

**BYLAWS OF  
VIRTUAL PREPARATORY ACADEMY OF FLORIDA, INC.  
(A Not-For-Profit Florida Corporation)**

**ARTICLE I  
NAME**

**Section 1.1. Name.** The name of the Corporation shall be **VIRTUAL PREPARATORY ACADEMY OF FLORIDA, INC.** (the “Corporation”).

**Section 1.2. Principal Office.** The principal office for the transaction of the business of the corporation (“principal executive office”) is located at Regus – Lake Nona Center, 6900 Tavistock Lakes Blvd. Orlando, FL 32827. The Board may change the principal office from one location to another.

**ARTICLE II  
ORGANIZATION**

**Section 2.1. Statement of Purposes.** The purposes of this Corporation, as expressed in its Articles of Incorporation, shall be for the purpose of transacting any or all lawful business for which corporations may be incorporated under the Florida Not for Profit Corporation Act and to operate within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986. The Corporation shall be operated exclusively for charitable, scientific, literary and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or comparable provisions of subsequent legislation as a nonprofit corporation. The Corporation shall operate without pecuniary profit or financial gain in fulfilling these purposes. No part of the earnings of the Corporation shall inure to the benefit of any member of the Board, or officer or any member or individual. No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, nor shall the Corporation participate in or intervene in any political campaign on behalf of (or in opposition to) any candidate for public office. The Corporation shall not carry on any activities not permitted to be carried on by any organization exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code, or the corresponding provisions of any future United States Internal Revenue Law.

**Section 2.2 Dissolution.** In the event of the dissolution of the Corporation, the Board of Directors (“Board”) shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the remaining assets of the Corporation, exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes, as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), and in accordance with Florida law, as the Board shall determine. Any of such assets not so disposed of shall be disposed of by the court having proper jurisdiction in the

county where the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

### **ARTICLE III** **MEMBERSHIP**

**Section 3.1. Members.** The corporation shall have no members. All corporate powers shall be exercised by or under the authority of, and the affairs of the corporation shall be managed under the direction of, the corporation's board of directors.

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

**Section 4.1. Management.** All powers of the Corporation shall be exercised by and under the authority of the Board, and the property, business and affairs of the Corporation shall be managed under the Board's direction. Except as specifically set forth to the contrary herein, the Board may not take any action, except upon the approval thereof by the affirmative vote of a majority of the Board present at a meeting at which a quorum is present. The affirmative vote of a majority vote of Directors shall be necessary for all actions by the Board relating to the following:

**4.1.1.** Approval of charitable gifts, transfers, distributions, and grants by the Corporation to other entities;

**4.1.2.** Adoption of an amendment to the Articles of Incorporation or the Bylaws;

**4.1.3.** Organization of a subsidiary or affiliate by the Corporation; and

**4.1.4.** Approval of any merger, consolidation or sale or other transfer of all or a substantial part of the assets of the Corporation.

**Section 4.2. Number of Directors.** The number of Directors may at any time be increased or but shall in no event have no fewer than three (3) by a majority vote of the Board. Additional directorships created shall be filled in a manner prescribed herein for the Election of Directors in accordance with Section 4.4. Directors shall not have term limits.

**Section 4.3. Nomination of Directors.** Not less than one month prior to a regular meeting, the Board may appoint a nomination committee to consist of no fewer than two (2) Board members. The nomination committee will compile and submit to the Board a slate of candidates for the directorships and offices to be filled at the upcoming meeting. These submissions shall be deemed to be nominations of each person named.

**Section 4.4. Election of Directors.** Directors shall be elected by a majority vote of the Board at any meeting when there is a resignation, removal, or death of a Director.

**Section 4.5. Vacancies.** Vacancies occurring in an elected Directorship, however caused, shall be filled as soon as practicable by election in accordance with Section 4.4 hereinabove.

**Section 4.6. Resignation or Removal of Directors.** A Director of the Corporation may resign at any time by tendering his resignation in writing to the Corporation, which resignation shall become effective upon the date specified therein, or if no date is specified, upon receipt by the Corporation at its principal place of business. Any elected Director may be removed at any time, with or without cause, by a majority vote of the other Directors then present at a duly notice meeting.

**Section 4.7. Compensation of Directors.** Directors will not receive compensation for services rendered in their capacities as Directors. However, the Board may, by majority vote or adopted resolution, expressly authorize the reasonable reimbursement of funds expended by a Director on behalf of the Corporation. Each Director may determine if he or she will attend state or national conferences relating to the operation of charter public schools and the cost of attendance shall be reimbursed by the Corporation.

