

Attachment A

DRAFT

September 6, 2014

[Revised November 2018](#)

[Reviewed December 2018](#)

ROSALYN YALOW CHARTER SCHOOL BY-LAWS

ARTICLE I

THE CORPORATION

Section 1.1 Name. The name of the corporation is Rosalyn Yalow Charter School (hereinafter, the "Corporation").

Section 1.2 Membership. The Corporation is a non-stock, Not-for-profit Corporation organized under the laws of the State of New York. The Corporation has no members, and the rights that would otherwise vest in the members of the Corporation shall vest in the Corporation's board of directors (hereinafter, the "Board", and each member thereof, a "Trustee").

Section 1.3 Purposes. The Corporation is organized and is to be operated exclusively to carry out charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as now in effect or as may hereafter be amended (the "Code"), including, without limitation: (a) to operate a public charter school in the City and State of New York pursuant to a charter agreement therefor; (b) to exercise all rights and powers conferred by the laws of the State of New York upon non-stock corporations, including, but without limitation thereon, to raise funds, to receive gifts, devises, bequests and contributions, in any form, and to use, apply, invest, and reinvest the principal and/or income there from or distribute the same for the above purposes; and (c) to engage in any other activity that is connected with or in advancement of the foregoing purposes and that is within the definition of charitable and educational for purposes of Section 501(e)(3) of the Code; provided, the powers of the Corporation shall never be inconsistent with the purposes of the Corporation stated above or the Constitution of the United States or the State of New York.

ARTICLE II

OFFICES

Section 2.1 Principal Place of Business. The principal place of business of the Corporation shall be located in the City and State of New York. The Corporation may have such other offices, either within or without the State of New York, as the Board may determine, or as the affairs of the Corporation may require from time to time.

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Section 2.2 Registered Office and Registered Agent. The Corporation shall have and continuously maintain in the State of New York a registered office and a registered agent whose office is the Corporation's registered office.

ARTICLE III

BOARD OF TRUSTEES

Section 3.1 Powers. The Board shall conduct or direct the business and affairs of the Corporation and exercise its powers, subject to the limitations of the Education Law, Not-for-Profit Corporation Law, the Corporation's charter and these By-laws. The Board may delegate the management of the activities of the Corporation to others, so long as the affairs of the Corporation are managed, and its powers are exercised, under the Board's ultimate jurisdiction of the Board. Without limiting the generality of the powers hereby granted to the Board, but subject to the same limitations, the Board shall have all the powers enumerated in these By-laws, and the following specific powers:

- (a) To elect and remove Trustees;
- (b) To select and remove Officers, agents and employees of the Corporation; to prescribe powers and duties for each of them; and to fix their compensation;
- (c) To conduct, manage and control the affairs and activities of the Corporation, and to make rules and regulations application to the Corporation and its Trustees, Officers, agents and employees;
- (d) To enter into contracts, leases and other agreements which are, in the judgment of the Board, necessary or desirable in obtaining the purposes of promoting the interests of the Corporation;
- (e) To carry on the business of operating a charter school and apply any surplus that results from the business activity to any activity in which the Corporation may engage;
- (f) To act as Trustee under any trust incidental to the Corporation's purposes, and to receive, hold, administer, exchange and expend funds and property subject to such a trust;
- (g) 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;
- (h) 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; and

(i) To indemnify and maintain insurance on behalf of any of its Trustees, 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 the New York Not-for-Profit Corporation Law and the limitations contained in these Bylaws.

Section 3.2 Number. The number of Trustees on the Board of Trustees shall be not less than seven and not more than fifteen or such other maximum as may be determined from time to time by amendment of these Bylaws. The term "Entire Board" wherever used in these Bylaws means the total number of Trustees, between seven and fifteen, elected as of the most recently held election of Trustees, including Trustees previously elected whose terms have not yet expired.

Deleted: constituting the initial Board shall be ten. Thereafter the number of Trustees may be changed from time to time by amendment of these By-Laws and in compliance with applicable laws, but the Corporation's Board will have a minimum of five members and a maximum of fifteen members

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Section 3.3 Election of Trustees.

(a) *Election:* The Board shall elect the Trustees by the vote of a majority of the Trustees then in office, whether or not the number of Trustees in office is sufficient to constitute a quorum, or by the sole remaining Trustee.

