a meeting of the Board by means of conference telephone, or if authorized by the Board, by such other means of remote communication including electronic communication, video conference, the Internet, or such other means by which persons not physically present in the same location may communicate with each other on a substantially simultaneous basis, through which that Director and other Directors so participating and all Directors physically present at the meeting may participate with each other during the meeting. Participation in a meeting in this manner constitutes presence at the meeting.

ARTICLE VI

COMMITTEES AND PURPOSE

1. *Committees.* There is established an Executive Committee and a Governance Committee, as described below in Sections 4 and 5 of this Article. Such committees shall have the authority ascribed to them in these By-Laws and such additional authority ascribed to them by resolution of the Board. The Board may by resolution establish and ascribe authority to other standing and *ad hoc* committees in its discretion. All committees of the Board shall at all times be subject to the direction and control of the Board. All committees of the Board except the Executive Committee are advisory in nature, i.e., such committees may act only to recommend action to the Board unless the Board has explicitly delegated authority to a committee to take a specific action on behalf the Board. To the extent that meetings of committees are governed by Minnesota Statutes Chapter 13, Board committees shall comply with applicable provisions of that law. Committee members must be natural persons.
2. *Ex Officio Member.* The Chair of the Board of Directors, or a representative appointed by the Chair of the Board, shall be an *ex officio* member, with voting rights, of each committee of the Corporation.
3. *Committee Procedures.* The provisions of these Bylaws shall apply to committees and members thereof to the same extent they apply to the Board of Directors and Directors, including, without limitation, the provisions with respect to meetings and notice thereof, absent members, written actions and valid acts. Each committee shall keep regular minutes of its proceedings and report the same to the Board of Directors.
4. *Executive Committee.* The Executive Committee shall consist of the Officers of the School and the Executive Director as voting members. The Executive Committee shall act only during intervals between meetings of the Board of Directors and shall at all times be subject to the control and direction of the Board of Directors. During such intervals and subject to such control and direction, the Executive Committee shall have and may exercise all of the authority and powers of the Board of Directors in the management of the affairs of the Corporation, subject to such limitations as the Board of Directors may impose. A quorum of the Executive Committee shall consist of 60 percent of its members. The Executive Committee shall keep regular minutes of its proceedings and report the same to the Board of Directors.
5. *Governance Committee.* The Governance Committee shall perform the duties set forth elsewhere in these Bylaws in regard to the election of Directors, election of officers, and filling of vacancies, and such other duties as are deemed appropriate and necessary by the Board of Directors. The Governance Committee shall be chaired by a Director and include two additional Directors and two individuals who are neither Directors nor officers of the School.

6. *Election and Removal of Standing Committee Chairs.* Except for those standing committee chairs designated in Section 1 above, standing committee chairs shall be elected and removed in the same manner as officers of the School.
7. *Ad Hoc Committees.* The Board of Directors may, at its discretion, create *Ad Hoc* Committees to address specific subjects of concern to the Board. The resolution creating a committee shall specify the purpose, duration, powers and responsibilities of the committee. The Board of Directors shall appoint a chair, who may, but need not be a Director. The Board of Directors may remove an Ad Hoc committee chair at its discretion.
8. *Advisory Committees.* The Board of Directors may, at its discretion, create Advisory Committees to keep the Board informed and to make recommendations on an ongoing basis in any area of the operation and management of the School that it deems desirable. The resolution creating the committee shall specify the purpose, duration, powers and responsibilities of the committee. The Board of Directors shall appoint a chair, who may, but need not be a Director. The Board of Directors may remove an Advisory committee chair at its discretion.
9. *Committee Membership.* Except as otherwise specified in these Bylaws, the chair of any Standing, Ad Hoc, or Advisory Committee of the Board may determine the membership of such committee with the advice and consent of the Board of Directors. Each committee chair shall maintain a record of the voting members of the committee and shall submit such records to the Secretary of the School.