**Section 4.8. Annual Meetings of the Board.** The annual meeting of the Board shall be held on a date determined by the Board and/or the President annually each year.

**Section 4.9. Special Meetings.** Special meetings of the Board may be called at any time by the President of the Corporation. Further, special meetings of the Board must be called by the President within seven (7) days of receipt of a written request of any two (2) or more Directors. Written notice of special meetings shall be given to each Director not less than two (2) days prior to such meeting. The notice shall set forth the time, place and purpose of the meeting. The business to be transacted at any special meeting shall be limited to those items set forth in the notice or waiver thereof.

**Section 4.10. Regular Meetings.** The Board shall meet at least two (2) times each year, including the annual meeting, each such meeting being approximately three (3) months from the date of the previous regular or annual meeting. The Secretary shall email or mail notice of all regular and annual meetings to each Director at the address on file with the Secretary at least fourteen (14) days prior to a meeting, indicating the date, place and time of the meeting. Regular meetings of the board of directors may be held electronically and/or at any place that has been designated from time to time by resolution of the board. Special meetings of the board of directors shall be held electronically or at any place within the State of Florida which has been designated in the notice of the meeting or, if not stated in the notice, at the principal executive office of the Corporation. Notwithstanding the above provisions of this section of the bylaws, a regular or special meeting of the board of directors may be held at any place consented to in writing by all of the directors, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Members of the Board may attend in person or by means of communications media technology used in accordance with rules adopted by the Administration Commission under s. 120.54(5) and will be counted as present for the purposes of satisfying the quorum requirement below.

**Section 4.11. Quorum and Action of the Board.** A majority of current Directors must be present at a meeting, either in person or electronically as permitted by law, to constitute a quorum for the transaction of business at such meeting. Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, the affirmative vote of at least one (1) Director present at a meeting at which a quorum is present shall be necessary for an action of the Board. A majority of the Directors

present, whether or not a quorum exists, may adjourn any meeting of the Board to another time and place. Notice of any such adjourned meeting shall be given to the Directors who were not present at the time of adjournment.

**Section 4.12. Voting Shares of Stock.** In the event the Corporation owns shares of stock in another corporation, such shares shall be voted by the President, or his designee, as authorized by a vote of the Board as set forth in Section 4.1 hereinabove.

**Section 4.13. Notice Consents.** If a public meeting or workshop of the Board is to be conducted by means of communications media technology, or if attendance may be provided by such means, the notice for that meeting shall so state. The notice for public meetings and workshops utilizing communications media technology shall state how persons interested in attending may do so, including the ability for public comment, and shall name locations, if any, where communications media technology facilities will be available. Nothing in this paragraph shall be construed to diminish the right to inspect public records under chapter 119.

## **ARTICLE V** **OFFICERS**

**Section 5.1. Number.** The Corporation may have a President, Secretary and Treasurer, each of whom shall be elected by the Board. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board. Any two (2) or more offices may be held by the same person. Officers need not be residents of the State of Florida or United States citizens. The failure to elect an officer shall not affect the existence of the Corporation.

**Section 5.2. Election and Term of Office.** All officers of the Corporation shall be elected by a vote of the Board as set forth in Section 4.1 hereinabove at the annual meeting of the Board. A duly elected officer shall hold office for a term of one (1) year, commencing at the close of the annual meeting, and until their earlier death, resignation or removal.

**Section 5.3. Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise (including removal in the event an officer is not reelected during his term in office) shall be filled by an election by the Board as set forth in Section 4.1 for the remaining unexpired term of such office.

**Section 5.4. Resignation or Removal of officers.** An officer of the Corporation may resign at any time by tendering his resignation in writing to the President or the Secretary. Resignations shall become effective upon the date specified therein or, if no date is specified, upon receipt by the Corporation. An officer of the Corporation may be removed at any time, with or without cause, at any meeting of the Board by a vote of the Board as set forth in Section 4.1 hereinabove.

**Section 5.5. President.** The President of the Board shall preside at all meetings of the Board and shall perform such other duties as may be assigned to him by the Board. The President shall be the principal executive officer of the Corporation. They shall act as a duly authorized representative of the Board and the Corporation in all matters in which the Board has not formally designated some other person to act. They shall report as directed to the Board at each meeting.