(b) *Eligibility:* The Board may elect any person at least eighteen (18) years of age who in its discretion it believes will serve the interests of the Corporation faithfully and effectively.

(c) *Interested Persons:* Not more than 49% of the persons serving on the Board may be interested persons. An "interested person" is: (1) any person currently being compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor or otherwise; or (2) any sister, brother, ancestor, descendant, spouse, sister-in-law, brother-in-law, daughter-in-law, son-in-law, mother-in-law or father-in-law of any such person.

(d) *Term of Office:* The members of the initial Board of Trustees (the "Initial Trustees"), and their respective Board positions, shall be designated in the Corporation's provisional charter and such Trustees will serve staggered initial terms of one, two, and three years as designated by the founders. The terms of new and re-elected trustees will be for three years or such shorter period as is appropriate to maintain the staggering of terms across the entire Board in roughly equal proportion. The term of office of a Trustee elected to fill a vacancy in these By-laws begins on the date of the Trustee's election, and continues: (1) for the balance of the unexpired term in the case of a vacancy created because of the resignation, removal, or death of a Trustee, or (2) for the term specified by the Board in the case of a vacancy resulting from the increase of the number of Trustees authorized.

(e) *Time of Elections:* The Board shall elect Trustees whose terms begin on September 1st of a given year at the annual meeting for that year, or at a regular meeting designated for that purpose, or at a special meeting called for that purpose.

Section 3.4 Removal of Trustees. Any Trustee may be removed by the Board in accordance with the provisions of the Education Law and the Not-for-Profit Corporation Law.

Section 3.5 Resignation. Any Trustee may resign at any time by delivering written notice of his or her resignation to the Chair or the Secretary of the Corporation. The resignation is effective upon receipt of such notice, or at any later date specified in the notice. The acceptance of a resignation by the Board Chair or Secretary shall not be necessary to make it effective, but no resignation shall discharge any accrued obligation or duty of a Trustee. If any Trustee shall fail to attend three consecutive meetings without excuse accepted as satisfactory by the Board, he or she shall be deemed to have resigned, and the vacancy shall be filled.

Section 3.6 Vacancies. A vacancy is deemed to occur on the effective date of the resignation of a Trustee, upon the removal of a Trustee, upon declaration of vacancy pursuant to these By-laws, or upon a Trustee's death. A vacancy is also deemed to exist upon the increase by the Board of the authorized number of Trustees.

Section 3.7 Compensation of Trustees. Trustees shall serve without compensation. However, the Board may approve reimbursement of a Trustee's actual and necessary expenses while conducting Corporation business.

ARTICLE IV

MEETINGS OF THE BOARD OF TRUSTEES

Section 4.1 Place of Meetings. Meetings of the Board shall be held at the Corporation's principal office or at any other reasonably convenient place as the Board may designate. Meetings of the Board shall be subject to requirements of the New York State Open Meetings Law, as applicable and as amended from time to time.

Section 4.2 Annual Meetings. An Annual Meeting shall be held in the month of July of each year, on the [second Tuesday] of that month, unless otherwise determined by the Board, for the purpose of electing Trustees, making and receiving reports on corporate affairs, and transacting such other business as comes before it at the meeting.

Section 4.3 Regular Meetings. Regular Meetings shall be held -monthly throughout the year.

Section 4.4 Special Meetings. A Special Meeting shall be held at any time called by the Chair, or by any Trustee upon written demand of not less than one-fifth of the entire Board.

Section 4.5 Adjournment. A majority of the Trustees present, whether or not a quorum is present, may adjourn any meeting to another time and place.

Section 4.6 Notices of Meetings. Notice of the time and place of each Regular, Special or Annual Meeting of the Board, and, to the extent reasonably possible a written agenda stating all matters upon which action is proposed to be taken, shall be given to each

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Comment [A1]: Board meetings must be held at least once each month. The annual meeting held in July is enough for the July meeting.

Deleted: , on the [second Tuesday] of every other month, unless otherwise determined by the Board, and other times as the Board determines.

Trustee by the Chair by personal delivery, email, facsimile, or regular mail, postage prepaid, at least five but not more than ten days before the day on which the meeting is to be held to the usual mailing or email address of each Trustee. Trustees calling for a Special Meeting shall specify in reasonable detail matter(s) to be considered at the Special Meeting. Public notice of meetings shall be given as required by Article 7 of the Public Officers Law (the "Open Meetings Law"). The Corporation will also post notices in the main office of the Corporation, as well as on the Corporation's website. Trustees calling for a Special Meeting shall be responsible for giving all required public notices of the special meeting.

