

BYLAWS

OF

Imagine Parents in Partnership, Inc.

(Imagine PIP)

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BYLAWS

Article I. Name

Section 1.01 The Corporation shall be called **Imagine Parents in Partnership, Inc.** (the "Corporation").

Article II. Corporate Offices

Section 2.01 *Principal Office.* The Corporation shall continuously maintain in the State of Texas a registered office and a registered agent. The Corporation may have other offices within the state and need not be identical with the principal office in the State of Texas. The address of the registered office and registered agent may be changed from time to time by the Board of Directors.

Article III. Powers and Limitations

Section 3.01 *Purposes.* The Corporation is organized and operated exclusively for charitable and educational purposes in accord with Sec. 501(c)(3) of the Internal Revenue Code of 1986 (or a corresponding provision of any future United States Internal Revenue law, referred to below as the "Code"). More specifically, the Corporation is organized to provide financial and volunteer support for Imagine International Academy of North Texas (the "School"), a publicly funded charter school in McKinney, Texas.

Section 3.02 *Limitations of corporate authority.*

- (a) The Corporation, being organized exclusively for charitable and educational purposes, may make distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.
- (b) No part of the net earnings of Corporation shall inure to the benefit of, or be distributable to its members, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 3.01 above.
- (c) No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.
- (d) Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (1) by a corporation exempt from Federal income tax under section 501(c)(3) of the Code or (2) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.
- (e) Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation to such organization or organizations organized and operated exclusively for charitable and educational purposes, as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Code, as the Board of Directors shall determine is

consistent with the purpose of this Corporation. Any such assets not so disposed of shall be disposed of by the appropriate court of law of the county in which 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 exempt purposes.

Article IV. Membership

Section 4.01 **Members.** Any parent, guardian, or other adult standing in loco parentis for a student enrolled at the school may register as a member. All registered members in good standing shall have voting rights. Dues, if any, will be established by a quorum of voting members. If dues are charged, a member must have paid his or her dues at least 7 calendar days before the meeting to be considered a member in good standing.

Section 4.02 **Rights and responsibilities.** Members shall have the right and responsibility to attend meetings and events sponsored by the Corporation, serve on committees and be nominated and elected to office. Voting members shall have the right to vote for officers, review and approve the annual budget, and approve amendments to these bylaws.

Section 4.03. **Quorum.** Members present at any membership meeting of the Corporation, provided at least 5% of the members in good standing are present, shall constitute a quorum for the transaction of business. In the absence of a quorum, the membership may not take action. In that event, any matter brought before the membership at a meeting at which a quorum is not present shall be discussed and decided upon by the Board of Directors, unless that matter pertains to any change in the adopted budget, board membership or Bylaws.

Section 4.04. **Meetings.** There shall be at least one general meeting annually of the membership. One meeting shall occur between March and May, at which time the budget shall be approved and the board members elected for the term beginning July 1. Additional business or special meetings may be held alone, or in conjunction with an event sponsored by the Corporation, as determined by the Board of Directors, or at the request of at least 5% of the members in good standing in writing to the Board of Directors. Meetings, elections and membership votes shall be open to all voting members of the Corporation. The Board President may call special meetings of the Corporation with a ten (10) day notice.

Article V. Board of Directors

Section 5.01. **Membership.** The Board of Directors shall consist of the elected officers of the Corporation.

Section 5.02 **Powers.** The activities and affairs of the Corporation shall be conducted, and all corporate powers shall be exercised, by or under the direction of its Board of Directors.

Section 5.03. **Authority.** The affairs, activities and operation of the Corporation shall be managed by the Board of Directors. The Board of Directors shall transact necessary business during the intervals between the meetings of the membership and such other business as may be referred to it by the membership or these Bylaws. The Board of Directors shall create the calendar of events for the year, may create Standing and Special Committees, approve the plans and work of standing and special committees, shall prepare and submit a budget to the membership for approval, and, in general, conduct the business and activities of the Corporation.

Section 5.04. **Meetings.** The Board of Directors shall meet monthly to prepare for general membership meetings and to conduct the affairs of the Corporation.

Section 5.05. **Quorum.** A quorum of the Board of Directors for the conduct of business shall consist of a simple majority of the board members.

Section 5.06. **Action Without a Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors, or of any committee, may be taken without a meeting if all the members of the Board or committee consent in writing to taking the action without a meeting, and to approving the specific action. Such consents shall have the same force and effect as a unanimous vote of the Board or of the committee as the case may be.

Section 5.07. **Participation in Meeting by Conference Telephone or other means.** Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as members participating in such meeting can hear one another. The Board of Directors may not conduct official votes regarding the approval of Board business via email, text messaging or other digital correspondence that does not allow for simultaneous discussion.