They may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board, deeds, mortgages, bonds, contracts or other instruments which the Board has authority to execute, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

**Section 5.6. Secretary.** The Secretary shall keep or cause to be kept all of the records of the Corporation, record or cause to be recorded the minutes of the meetings of the Board, send out or cause to be sent out all notices of meetings of the Board and all Committees, attest to the seal of the Corporation where necessary or required, and keep or cause to be kept a register of the names and addresses of each Director. The Secretary shall perform such other duties as may be prescribed by the Board.

**Section 5.7. Treasurer.** The Treasurer shall insure or cause to be insured that a true and accurate accounting of the financial transactions of the Corporation is made and that such accounting is presented to and made available to the Board. The Treasurer shall perform such other duties as may be prescribed by the Board.

**Section 5.8. Other Officers.** Other officers elected by the Board shall have such duties and responsibilities as the Board deems advisable.

**Section 5.9. Succession of Officers.** Unless otherwise directed by a vote of the Board, in the event that an officer of the Corporation has not resigned or been removed but is unable to act in such position for a period of one (1) month or more, whether due to disability or other reason, then another officer of the Corporation shall serve in that office until such officer is either removed or is able to perform his services in the following order:

**5.9.1.** The Treasurer shall perform the services of the President.

**5.9.2.** The President shall perform the services of the Secretary and the President.

**5.9.3.** The Secretary shall perform the services of the Treasurer.

**Section 5.10. Salaries.** Officers will not receive compensation for services rendered as officers of the Corporation. However, nothing herein contained shall be construed to preclude any officer from receiving compensation from the Corporation for other services actually rendered or for expenses incurred for serving the Corporation as an officer or in any other capacity.

## **ARTICLE VI** **COMMITTEES OF THE BOARD**

**Section 6.1. Committees of the Board.** The Board may, by resolution, establish standing committees and special committees of the Board. Unless otherwise specified by resolution of the Board or these Bylaws, the President shall annually appoint the members and the chairmen of the standing committees and shall fill vacancies on any standing committee. Appointments by the President shall be made at the annual meeting of the Board. In addition, the President may, if so authorized by the Board, appoint the members and chairmen of such special committees as the Board

may create, which members and chairmen may include persons who are not members of the Board. All committee appointments and chairmen appointments must be approved by a vote of the Board. No committee action shall be binding on the Corporation unless duly adopted by the Corporation at the next available board meeting. No committee, regardless of board resolution, may:

- a) fill vacancies on the board of directors or in any committee;
- b) fix compensation of the directors for serving on the board of directors or on any committee;
- c) amend or repeal bylaws or adopt new bylaws;
- d) amend or repeal any resolution of the board of directors which by its express terms is not subject to amendment or repeal;
- e) appoint any other committee of the board of directors or the members of these committees;
- f) expend corporate funds to support a nominee for director after there are more people nominated for director than can be elected; and/or
- g) Approve any transaction (i) to which the Corporation is a party and one (1) or more directors have a material financial interest; or (ii) between the Corporation and one (1) or more of its directors or between the corporation and any person in which one (1) or more of its directors have a material financial interest.

**Section 6.2. Standing Committees.** Standing committees shall be created as required by resolution of the Board. The purpose, duties, number of members and reporting requirements of each standing committee shall be specified in the resolution creating the committee.

**Section 6.3. Special Committees.** Special committees shall be created as required by resolution of the Board. The purpose, duties, number of members and reporting requirements of each special committee shall be specified in the resolution creating the committee.

**Section 6.4. Committee Members' Term of Office.** Unless otherwise specified by resolution of the Board, members of each committee shall continue in office until the next annual meeting of the Board and until their successors are appointed, unless the committee of which they are members shall be sooner terminated by resolution of the Board or until their earlier death, resignation or removal as committee members.

**Section 6.5. Committee Meetings.** Meetings of any committee may be called by the President of such committee or upon the written request of one-third (1/3) of the committee members. The call for any meeting shall be by giving notice of such meeting which sets forth its time and place and is delivered to the residence or place of business of the committee members as listed in the Secretary's office at least two (2) days prior to such meeting. Unless otherwise provided in these Bylaws, a majority of the members of any committee shall constitute a quorum for the transaction of business. After a quorum has been established at a committee meeting, the subsequent withdrawal of committee members from the meeting so as to reduce the number of committee members present to fewer than the number required for a quorum shall not affect the validity of any action taken at the meeting. Each committee shall keep minutes of its meetings and report to the Board as necessary with recommendations.