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Comment [A2]: Notice of the time and place of every meeting shall be mailed not less than five nor more than ten days before the meeting to the usual address of every trustee.

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Section 4.7 Waiver of Notices. Notice of a meeting need not be given to a Trustee who signs a waiver of notice or written consent to holding the meeting or an approval of the minutes of the meeting, whether before or after the meeting, or attends the meeting without protest prior to the meeting or at its commencement, of the lack of notice. The Secretary shall incorporate all such waivers, consents and approvals into the minutes of the meeting.

Section 4.8 Executive Session. Upon a majority vote of the entire Board on a motion which identifies generally the subject to be considered, the Board may meet in executive session in compliance with Section 105 of the New York State Open Meeting Law, as amended from time to time.

ARTICLE V

ACTIONS BY THE BOARD OF TRUSTEES

Section 5.1 Quorum. Unless a greater proportion is required by law, a majority of the entire Board shall constitute a quorum for the transaction of any business or of any specified item of business.

Section 5.2 Actions by the Board.

(a) *Actions Taken at Board Meetings:* Except as otherwise provided by statute or by these By-laws, the vote of a majority of the Board present at the time of the vote, if a quorum is present at such time, shall be the act of the Board. If at any meeting of the Board there shall be less than a quorum present, the Trustees present may adjourn the meeting until a quorum is obtained.

(b) *Action by the Board without a Meeting:* Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee.

Comment [A3]: Please provide an example of a situation where the OML permits action without a meeting.

Deleted: Action by the Board without a meeting shall occur only as permitted by the Open Meetings Law.

Section 5.3 Board Participation by Other Means: Trustees may participate in a Board meeting through use of videoconferencing equipment to the extent permitted by the

Open Meetings Law, so long as all Trustees participating in such meeting can simultaneously hear one another, provided members of the public can observe and hear the Board meeting at any site at which a Trustee is participating in the meeting. If video conferencing is used to conduct a meeting, the public notice for the meeting shall inform the public that videoconferencing is to be used, will identify the locations for the meetings, and will state that the public has the right to attend the meeting at any of the locations. In such circumstances, a quorum of the Board may be established by Trustees physically present and/or Trustees participating by videoconferencing. Participation in a meeting pursuant to this section constitutes presence in person at such meeting.

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Comment [A4]: A public body that uses videoconferencing to conduct its meetings shall provide an opportunity for the public to attend, listen and observe at any site at which a member participates. If videoconferencing is used to conduct a meeting, the public notice for the meeting shall inform the public that videoconferencing will be used, identify the locations for the meeting, and state that the public has the right to attend the meeting at any of the locations.

Section 5.4 Committees.

(a) *Appointment of Committees:* The Board may create committees for any purpose, and the Chair of the Board shall appoint members to and designate the chairs of such Boards, provided, however, that the Board shall at all times maintain an Executive Committee, a Finance Committee, an Education Committee and a Compliance Committee. All standing committees will have a minimum of three (3) members, except the Executive Committee which will have a minimum of five (5) members. The Board may designate one or more Trustees as alternate members of any committee, who may replace absent or disqualified members at any meeting of the committee. Each committee and each member of each committee shall serve at the pleasure of the Board.

(b) *Authority of Board Committees:* A committee shall have all the powers delegated by the Board, except that no committee shall have the power to:

- (i) change the membership of, or to fill vacancies in, the Board or any committee of the Board,
- (ii) fix the compensation of Trustees for serving on the Board or any committee of the Board,
- (iii) amend or repeal these By-Laws or adopt any new By-Laws,
- (iv) amend or repeal any resolution of the Board which by its terms shall not be so amendable or repealable, or
- (v) exercise other powers specifically denied the committee by resolution of the Board or by law.