Section 5.08. **Reimbursement.** Members of the Board of Directors shall serve without compensation with the exception that expenses incurred in the furtherance of the Corporation's business are allowed to be reimbursed with documentation, in accordance with the Corporation's financial policies, and prior approval.

Section 5.09. **Number of Directors and Composition of Board of Directors.** The initial number of Directors shall be five (5), and may vary from time to time up to seven (7) by resolution of the Board of Directors without amendment of these bylaws. In no case, shall the minimum number of Directors be less than three.

Section 5.10. **Vacancies.** Any vacancy occurring in the Board of Directors due to death, resignation, removal, disqualification, or any other cause, shall be filled as soon as they occur by a majority vote of all Directors then in office. A Director so elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Article VI. Officers and their Elections

Section 6.01. **Officers.** The officers of this Corporation shall include a President, a President-Elect, a Secretary, a Treasurer, and such additional officer(s) as may be elected or appointed by the Board of Directors from time to time.

Section 6.02. **Election.** A nominating committee of no less than 7 members, including the current President and at least one additional officer, shall begin seeking nominees in January of the year in which candidates are to be elected for the purpose of developing a slate of candidates. The candidates shall be announced to the membership as soon as possible. Additional nominees may be solicited from the floor on the day of the election. Only those who have consented to serve shall be eligible for nomination, either by the committee or from the floor. Officers shall be elected at the annual meeting of the Corporation by the members present. Officers shall assume their official duties on the July 1 following their election.

Section 6.03. **Term.** Officers shall serve a one-year term with no more than two (2) consecutive term(s) in the same office. If there is no candidate for a particular office, then that standing officer may continue on for one more year. The term of office, including the extension, should be no longer than three consecutive years in the same office. Membership on the Board of Directors may also be terminated by resignation, in the event they no longer have children attending the school, or dismissal by majority of the Board of Directors.

Section 6.04. *Vacancies.* In the event of a vacancy in the office of Board President between elections, the President-Elect shall assume the office of Board President. If the President-Elect cannot assume the office of Board President, or for a vacancy occurring in any other office, the position shall be filled for the unexpired term by a person elected by a majority vote of the remaining members of the Board of Directors.

Article VII. Duties of Officers

Section 7.01. *President.* The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall generally coordinate all of the activities of the Corporation. The President shall be a member of the Board of Directors and, when present, shall preside at all meetings of the Board of Directors and all meetings of the membership. In the absence of the Treasurer, the President shall perform those duties.

Section 7.02. *President-Elect.* The President-Elect shall be a member of the Board of Directors and, in the absence of the President, shall perform the duties of the President. The President-Elect shall perform such other duties as are assigned by the President or the Board of Directors. The position of President-Elect may remain vacant during the term of the Founding Board (July 2012 - June 2013).

Section 7.03. *Secretary.* The Secretary shall be a member of the Board of Directors. The Secretary shall keep the minutes of the proceedings of the membership and the Board of Directors, shall distribute Board meeting minutes to Board members and see that general meeting minutes are available to the Corporation's members, shall take roll at meetings, shall handle Corporation correspondence, shall see that all notices are duly given in accordance with these Bylaws, and, in general, perform all duties incident to the office of Secretary, and such other duties as may be assigned by the President or the Board of Directors.

Section 7.04. *Treasurer.* The Treasurer shall be a member of the Board of Directors. The Treasurer shall have charge of and be responsible for all funds of the Corporation in accordance with the Corporation's financial policies. The Treasurer shall receive and give receipts for monies due and payable to the Corporation from all sources and shall deposit such funds in such banks or other organizations as are selected by the Board of Directors. The Treasurer shall make disbursements as authorized by the budget as approved, or amended, by the membership. The Treasurer shall present a written financial report, prepared in accordance with the Corporation's financial policies, at each General Membership Meeting of the membership, and at other times as requested by the Board of Directors. The Treasurer shall bring the ledger and checkbook to each meeting of the Board of Directors and the general membership. Outgoing and incoming Treasurers shall work together until the Corporation's books can be closed in preparation for the start of each new fiscal year.

Article VIII. Finances

Section 8.01. *Budget.* The Board of Directors shall present to the membership at the first regular meeting of the membership, or as soon thereafter as practicable, a budget of anticipated revenue and expenses for the year. This budget shall be used to guide the activities of the Corporation during the year, including serving as approval for anticipated expenditures. Any substantial deviation greater than 25% from the budget must be approved in advance by a membership quorum.

Section 8.02. *Obligations.* The Board of Directors may authorize any officer or officers to enter into contracts or agreements for the purchase of materials or services on behalf of the Corporation.

Section 8.03. *Loans.* No loans shall be made by the Corporation to its officers or members.

Section 8.04. **Checks.** All checks, drafts, or other orders for the payment of money on behalf of the Corporation shall be signed by the Treasurer or by any other person as authorized in writing by the Board of Directors. Checks of \$200 or more must have the signature of the Treasurer and at least one additional authorized officer.