**Section 6.6. Resignation or Removal of Committee Members.** A member of any committee may resign at any time by tendering his resignation in writing to the President of the Board. The Board, by a majority vote, may remove, with or without cause, any member from a committee and specifically, but not by way of limitation, may remove any member from a committee for failing to attend three (3) consecutive meetings of the committee.

**ARTICLE VII**  
**INDEMNIFICATION OF DIRECTORS AND OFFICERS**

**Section 7.1. Indemnification.** The Corporation shall indemnify to the fullest extent permitted by law each of its officers, Directors, whether or not then in office (and his executor, administrator and/or heirs) or any person who may have served at its request as a director or officer, of another corporation, partnership, joint venture, trust or other enterprise as well as the executor, administrator and heirs of any of them against all reasonable expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and necessarily incurred by him in connection with any threatened, pending or completed action, suit, proceeding or arbitration, whether civil or criminal, administrative or investigative (including any appeal thereof), to which he is or is threatened to be made a party because he is or was a Director, officer, employee or agent of this Corporation, or such other corporation, partnership, joint venture, trust or other enterprise. He shall have no right to reimbursement, however, in relation to matters as to which he has been adjudged liable to the Corporation for gross negligence or willful misconduct in the performance of his duties to the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director, officer, employee or agent may be entitled.

Whenever in the performance of, or in connection with the performance of, Board Member duties on behalf of the Corporation, a Board Member is sued either in a representative or personal capacity (in either an administrative, judicial, or criminal proceeding) with or without the Corporation as a co-party in the matter and the Corporation learns that no insurance defense is offered on any claim made in such litigation against the Board Member, the President (or other appointed Director if the Board Member sued is the President) is authorized, upon request of such Board Member, to obtain legal counsel for such Board Member, and such legal counsel may appear in such litigation or proceedings and conduct the uninsured claims defense on behalf of the Board Member and is authorized to incur costs and expenses therein without prior approval of the Board of Directors. In the event of an emergency where circumstances are such that the Corporation does not have time to tender the defense to the insurer, the authorization shall be temporary until such tender can reasonably be made and either accepted or rejected.

Should it appear to the Corporation by a preponderance of evidence after such defense is undertaken that such Board Member's act or omission was outside the course and scope of his or her duties or function, or was committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property, then the continuing defense of such Board Member shall be referred to the Board of Directors in order to have the Board of Directors determine whether the defense of such individual shall continue at Corporation expense.

If the Board Member's act or omission was within the scope of his or her duties or function, and was not committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property, the Corporation shall promptly preserve, protect, defend, aid and assist the Board Member. If the Board Member shall willfully fail or refuse to cooperate in his defense, the Corporation may, to the extent that the Corporation was damaged thereby, reduce the defense protection provided.

The Corporation may refuse to pay a Board Member's legal fees and costs where the expenses are unreasonable, where the representation was not approved before the services were rendered, or where the services were unnecessary because one lawyer could have reasonably represented the Corporation and the Board Member, or could have represented more than one Board Member having common interests.

The decision of the President, or the Board to defend the Board Member or not to defend the Board Member, and the terms of the defense, shall be subject to review and re-review by the Board of Directors at any time from the inception of the dispute, proceeding, or litigation until the determination of the case or proceeding.

If the Board Member's act or omission was within the scope of his or her duties or function, and was not committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property, the Corporation and Corporation shall exonerate, indemnify and hold harmless the Board Member from and against any and all expenses, liabilities, claims, demands, proceedings, damages, losses, charges, advances, disbursements, payments, expenses, costs, including reasonable counsel fees, awards, settlements, judgments, decrees and mandates, paid, incurred by or imposed upon the Board Member in all disputes, proceedings, trials and appeals, by reason of the Board Member's being or having been a Corporation Board Member, even though he is no longer a Board Member at the time the expenses are incurred or the claims are made against him or her. If the Board Member shall willfully fail or refuse to cooperate in his defense, the Corporation may, to the extent the Corporation was damaged thereby, reduce the indemnification provided. Notwithstanding anything contained herein, the Corporation and the individual Board Members shall be subject to and governed by Section 768.28, Florida Statutes, as amended.

This section shall not supersede any Board Member's substantive rights to indemnification or defense which may be provided pursuant to self-executing provisions of state, federal, constitutional, statutory or regulatory law, or which may be provided pursuant to common law.

**Section 7.2. Insurance.** The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VII.

**ARTICLE VIII**  
**CONTRACTS, CHECKS, DEPOSIT BOOKS AND RECORDS**

**Section 8.1. Contracts.** The Board may authorize any 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 Corporation, and such authority may be general or confined to specific instances.