(c) *Procedures of Committees:* The Board may prescribe the manner in which the proceedings of any Board Committee are to be conducted. In the absence of such prescription, a Board Committee may prescribe the manner of conducting its proceedings, except that the regular and special meetings of the Committee are governed by the provisions of these Bylaws with respect to the calling of meetings including compliance with the Open Meetings Law. A majority of a committee shall constitute a quorum for the transaction of

business. Except as otherwise provided by these By-Laws, the vote of a majority of a committee constituting the quorum thereof shall be an act of the committee. Any one or more members of a committee may participate in a meeting of the committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, provided such meeting and notice thereof comply with applicable requirements of the New York State Open Meetings Law. Committee members shall maintain minutes of each committee meeting and shall file copies of the minutes with the corporate records in compliance with applicable laws.

Section 5.5 Standard of Care.

(a) *Performance of Duties:* Each Trustee shall perform all duties of a Trustee, including duties on any Board Committee, in good faith and with that degree of diligence, care and skill, 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 Trustee, a Trustee 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 Corporation whom the Trustee believes to be reliable and competent in the matters presented;
- (ii) Legal counsel, public accountants or other persons as to matters that the Trustee believes are within that person's professional or expert competence; or
- (iii) A Board Committee on which the Trustee does not serve, duly designated in accordance with a provision of the Corporation's Charter or By-laws, as to matters within its designated authority, provided the Trustee believes the Committee merits confidence and the Trustee acts in good faith, and with that degree of care specified in this Section 5.5, and after reasonable inquiry when the need is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

(c) *Investments:* In investing and dealing with all assets held by the Corporation for investment, the Board shall exercise the standard of care described above in this Section 5.5 and shall consider among other relevant considerations the long and short term needs of the Corporation in carrying out its purposes, including its present and anticipated financial requirements. The Board may delegate its investment powers to others, provided that those powers are exercised within the ultimate direction of the Board.

Section 5.6 Minutes. Minutes taken at all open meetings of the Corporation shall consist of a record or summary of all motions, proposals, resolutions, and any other matter formally voted upon and the vote thereon. Minutes taken at executive sessions shall include any action that is taken by formal vote and provide a record or summary of the final determination of such action, and the date and vote thereon; provided, however, that such summary need not include any matter which is not required to be made public by the New York State Freedom of Information Law. The minutes of meetings and executive sessions shall be available to the public as required by the New York State Open Meetings Law.

Section 5.7 Right of Inspection. Every Trustee has the right to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Corporation, 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.

Section 5.8 Participation in Discussions and Voting: Every Trustee has the right to participate in the discussion and vote on all issues before the Board or any Board Committee, except that any Trustee shall be excused from the discussion and vote on any matter involving such Trustee relating to: (a) a self-dealing transaction; (b) a conflict of interest; (c) indemnification of that Trustee uniquely; or (d) any other matter at the discretion of a majority of the Trustees then present.

Section 5.9 Duty to Maintain Board Confidences: Every Trustee has a duty to maintain the confidentiality of all actions of the Board which are not required by law to be open to the public, including discussions and votes which take place at any Executive Sessions of the Board. Any Trustee violating this confidence may be removed from the Board.

ARTICLE VI

OFFICERS OF THE BOARD

Section 6.1 Number. The Officers of the Corporation shall consist of a president (hereinafter "Chair"), a vice president (hereinafter "Vice Chair"), a secretary (hereinafter "Secretary"), a treasurer (hereinafter "Treasurer") and executive director (hereinafter "Executive Director"), and such other officers as the Board deems advisable.

(a) *Chair:* The Chair, when present will preside at Board meetings and will have such other powers as the Board may prescribe.

(b) *Vice Chair:* The Vice Chair will act in the place of the Chair if the Chair absent or unable to fulfill the duties of the Chair and when so acting will have all the Chair's powers and be subject to the same restrictions. The Vice Chair will have such other powers as the Board may prescribe.

Deleted: a co-chair, if deemed advisable by the Board (hereinafter "Co-Chair")

Comment [A5]: Please remove the executive director position from the list of board officers.

Deleted: <#>Co-Chair. The Co-Chair may, at the request of the Board, serve as a liaison to the charter authorizer and shall have such other powers as the Board may prescribe.

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Comment [A6]: Should this be "...of the chair or co-chair"?

(c) *Secretary*: The Secretary shall: (a) keep or cause to be kept, at the Corporation's principal office, or such other place as the Board may direct, a book of minutes of all meetings of the Board and Board Committees, noting the time and place of the meeting, whether it was regular or special (and if special, how authorized), the notice given, the names of those present, and the proceedings; (b) keep or cause to be kept a copy of the Corporation's charter and By-laws, with amendments; (c) give or cause to be given notice of the Board and Committee meetings as required by the By-laws; and (d) have such other powers and perform such other duties as the Board may prescribe.