ARTICLE VII

OFFICERS AND DUTIES

1. *Number.* The School shall have the following officers: (a) Chair of the Board of Directors; (b) Vice-Chair; (c) Secretary; (d) Treasurer; and e) Immediate Past Chair. The officers of the School must be natural persons that the Board of Directors elects or appoints; and, except for the Immediate Past Chair, must be voting members of the Board of Directors. Subject to these Bylaws, the Board of Directors may also elect or appoint one or more additional officers or assistant officers as it may deem convenient or necessary. Except as provided in or circumscribed by these Bylaws, the Board of Directors shall fix the powers and duties of all officers.
2. *Officer Duties.* The duties of officers of the School shall consist, at a minimum, of the following:
 - a. *Chair.* The Chair shall:

- i. Act as the chair of the Board of Directors and exercise the functions of the office of the President of the School;
 - ii. Preside at all meetings of the Board of Directors or arrange for another officer to preside in the following order: Vice-Chair, Secretary, Treasurer;
 - iii. Perform such duties and exercise such powers as are necessary or incident to the supervision and management of the business and affairs of the School;
 - iv. Sign and deliver, in the name of the School, all deeds, mortgages, bonds, contracts, or other instruments requiring an officer's signature, with the advice and consent of the Board of Directors;
 - v. Have the general powers and duties usually vested in the office of the president; and
 - vi. Have such other powers and perform such other duties as are prescribed by Minnesota Statutes, Section 317A.305, subd. 2, and as the Board of Directors may from time to time prescribe.
- b. *Vice-Chair.* The Vice-Chair shall:
- i. Perform the duties of the Chair in the absence of the Chair or in the event of his or her inability or refusal to act, and when so acting, the Vice-Chair shall have all of the powers of, and be subject to all of the restrictions upon, the Chair. The Vice-Chair shall cease to perform the duties of the Chair when the Chair returns or a new Chair is elected by the Board of Directors.
 - ii. Assist the Chair in such manner as the Chair or the Board of Directors deems desirable; and
 - iii. Perform such other duties as from time to time may be assigned to him or her by the Chair or by resolutions of the Board of Directors.
- c. *Secretary.* The Secretary shall maintain the office of the School and shall:
- i. Be responsible for keeping records of Board actions, including overseeing the taking of minutes at all Board meetings;
 - ii. Give, or cause to be given, notice of all meetings of the Board of Directors;
 - iii. Distribute copies of minutes and agendas to all Board members;
 - iv. Maintain the documents and records of the School; and

- v. Perform such other duties as may be prescribed by the Board or the Board Chair from time to time.
- d. *Treasurer.* The Treasurer shall:
 - i. Perform the duties of Chief Financial Officer of the School;
 - ii. Make a report on the School's finances and all transactions made as Chief Financial Officer at each regular Board meeting;
 - iii. Chair the Board's Budget and Finance Committee, if one is so constituted, or any other committee the purpose of which is primarily to oversee and develop the School's budget and finances;
 - iv. Keep accurate accounts of all monies of the School received or disbursed;
 - v. Deposit all monies, drafts and checks in the name of, and to the credit of, the School in such banks and depositories as the Board of Directors shall from time to time designate;
 - vi. Have the care and custody of the corporate funds and securities;
 - vii. Have the power to endorse for deposit all notes, checks, and drafts received by the Corporation;
 - viii. Disburse the funds of the School as ordered by the Board of Directors, making proper vouchers therefore; and
 - ix. Perform such other duties and have such other powers as may from time to time be prescribed by the Board of Directors or by the Board Chair.
- e. *Assistant Treasurer.* The Board of Directors shall elect an Assistant Treasurer annually at the annual meeting, or in the event of a vacancy in such position during the middle of the term, at a regular meeting of the Board. The Finance Committee shall nominate an individual for the Assistant Treasurer position at the time of any election for such position. The duties of the Assistant Treasurer shall include:
 - i. Assist the Treasurer in performing his/her designated duties under the By-laws;
 - ii. Learn and understand the financial operations of the school with the intended purpose, among others, of acceding to the Treasurer position after at least one year in the Assistant Treasurer position;
 - iii. Serve as a member of the Finance Committee;

- iv. Make a report on the School's finances and all transactions made by the Chief Financial Officer at any Board meetings at which the Treasurer if not available to deliver such report;
 - v. Have the power to endorse or deposit all notes, checks, and drafts received by ISLA;
 - vi. Perform such other duties as may from time to time be prescribed by the Board of Directors or by the Board Chair.
- f. *Immediate Past Chair.* The Immediate Past Chair officer position shall be filled, if at all, by the person who was Chair of the Board immediately before the current Chair was appointed or elected. The Immediate Past Chair shall:
- i. Sit *ex-officio* as a voting member of the Executive Committee;
 - ii. Endeavor to ensure effective and efficient leadership of the School at all times including particularly in times of transition; and
 - iii. Consult with and advise the Board, the Chair and the Officers of the School as needed and appropriate, ensuring to the greatest extent possible that the School and its current Officers learn or have access to all information about or relevant to the School that is known or available to the Immediate Past Chair;