**Section 8.2. Loans.** No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board, which authority may be general or confined to specific instances.

**Section 8.3. Checks, Drafts, Etc.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board.

**Section 8.4. Deposits.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.

**Section 8.5. Gifts.** The Board may accept, on behalf of the Corporation, any contributions, gifts, bequests or devise.

**Section 8.6. Books and Records.** The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board and committees of the Board. Any books, records and minutes may be in written form or in any other form capable of being converted into written form within a reasonable time.

**Section 8.7. Financial Statements.** Not later than two (2) months after the close of each fiscal year, the Corporation shall prepare a balance sheet showing in reasonable detail the financial condition of the Corporation as of the close of its fiscal year, a profit and loss statement showing the results of the operations of the Corporation during its fiscal year, and any other financial statements as may be required by a resolution of the Board. The balance sheets and profit and loss statements shall be filed in the principal office of the Corporation, shall be kept for at least five (5) years, and shall be subject to inspection during business hours by any Board member.

**ARTICLE IX**  
**FISCAL YEAR**

**Section 9.1. Fiscal Year.** The fiscal year of the Corporation shall end on June 30 of each year.

**ARTICLE X**  
**CORPORATE SEAL**

**Section 10.1. Corporate Seal.** The Board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Corporation and the state of incorporation and the words “Corporate Seal”.

## **ARTICLE XI** **NOTICE**

**Section 11.1. General.** Whenever, under the provisions of any statute, the Articles of Incorporation or these Bylaws, notice is required to be given to any Director or officer, it shall not be construed to require personal notice; rather, such notice may be given, unless otherwise required by these Bylaws, either personally or by depositing the same in a post office box in a postpaid envelope or by delivering the same to a telegraph company for transmission by wire, the cost thereof being prepaid, in either case addressed to such Director or officer at his address as the same appears in the records of the Corporation; and three (3) days after the same shall be so mailed or delivered to the telegraph company shall be deemed to be the time of the giving of such notice.

**Section 11.2. Waiver.** Whenever by law, the Articles of Incorporation or these Bylaws notice is required or permitted to be given to any Director or officer, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted and the purpose of any special meeting of the Board shall be specified in any written waiver of notice thereof.

## **ARTICLE XII** **AMENDMENTS**

**Section 12.1. By Directors.** These Bylaws may be amended or repealed wholly or in part, consistent with any bylaws adopted by the Board, at any meeting at which a quorum is present by an election by the a majority of the Board in accordance with Section 4.1 hereinabove.

## **ARTICLE XIII** **MISCELLANEOUS**

**Section 13.1 Exempt Activities.** Notwithstanding any other provision of these By-Laws, no Director, officer, employee, or representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under 501(c)(3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under 170(c)(2) of such Code and Regulations as they now exist or as they may hereafter be amended.

**Section 13.2. Settlement of Disputes.** Any dispute arising out of or in connection with these By-Laws, including disputes between or among the Corporation and the Directors shall be settled by the negotiation, mediation and arbitration services.

**Section 13.3. Interpretation.** Should there be any question in the interpretation of any provision of the Articles of Incorporation or By-Laws of this Corporation, then an interpretation, given in writing by the school's attorney, shall be binding.

**Section 13.4. Non-Liability of Officers and Directors.** The officers and directors of this Corporation shall not be individually liable for the Corporation debts or other liabilities and private property of such individuals shall be exempt from the Corporation debts or liabilities.

## **ARTICLE XIV** **CONFLICT OF INTEREST**

### **Section 1** **Replacement of Prior Policies; Purpose**

The following Conflict of Interest and Anti-Nepotism Policy of the Corporation is intended to supersede and replace all prior conflict of interest policies of the Corporation. The purpose of this Conflict of Interest Policy is to protect this tax-exempt Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Governing Board member of the Corporation or might result in a possible excess benefit transaction. This Policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations, including but not limited to Section 1002.33(26), Florida Statutes and the laws contained therein. It is also intended to serve as a guide for the Corporation's Governing Board with respect to conflicts of interest and voting pursuant to Florida laws pertaining to charter school governing boards.