(d) *Treasurer*: The Treasurer shall: (a) keep or cause to be kept adequate and correct accounts of the Corporation's properties, receipts and disbursements; (b) make the books of account available at all times for inspection by any Trustee; (c) deposit or cause to be deposited the Corporation's monies and other valuables in the Corporation's name and to its credit, with the depositories the Board designates; (d) disburse or cause to be disbursed the Corporation's funds as the Board directs; (e) render or cause to be rendered to the Chair and the Board, as requested but no less frequently than once every fiscal year, an account of the Corporation's financial transactions and financial condition; (f) prepare or cause to be prepared any reports on financial issues required by an agreement on loans; and (g) have such other powers and perform such other duties as the Board may prescribe.

OTHER OFFICERS (NOT MEMBERS OF THE BOARD)

Executive Director: (i) The Executive Director shall be the chief executive and administrative officer of the Roslyn Yalow Charter School (the "School") and shall have general supervision over the activities of the School not delegated to the principal in Subsection 6.4 or otherwise by the Board including primary responsibility for the planning, management and administration of the affairs and operations of the School, consistent with policies formulated by the Board. Subject to these By-laws and any restrictions adopted by the Board, the Executive Director shall have all powers and perform all duties that are incident to the office of a chief executive officer and such other duties as from time to time may be assigned to him or her by the Board. In all matters, the Executive Director shall report to directly to, and be subject to the control of the Board, either directly or acting through the Executive Committee. (ii) The Executive Director shall not be a member of the Board of Trustees. (iii) The Executive Director shall have the authority to sign and execute, in the name and on behalf of the Corporation, deeds, mortgages, bonds, contracts and other instruments, except in cases where the signing and execution thereof shall be expressly delegated by the Board or these By-laws to some other officer or agent of the Corporation, or shall be required by law otherwise to be signed or executed and, subject any other restrictions on such authority as the Board may determine (which may apply to specific actions or classes or groups of actions as the Board may determine). Subject to such limitation, the Executive Director's authority shall include the authority to sign, make, and endorse in the name of the Corporation, all checks, drafts, warrants, notes and orders for the payment of money and pay out and dispose of the same and receipt thereof. (iv) The

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Comment [A7]: You may list the duties of the executive director in another section, but should remove all indications that the ED is an officer of the board.

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Executive Director shall have such other duties, responsibilities and authority as may be set forth by the Board. The compensation and terms of employment of the Executive Director shall be fixed by the Board. The Executive Director shall prepare and publish an annual report summarizing the affairs of the Corporation.

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Section 6.2 Election, Eligibility and Term of Office.

(a) *Election.* The Board shall elect the Officers of the Board annually at the Annual Meeting or a Regular Meeting designated for that purpose or at a Special Meeting called for that purpose, except that Officers appointed to fill vacancies shall be elected as vacancies occur.

Comment [A8]: Please remove references that suggest the ED is a board officer.

Deleted: Except for the Executive Director, who is appointed by the Board and serves at the pleasure of the Board,

(b) *Eligibility:* The same person may hold any number of offices, except that neither the Secretary nor the Treasurer may serve concurrently as the Chair or Co-Chair, and no individual may act in more than one capacity where action of two or more Officers is required.

Comment [A9]: Please remove references that suggest the ED is a board officer.

Deleted: In addition, the Executive Director may not serve as Chair, Co-Chair or Vice Chair.

(c) *Term of Office:* Each Officer serves at the pleasure of the Board, holding office until resignation, removal or disqualification from service, or until his or her successor is elected.

Section 6.3 Resignation or Removal. The Board may remove or suspend from Office by vote of a majority of the entire Board any Officer of the Board, on examination and due proof of the truth of a written complaint by any trustee of misconduct, incapacity or neglect of duty, provided that at least one week's previous notice of the proposed actions shall have been given to the accused and to each trustee. Any Officer of the Board may resign at any time by giving written notice to the Corporation. At the election of the Corporation made by Board action, the resignation of a Trustee shall be effective upon such notice or upon a later date prior to the date of resignation specified in the notice, notwithstanding the specification of a later date in the notice.