3. *Election, Eligibility and Term of Office.*

- a. *Election.* The Board of Directors shall elect a Chair, Vice-Chair, Secretary, Treasurer and Assistant Treasurer annually, either at the annual meeting, a regular Board meeting designated for that purpose, or at a special Board meeting for that purpose, except that officers elected to fill vacancies shall be elected as vacancies occur.
- b. *Eligibility.* The Immediate Past Chair and the Assistant Treasurer may or may not be voting members of the Board of Directors. Other than the Immediate Past Chair and the Assistant Treasurer an officer shall be a voting Director, unless this requirement is waived by a vote of a majority of Directors currently in office. One or more of the offices of Vice-Chair, Secretary, and Treasurer may be held simultaneously by one individual; but such individual shall be entitled only to vote as one officer regardless of the number of offices held.
- c. *Term of Office.* Terms of office for officers shall be for one (1) year beginning June 30th in the year elected. Unless otherwise determined by the Board of Directors, the Chair and Vice-Chair may not serve consecutive terms in the same office, but individuals elected to these offices may serve additional non-consecutive terms. A

Chair or Vice-Chair elected to fill a vacancy may serve one consecutive full term. The Secretary, Treasurer, and Assistant Treasurer may serve multiple consecutive terms.

4. *Removal and Resignation.* The Board of Directors may remove an officer, either with or without cause, at any time, by an affirmative vote of two-thirds (2/3) of the Directors currently in office. An officer may resign at any time by giving written notice to the Board of Directors, the resignation taking effect on receipt of notice or at a later date as specified in the notice.

ARTICLE VIII

FISCAL MATTERS

1. *Accounting Year.* The accounting year of the Corporation shall be the twelve month period ending on June 30 each year.
2. *Contracts.* The Board of Directors may authorize such officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the School, and such authority may be either general or confined to specific instances. Contracts and other instruments entered into in the ordinary course of business may be executed by the Chair of the Board of Directors or, in the absence of or pursuant to a delegation by the Chair of the Board of Directors, by such officer designated to act in the place of or in the absence of the Chair of the Board of Directors, without specific Board of Directors authorization.
3. *Loans.* No loans shall be contracted on behalf of the School, and no evidence of indebtedness other than checks, drafts or other orders for payment of money issued in the ordinary course of business shall be issued in its name unless authorized by the Board of Directors. Such authorization and approval may be general or confined to specific instances.
4. *Checks, Drafts, Etc.* All checks, drafts or other orders for the payment of money issued in the name of the School shall be signed by such officer or officers, agent or agents of the School and in such manner as shall be determined by resolution of the Board of Directors or by the Chair of the Board or Treasurer upon delegation by the Board.
5. *Deposits.* All funds of the School not otherwise employed shall be deposited from time to time to the credit of the School in such banks, trust companies or other depositories as the Board or the Chair of the Board or Treasurer upon delegation by the Board may select.
6. *Maintenance of Records; Audit.* The Corporation shall keep at its principal office correct and complete copies of its Articles and Bylaws, accounting records, voting agreements, and minutes of meetings of Members, Board of Directors, and committees having any of the authority of the Board of Directors for the last six (6) years. All such other records shall be

open to inspection upon the demand of any member of the Board of Directors of the School. The Board of Directors shall cause the books and records of account of the School to be audited in accordance with Minnesota Statutes Chapter 124D, and as directed by the Board, at least once in each fiscal year and at such other times as the Board may deem necessary or appropriate.

7. *Corporate Seal.* The School shall have no corporate seal.

ARTICLE IX

RESPONSIBILITIES OF DIRECTORS

1. *Duty of Care.*

- a. *Performance of Duties.* Each Director shall perform all duties of a Director, including duties on any Board Committee, in good faith, in accordance with the mission of the School, in a manner the Director believes to be in the School's best interest and with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use under similar circumstances.
- b. *Reliance on Others.* In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, presented or prepared by:
 - i. One or more officers or employees of the School whom the Director believes to be reliable and competent in the matters presented;
 - ii. Legal counsel, independent accountants, or other persons as to matters that the Director believes are within the person's professional or expert competence; and
 - iii. A Board Committee on which the Director does not serve, as to matters within its designated authority, provided the Director believes the Committee merits confidence and the Director acts in good faith, after reasonable inquiry when the need is indicated by the circumstances, and without the knowledge that would cause such reliance to be unwarranted.
- c. *Investments.* In investing and dealing with all assets held by the School for investment, the Board of Directors shall exercise the standard of care described above and avoid speculation, looking instead to the permanent disposition of funds, considering the probable income, as well as the probable safety of the School's capital. The Board of Directors may delegate its investment powers to others, provided that those powers are exercised with the ultimate direction of the Board of Directors. No investment violates this section where it conforms to provisions