### **Section 2** **Definitions**

- 2.1 **Interested Person.** An "Interested Person" is any person serving as a member of the Governing Board of this Corporation who, as of the date of discussion or action by the Board, either: (i) has a direct or indirect Financial Interest, as defined in Section 2.2 below; (ii) intends, or understands it to be more probable than not, that he or she will acquire such a direct or indirect Financial Interest at any time during the pendency of the proposed transaction or arrangement; (iii) has an Other Interest that qualifies as a Conflict of Interest, as defined in Section 2.6 or Article 6, below; and/or (iv) any person who is a "disqualified person" within the meaning of Treas. Reg. § 53.4958-3.
- 2.2 **Financial Interest.** A "Financial Interest" is an interest, whether through business, investment, or Relative, which can be described as one or more of the following:

- 2.2.1 An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement; or
- 2.2.2 A Compensation Arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
- 2.2.3 A potential ownership or investment interest in, or Compensation Arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

A Financial Interest need not be held as of the date of discussion or action by the Board; rather, it is sufficient, for purposes of this Policy, if, as of the date of discussion or action by the Board, the Interested Person intends, or understands it to be more probable than not, that he or she will acquire a Financial Interest at any time during the pendency of the proposed transaction or arrangement that is the subject of discussion or action by the Board. Financial Interest also includes direct and indirect remuneration, as well as gifts or favors that are substantial in nature.

- 2.3 Other Interest. An “Other Interest,” for purposes of this Policy, is any circumstance in which an Interested Person may be influenced, or may appear to be influenced, either in whole or in part by any purpose or motive other than the success and well-being of the Corporation as a whole and the achievement of its tax exempt purposes. An example of such an “Other Interest” would include, without limitation of the foregoing, if an Interested Person is a parent or grandparent of a student impacted by a decision by the Board, and the Interested Person does not believe that he/she could vote or participate in a discussion by the Board giving precedence of the well-being of the Corporation as a whole over his/her personal interests or the interests of his/her child or grandchild. An “Other Interest” may also be an interest set forth in Article 6, below, that does not otherwise constitute a Financial Interest.
- 2.4 Relative. For purposes of this Policy, unless otherwise provided herein, “Relative” means any father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law or as defined in Section 1002.33(24)(a)(2), Florida Statutes.
- 2.5 Compensation Arrangement. A “Compensation Arrangement” is any agreement or understanding, written or oral, pursuant to which a person may or shall receive either directly or indirectly, money or property from another person or organization, irrespective of whether such money or property is paid in consideration for the performance of services or the provision of other value.
- 2.6 Conflict of Interest. With respect to a matter for discussion or action by the Board, any circumstance under which an Interested Person, by virtue of a Financial Interest or Other Interest, may be influenced, or may appear to be influenced, either in whole or in part by any purpose or motive other than the success and well-being of the Corporation and the achievement of its tax exempt purposes.

**Section 3**  
**Disclosure of Financial or Other Interest and Determination of Conflict**

3.1 Disclosure of Financial or Other Interest. If, at any time, an Interested Person becomes aware that the Board may or shall discuss or act upon any transaction or arrangement which may have any bearing of any kind upon, or may relate in any manner to, a Financial or Other Interest of the Interested Person, such Interested Person shall disclose such Financial or Other Interest to the Board as follows:

3.1.1 The Interested Person shall provide to the Board, in advance of such discussion or action by the Board, written (electronic or hard copy) disclosure of the existence, nature and extent of the Interested Person's Financial or Other Interest, or

3.1.2 The Interested Person shall verbally inform the Board of the existence, nature and extent of the Interested Person's Financial or Other Interest during the Board meeting in advance of such discussion or action by the Board.

Any and all written or verbal disclosures of Financial or Other Interests shall be made a formal part of the minutes of the Board. In the event that an Interested Person provides written disclosure of such Interested Person's Financial or Other Interest, no member of the Board may respond to such disclosure, either in writing or orally, except in a meeting that meets the requirements of Florida's Sunshine Law.

3.2 Recusal by Interested Person. In connection with an Interested Person's disclosure of a Financial or Other Interest pursuant to Section 3.1, above, an Interested Person may determine that such Financial or Other Interest creates a Conflict of Interest with respect to the proposed transaction or arrangement to be discussed or acted upon by the Board. In such circumstances, the Interested Person may voluntarily recuse himself or herself from discussion or action by the Board, at such time and in such form as is used by the Interested Person to disclose such Financial or Other Interest pursuant to Section 3.1, above. However, if the Financial or Other Interest is the type prohibited in Sections 6.2 or 6.3, below, it creates a Conflict of Interest that cannot be waived unless the Board determines it is a *de minimus* Conflict of Interest as set forth in Section 3.4, below.