Deleted: either with or without cause, at any time.

Acceptance of a resignation shall not be necessary to make it effective.

Section 6.4 Employees and Other Agents. (i) The Board shall appoint a Principal who shall be the chief academic officer of the School and who shall have general supervision and authority over the activities of education in the School, including primary responsibility for the planning, management, and administration of the curriculum, instruction, and educational activities, consistent with policies formulated by the Board. Subject to these Bylaws and any restrictions adopted by the Board, the Principal shall perform all duties that are incident to the office of a chief academic officer, and such other duties as from time to time may be assigned to him or her by the Board. In all matters, the Principal shall report directly to and be subject to the Board, either acting directly or through its Executive Committee. The compensation and terms of employment of the Principal shall be fixed by the Board. (ii) The Board may from time to time hire such other employees and appoint such agents on such terms as it deems appropriate from time to time.

Comment [A10]: This might be a better place to list the duties of the ED

Section 6.5 Compensation. Persons serving as Officers who are also Trustees will receive no compensation for their services as Officers. However, the Board shall approve compensation for Officers who are not Trustees, including the Executive Director and persons employed by the Board and may approve reimbursement to an Officer for reasonable expenses incurred by him or her in carrying out his or her duties.

Comment [A11]: Please remove references that suggest the ED is a board officer.

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ARTICLE VII

SELF-DEALING TRANSACTIONS

Section 7.1 Purpose. The purpose of the procedures prescribed in this Article VII is to protect the Corporation's best interests when entering into a transaction or arrangement that also might benefit the private interest of a Trustee, Officer or employee of the Corporation or a blood or marital relation of a Trustee, Officer or employee.

Section 7.2 Board's Authority. The Board shall not authorize corporate action, and no committee shall recommend corporate action, except in accordance with procedures set forth in this Article VII.

Section 7.3 Procedures.

(a) *Duty to Inquire; Duty to Disclose.* In its consideration of any action the Board and all Board Committees shall first conduct appropriate inquiry to determine whether the action involves a Self-Dealing Transaction, including determining the nature, scope and details thereof. Any Trustee, Officer or employee having an interest in a contract, other transaction or program presented to or discussed by the Board or Board Committee for authorization, approval, or ratification shall make a prompt, full and frank disclosure of his or her interest to the Board or Committee prior to its acting on such contract or transaction. Such disclosure shall include all relevant and material facts known to such person about the contract or transaction that might reasonably be construed to be adverse to the Corporation's interest. The body to which such disclosure is made shall thereupon determine, by majority vote, whether the disclosure shows that a Self-Dealing Transaction exists or can reasonably be construed to exist.

"Self-Dealing Transaction" means any transaction having the Corporation as one party and one or more of the following among the proposed other parties thereto:

- (i) Trustees, Officers or employees of the Corporation, or blood or marital relations of any of them,
- (ii) an entity in which a Trustee, Officer or employee of the Corporation, or blood or marital relation of any of them, holds an ownership or investment interest,

- (iii) an entity which employs or otherwise compensates a Trustee, Officer or employee of the Corporation, or employs or compensates a blood or marital relation of any of them, and/or
- (iv) any entity which has as a member of its board of directors or Trustees, a Trustee, Officer or employee of the Corporation, or a blood or marital relation of any of them, and shall also include any other matter in which a Trustee has a conflict of interest due to the Trustee's own personal and/or pecuniary interest, as established under Education Law and General Municipal Law and/or the Decisions of the Commissioner of Education or Attorney General.

A Trustee involved in an actual or potential Self-Dealing Transaction is referred to herein as an "Involved Trustee." Involved Trustees shall not participate in the inquiry into or the determination of whether the transaction is a Self-Dealing Transaction, but may present to the Board regarding the nature and extent of his or her relationship to the matter being considered.

(b) *Determining Whether a Self-Dealing Transaction Exists.* After inquiry in accordance with subparagraph (a) immediately above, the Board shall take action as to whether the transaction is a Self-Dealing Transaction; provided, an Involved Trustee shall not participate in the deliberation of or vote the issue of whether a transaction is a Self-Dealing Transaction.