authorizing such investment contained in an instrument or agreement pursuant to which the assets were contributed to the corporation.

- d. *Rights of Inspection.* Every Director has the right to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the School, provided that such inspection is conducted at a reasonable time after reasonable notice, and provided that such right of inspection and copying is subject to the obligation to maintain the confidentiality of the reviewed information, in addition to any obligations imposed by any applicable federal, state, or local law.
- e. *Participation in Voting.* Every Director has the right to participate in the discussion and vote on all issues before the Board of Directors, except as provided in a Conflicts of Interest Policy adopted by the Board of Directors.
- f. *Responsibilities of a Board Member.*
 - i. Uphold the mission of the School;
 - ii. Come to meetings well-prepared and informed;
 - iii. Support the School by attending School events and participating in School activities;
 - iv. Respect confidentiality;
 - v. Understand long-range effects of decisions;
 - vi. Maintain up-to-date knowledge of activities;
 - vii. Visit the school to see its impact first-hand;
 - viii. Act in the best interests of the School as a whole; and
 - ix. Promote the School within the community.
 - x. Attend approved training on board governance, the board's role and responsibilities, employment policies and practices, and financial management, as required by Minnesota law.

ARTICLE X

NON-LIABILITY OF DIRECTORS

The Directors and officers of the School shall not be personally liable for the School's debts, liabilities, or other obligations. All persons, corporations, or other entities extending credit to, contracting with, or having any claim against, the School, may look only to the funds and property of the School for the payment of any such contract or claim, or for the payment of any debt, damages, judgment, or decree, or of any money that may otherwise become due to them from the School.

ARTICLE XI

INDEMNIFICATION OF CORPORATE AGENTS

To the fullest extent permitted by, Minnesota Statutes, Section 317A.521, the School shall indemnify its officers, Directors, committee members and executive-level employees against judgments, penalties, fines, including without limitation, excise taxes assessed against the person with respect to an employee benefit plan, settlements, and reasonable expenses, including attorneys' fees, and disbursements incurred by such persons in connection with a proceeding in which they are or are threatened to be made a party by reason of their action on behalf of the School, to the fullest extent permitted under Minnesota law. The Board of Directors shall identify by resolution those employees constituting the class of employees referred as "executive-level employees" for purposes of this Article XI. In order to avail himself or herself of this indemnification provision, however, a person must: (1) not already be indemnified by another organization in connection with the same proceeding and the same acts or omissions; (2) have acted in good faith with respect to the acts or omissions complained of; (3) have received no improper personal benefit; (4) in the case of a criminal proceeding, have had no reasonable cause to believe his or her conduct was unlawful; (5) in the case of a civil proceeding, have reasonably believed that he or she was acting in the best interests of the School.

Each employee of the School, past or present, not designated as an executive-level employee shall be indemnified by the School in accordance with Minnesota Statutes, Section 317A.521.

The School 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 School shall have the power to advance to a person indemnified under this Article such person's expenses incurred in defending any proceeding subject to indemnification, to the maximum extent permitted by law. This Article is and shall be for the sole and exclusive benefit of the individuals designated in this Article and no individual, firm, or entity shall have any rights under this Article by way of assignment, subrogation, or otherwise, whether voluntarily, involuntarily, or by operation of law.

ARTICLE XII

INSURANCE

The School may purchase and maintain insurance on behalf of any person who is or was a voting or non-voting Director, officer, employee, or agent of the Corporation, 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 School would have the power to indemnify such person against liability under Minnesota Statutes, Section 317A.521, the Articles of Incorporation or these Bylaws.

ARTICLE XIII

SELF-DEALING TRANSACTIONS AND CONFLICTS OF INTEREST

The School shall not enter into any contract or transact any business in which any part of the assets or net earnings of the School shall inure the benefit of, or be distributable to, any Director or officer of the School, or other private individual, except that the School may pay reasonable compensation for services rendered, unless prohibited by law, and may make payments and distributions in furtherance of its purposes as set forth in the Charter.