3.3 Determination of Conflict of Interest. Where an Interested Person has provided advance written disclosure of a Financial or Other Interest but has not voluntarily recused himself or herself from discussion of or action upon the proposed transaction or arrangement, the Board shall, prior to commencing its discussion or taking action, determine whether the Financial or Other Interest creates a Conflict of Interest, as defined above. The Interested Person shall not participate in any discussions or vote related to this determination except to the extent necessary to fully explain the Financial or Other Interest and the manner in which the proposed transaction or arrangement to be discussed or acted upon by the Board may or will bear upon or relate to the Financial or Other Interest. If the Financial or Other Interest is the type prohibited in Sections 6.2 or 6.3, below, it creates a Conflict of Interest that cannot be waived unless the Board determines it is a *de minimus* Conflict of Interest as set forth in Section 3.4, below.

3.4 Exceptions. Pursuant to Section 112.313(12), Florida Statutes, the Board may consider the

following exceptions based on constituting a *de minimus* conflict of interest:

- 3.4.1 The transaction or arrangement is awarded under a system of sealed, competitive bidding to the lowest or best bidder and:
  - (a) The Board member or the Board member's spouse or child has in no way participated in the determination of the bid specifications or the determination of the lowest or best bidder;
  - (b) The Board member or the Board member's spouse or child has in no way used or attempted to use the Board member's influence to persuade the agency or any personnel thereof to enter such a contract other than by the mere submission of the bid; and
  - (c) The Board member, prior to or at the time of the submission of the bid, has filed a statement with the Commission on Ethics, disclosing the Board member's interest, or the interest of the Board member's spouse or child, and the nature of the intended transaction or arrangement.
- 3.4.2 The purchase or sale is for legal advertising in a newspaper, for any utilities service, or for passage on a common carrier.
- 3.4.3 The business entity involved is the only source of supply and there is full disclosure by the Board member of his or her interest in the business entity to the Governing Board prior to the purchase, rental, sale, leasing, or other business being transacted.
- 3.4.4 The total amount of the transactions in the aggregate between the business entity and the Corporation does not exceed \$500 per calendar year.
- 3.4.5 The fact that a Board member is a stockholder, officer, or director of a bank will not bar such bank from qualifying as a depository of funds, provided it appears in the records of the Corporation that the Governing Board has determined that such Board member has not favored such bank over other qualified banks.
- 3.4.6 The Board member purchases in a private capacity goods or services, at a price and upon terms available to similarly situated members of the general public, from a business entity which is doing business with the Corporation.

#### **Section 4 Procedures Upon Determination of Conflict of Interest**

- 4.1 Exclusion from Discussion and Vote; Removal from Board. In circumstances where the Board has determined that a Conflict of Interest exists, the Interested Person shall not participate in any discussion or vote regarding the transaction or arrangement at issue. If the Financial or Other Interest is the type prohibited in Sections 6.2 or 6.3, below, it creates a Conflict of Interest that cannot be waived unless the Board determines it is a *de minimus* Conflict of Interest as set forth in Section 3.4, above. If the Conflict of Interest is not *de minimus*, the Interested Person will need to be removed from or resign from the Board.

- 4.2 Action by Board. With respect to any transaction or arrangement with regard to which the Board has determined that a Conflict of Interest exists, the Board shall discuss such transaction or arrangement as appropriate, but shall not formally approve such transaction or arrangement unless and until the non-interested members of the Board have decided, by majority vote, that the transaction or arrangement is in the best interests of, and for the benefit of, the Corporation, and is fair and reasonable thereto in all respects. In complying with this Section 4.2, the Board shall recognize that, under certain circumstances, a decision made pursuant to this Section may necessitate an investigation of alternatives to the proposed transaction or arrangement, and/or a determination as to whether a more advantageous transaction or arrangement might be obtained with reasonable efforts under the circumstances.

## **Section 5 Documentation of Disclosure and Procedures**

- 5.1 Meeting Minutes. Minutes of meetings of the Board shall include copies of all written disclosures of Financial and Other Interests, and shall describe all verbal disclosures thereof. Such minutes shall further reflect the determination of the Board as to whether a Conflict of Interest exists, and the objection of the Interested Person, if any, to such determination. Where a Conflict of Interest has been determined to exist, the minutes should reflect the Board's compliance with the procedures described in Sections 4.1 and 4.2, above. With respect to any transaction or arrangement with regard to which a Conflict of Interest has been determined to exist, meeting minutes shall describe the substance of the discussions relating to the transaction or arrangement, and who was present for such discussions. In addition, minutes should identify the members who were present for any and all votes upon such transaction or arrangement, along with a record of the final vote.