(c) *Action on a Self-Dealing Transaction.* If the Board determines a transaction being considered is a Self-Dealing Transaction, the Board will exercise due diligence to determine whether the Corporation can arrange an alternative transaction more favorable to the Corporation with reasonable efforts. If a Self-Dealing Transaction is deemed to exist, such person shall not vote on, nor use his or her personal influence on, nor be present during the discussion or deliberations with respect to, such contract or transaction (other than to present factual information or to respond to questions prior to the discussion). As part of its due diligence, the Board may involve or engage one or more disinterested people to investigate alternative transactions. If the Board decides not to proceed with an alternative transaction, the Board shall determine whether it is in the Corporation's best interests and is fair and reasonable to the Corporation to authorize the Self-Dealing Transaction; provided, an Involved Trustee shall not participate in the deliberation of or vote upon the authorization of a Self-Dealing Transaction.

(d) *Violations.* If the Board has reasonable cause to believe that a Trustee, Officer or employee has violated the Corporation's Trustee, Officer and Employee Code of Ethics, it shall conduct further investigation as the Board deems warranted, shall inform the Trustee, Officer or employee of the basis for such belief, and afford him or her an opportunity to explain the alleged failure to disclose. If the Board determines that a violation of the Code of Ethics has been committed, the Board shall take appropriate disciplinary and/or corrective action. A Trustee who is the subject of an investigation or possible disciplinary or corrective

action under this subparagraph (d) shall not participate in the deliberation of or vote on such determination or disciplinary or corrective action.

(e) *Board Committees.* The procedures prescribed in subparagraphs (a), (b) and (c) immediately above shall apply to actions of committees of the Board in the same manner and to the same extent as prescribed for Board actions.

Section 7.4 Records of Proceedings. The minutes of the Board and all committees with Board-delegated powers shall contain the names of the persons and entities involved in transactions which are or may be Self-Dealing Transactions, findings of the Board in respect of the scope and nature of those person's and entities' involvement, actions taken in accordance with this Article, the names of the persons present for or who participated in discussions thereof and a summary of the content of such discussions, and a record of votes taken in connection therewith, including the names of those present for and who participated in voting and their respective votes.

ARTICLE VIII

NON-LIABILITY OF TRUSTEES

The Trustees shall not be personally liable for the Corporation's debts, liabilities or other obligations.

ARTICLE IX

INDEMNIFICATION

The Corporation may, to the fullest extent now or hereafter permitted by and in accordance with standards and procedures provided by Sections 721 through 726 of the Not-for-Profit Corporation Law and any amendments thereto, indemnify any person made, or threatened to be made, a party to any action or proceeding by reason of the fact that he or she, or his or her testate or intestate was a Trustee, Officer, employee or agent of the Corporation, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees.

ARTICLE X

AMENDMENTS

A majority of the Trustees may adopt, amend or repeal these By-laws.

ARTICLE XI

MISCELLANEOUS

Section 11.1 Interpretation of Charter. In the event of a conflict between these By-Laws and the Corporation's charter, the provisions of the Corporation's charter shall control.

Section 11.2 Effectiveness of Non-Public Notices. Non-public notices given under these By-Laws shall be deemed effective only upon verified receipt or refusal.

Section 11.3 Fiscal Year: The fiscal year of the Corporation begins on July 1 of each year and ends on June 30.

Section 11.4 Execution of Instruments: Except as otherwise provided in these By-laws, the Board may adopt a resolution authorizing any Officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Corporation. Such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent or employee shall have any power to bind the Corporation by any contract or engagement, to pledge the Corporation's credit, or to render it liable monetarily for any purpose or any amount.

Section 11.5 Checks and Notes: Except as otherwise specifically provided by Board resolution, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Corporation may be signed by the Chair or Treasurer.

Section 11.6 Construction and Definitions: Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the Not-for-Profit Corporation Law and the Education Law shall govern the construction of these By-laws. Without limiting the generality of the foregoing, words in these By-Laws shall be read as the masculine or feminine gender, and as the singular or plural, as the context requires, and the word "person" includes both a corporation and a natural person. The captions and headings in these By-Laws are for reference and convenience only are not intended to limit or define the scope or effect of any provisions.

Section 11.7 Conflict of Interest: The Board may adopt conflict of interest policies requiring: (1) regular annual statements from Trustees, Officers and key employees to disclose existing and potential conflicts of interest; and (2) corrective and disciplinary actions with respect to transgressions of such policies.

[END OF BY-LAWS]