The Chair of the Board of Directors shall develop, for Board of Directors' approval, a conflict of interest policy that shall apply to all Directors, officers, committee members and key employees. Such policy shall require Directors, officers, committee members and key employees to annually acknowledge reviewing the conflicts of interest policy.

ARTICLE XIV

ADOPTION AND AMENDMENT OF BYLAWS

ISLA's Articles of Incorporation may be altered, amended or restated by the Board of Directors to omit or include any provision which could be lawfully omitted or included at the time of such amendment. Any number of amendments, or an entire revision or restatement of the Articles, may be voted upon at a meeting of the Board of Directors where due notice of the proposed amendment has been given and shall be adopted upon the affirmative vote of a majority of all Directors entitled to vote on the proposed amendment or revision. ISLA's Bylaws may be altered, amended or restated by the Board of Directors to omit or include any provision which could be lawfully omitted or included at the time of such amendment. Any number of amendments, or an entire revision or restatement of the Bylaws, may be voted upon at a meeting of the Board of Directors where due notice of the proposed amendment has been given and shall be adopted upon the affirmative vote of a majority of all Directors entitled to vote on the proposed amendment or revision.

ARTICLE XV

MISCELLANEOUS PROVISIONS

1. *Construction and Definitions.* These Bylaws shall be construed to conform to the laws of the State of Minnesota.
2. *Interpretation.* Any provision of these Bylaws which turns out to be prohibited or unenforceable under Minnesota law shall be ineffective to the extent of such prohibition or unenforceability without invalidating that provision to the extent of its enforceability or any other provision of the Bylaws. These Bylaws shall also be construed in a manner

that renders their provisions valid and enforceable to the maximum extent (not exceeding their express terms), under applicable law.

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AMENDMENTS TO AND RESTATEMENTS OF ISLA BYLAWS

1. On September 25, 2007, at a meeting of the Board held upon due notice and in accordance with Article XIV of the ISLA Bylaws, the Board adopted the following amendment to the Bylaws.

Article 3, #2 – “The Board of Directors of the School (“Board”) shall consist of not less than five (5) nor more than thirteen (13) members, excluding *ex officio* non-voting Directors, if any, as determined by the Board from time to time.”

2. On November 27, 2007, at a meeting of the Board held upon due notice and in accordance with Article XIV of the ISLA Bylaws, the Board adopted the following amendments to the Bylaws.

A. Article IV, Section 1 is amended as follows. The first sentence is modified by adding the phrase “ Minnesota Statutes Section 124D.10 and” so that the sentence in its amended form now reads in full, “A meeting of the Board shall be open to the public in accordance with, and to the extent required by, applicable law including Minnesota Statutes Section 124D.10 and Chapter 13D unless the meeting is closed pursuant to Section 13 of this Article IV.”

B. To Article VI, Section 1 the following sentence is added immediately before the final sentence of the section: “Pursuant to Minnesota Statutes section 124D.10, meetings of committees of the Board are not subject to Minnesota Statutes Chapter 13 and as such are not required to be open meetings and are not required to comply with any provision of Minnesota Statutes Chapter 13.”

3. On March 11, 2008, at a meeting of the Board held upon due notice and in accordance with Article XIV of the ISLA Bylaws, the Board adopted the following amendments to the Bylaws.

A. Article III, Section 3 is amended to add a provision concerning employees of the school who are not teachers and not parents/guardians of students.

B. Article III, Section 6 is amended in various respects to address issues with staggering of director terms, the timing and duration of director terms, the director election process, the nominating process, and other matters related to the composition and election of the Board of Directors.

C. Article VII, Section 3 is amended to match changes to the duration and timing of director terms made by the amendments to Article 3, Section 6 noted above.

CERTIFICATION

The undersigned, as Chair of the Interim Board of Directors of International Spanish Language Academy, a Minnesota nonprofit corporation, hereby certifies that the foregoing Bylaws of the Corporation were adopted by the Board of Directors at a meeting of the Board held on the 25th day of September, 2007, and have been subsequently amended at various meetings of the Board.

This most recent version of the Amended and Restated By-Laws was adopted by the ISLA Board on ~~April 12~~, 2011, upon due notice of the proposal for such amendment.

May 10,



Sonia Miller-Van Oort
Board Chair

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