## **Section 6 Other Prohibited Conflicts of Interest**

- 6.1 Prohibition on Solicitation or Acceptance of Gifts. Pursuant to Section 112.313(2), Florida Statutes, no member of the Board shall solicit or accept anything of value to the Board member, including a gift, loan, reward, promise of future employment, favor, or service, based upon any understanding that the vote, official action, or judgment of the Board member would be influenced thereby.
- 6.2 Prohibition on Doing Business with One's Agency. Pursuant to Section 112.313(3), Florida Statutes, no Board member acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for the Corporation any business entity of which the Board member or the Board member's spouse or child is an officer, partner, director, or proprietor or in which such Board member or the Board member's spouse or child, or any combination of them, has a material interest. Nor shall a Board member, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the Corporation. This subsection shall not affect or be construed to prohibit contracts entered into prior to the Board member's election to the Board.

- 6.3 Conflicting Employment or Contractual Relationship. Pursuant to Section 112.313(7), Florida Statutes, no Board member shall have or hold any employment or contractual relationship with any business entity or any agency is doing business with the Corporation; nor shall a Board member have or hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his or her private interests and the performance of his or her duties as a Board member or that would impede the full and faithful discharge of his or her duties as a Board member.
- 6.4 Voting Where there is a Conflict of Interest. Pursuant to Section 112.3143, Florida Statutes, no Board member shall vote in an official capacity upon any measure which would inure to his or her special private gain or loss; which he or she knows would inure to the special private gain or loss of any principal by whom he or she is retained or to the parent organization or subsidiary of a corporate principal by which he or she is retained; or which he or she knows would inure to the special private gain or loss of a Relative or business associate of the Board member.
- 6.5 Pursuant to Section 1002.33(26)(c), Florida Statutes, an employee of the charter school, or his or her spouse, or an employee of a charter management organization, or his or her spouse, may not be a member of the governing board of the charter school.

## **Section 7**

### **Restriction on Employment of Relatives, Pursuant to Section 1002.33(24), Florida Statutes**

- 7.1 For purposes of this Article 7, “Charter school personnel” means a charter school owner, president, President of the Board of directors, superintendent, Board member, principal, assistant principal, or any other person employed by the charter school who has equivalent decision making authority and in whom is vested the authority, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals or to recommend individuals for appointment, employment, promotion, or advancement in connection with employment in a charter school, including the authority as a member of a governing body of a charter school to vote on the appointment, employment, promotion, or advancement of individuals.
- 7.2 For purposes of this Article 7, “Relative” means father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.
- 7.3 Charter school personnel may not appoint, employ, promote, or advance, or advocate for appointment, employment, promotion, or advancement, in or to a position in the charter school in which the personnel are serving or over which the personnel exercises jurisdiction or control any individual who is a relative. An individual may not be appointed, employed, promoted, or advanced in or to a position in a charter school if such appointment, employment, promotion, or advancement has been advocated by charter school personnel who serve in or exercise jurisdiction or control over the charter school and who is a relative of the individual or if such appointment, employment, promotion, or advancement is made

by the governing board of which a relative of the individual is a member.

- 7.4 The approval of budgets does not constitute “jurisdiction or control” for the purposes of this subsection.

### **Section 8 Written Assent by Members**

- 8.1 Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:
- 8.1.1 Has received a copy of the conflicts of interest policy;
  - 8.1.2 Has read and understands the policy;
  - 8.1.3 Has agreed to comply with the policy; and
  - 8.1.4 Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

### **Section 9 Periodic Reviews**

- 9.1 To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
- 9.1.1. Whether all compensation arrangements and benefits, if any, are reasonable, based on competent survey information, and are the result of arm's length bargaining.
  - 9.1.2 Whether transactions or arrangements entered into by the Corporation conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in personal inurement, impermissible private benefit or in an excess benefit transaction.

### **Section 10 Use of Outside Experts**

When conducting the periodic reviews as provided for in Section 9, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

## CERTIFICATE OF PRESIDENT

I certify that I am the presently elected and acting President of the Corporation and the above bylaws, consisting of eighteen (18) pages, are the bylaws of this corporation as adopted at a meeting of the board of directors held on the date indicated below.

Dated: january 29, 2022

Signature: Stevie N. Johns  
Name: Stevie N. Johns  
Title: President