Section 8.05. **Banking.** The Treasurer shall deposit all funds of the Corporation to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select, and shall make such disbursements as authorized by the Board of Directors in accordance with the budget adopted by the membership. All deposits and/or disbursements shall be made as soon as practicable upon receipt of the funds and/or orders of payment. The Corporation's bank account shall be reconciled with the bank on a monthly basis and the report made available to the Executive and general membership.

Section 8.06. **Financial controls.** The Corporation shall adopt appropriate financial controls to ensure the integrity of its funds. All Corporation funds of any kind shall go through the Treasurer's books. Specifically, without limitation, the Corporation shall maintain separation of financial controls so that, minimally:

- a. all expenses shall be approved by the membership by way of approval of an annual budget, or amendments thereto, or be approved by separate resolution of the Board of Directors;
- b. checks exceeding \$200 must be endorsed by at least two officers/employees authorized by resolution of the Board of Directors;
- c. an officer or other person without check-signing authority designated by the Board shall review all bank statements; and,
- d. a committee of at least two (2) persons without check-signing authority shall annually audit all corporate finances, or hire and supervise an outside accountant or auditing firm to conduct a review of corporate financial records.

Section 8.07. **Financial Report.** The Treasurer shall present a financial report at each membership meeting of the Corporation and shall prepare a final report at the close of the year in accordance with the Corporation's financial policies. The Board of Directors shall have the report and the accounts examined annually. If the Corporation grosses less than \$100,000 per year, the financial practices and accounts may be reviewed by an internal audit committee. The internal audit committee shall consist of two or more board or voting members of the Corporation who are not involved in the routine handling of the Corporation's finances, including not having signature authority on bank accounts or approval authority over disbursements. If the Corporation grosses between \$100-200,000 in receipts, an external professional, such as a certified public accountant (CPA), shall be hired by the audit committee to perform a financial review or compilation. A full audit shall be conducted by an external CPA when annual gross receipts equal or exceed \$200,000.

Section 8.08. **Fiscal Year.** The fiscal year of the Corporation shall be from July 1st to June 30th.

Article IX. Conflicts of Interest

Section 9.01 *General Policy.* It is the policy of the Corporation and its Board of Directors that the Corporation's directors and officers carry out their respective duties in a fashion that avoids actual, potential, or perceived conflicts of interest. The Corporation's directors and officers shall have the continuing, affirmative duty to disclose any personal ownership, interest, or other relationship that might affect their ability to exercise impartial, ethical, and business-based judgments in fulfilling their responsibilities to the Corporation. This policy shall be further subject to the following principles:

- (a) Directors and officers of the Corporation shall conduct their duties with respect to potential and actual grantees, contractors, suppliers, agencies, and other persons transacting or seeking to transact business with the Corporation in a completely impartial manner, without favor or preference based upon any consideration other than the best interests of the Corporation.
- (b) Directors and officers of the Corporation shall not seek or accept for themselves or any of their relatives (including spouses, ancestors, and descendants, whether by whole or half blood), from any person or business entity that transacts or seeks to transact business with the Corporation, any gifts, entertainment, or other favors relating to their positions with the Corporation that exceed common courtesies consistent with ethical and accepted business practices.
- (c) If a director or officer, or a director's or officer's relative, directly or indirectly owns a significant financial interest in, or is employed by, any business entity that transacts or seeks to transact business with the Corporation, the director shall disclose that interest or position and shall refrain from voting on any issue pertaining to the transaction.
- (d) Directors and officers of the Corporation shall not conduct business on behalf of the Corporation with a relative or a business entity in which the director, officer, or his or her relative owns a significant financial interest or by which such director, officer, or relative is employed, except where such dealings have been disclosed to, and specifically approved and authorized by, the Board of Directors of the Corporation.
- (e) Each director and officer of the Corporation shall annually sign a statement which affirms that such person has received a copy of this conflicts of interest policy, has read and understands the policy, has agreed to comply with the policy, and understands that the Corporation is a charitable organization and that in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
- (f) If the Board of Directors has reasonable cause to believe that a director or officer has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose. If, after hearing the response and making such further investigation as may be warranted in the circumstances, the Board of Directors determines that the person has in fact failed to adequately disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action, up to and including removal from the Board.
- (g) The minutes of the Board of Directors shall contain the names of any persons who disclosed or were found to have a significant financial interest, the nature of any financial interest, any action taken to determine whether a conflict of interest was present, the Board of Directors' decision as to whether a conflict of interest in fact existed, the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion,

including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

Section 9.02 ***Effect of Conflict Provisions.*** The failure of the Corporation, its Board of Directors, or any or all of its directors or officers to comply with the conflict of interest provisions of these Bylaws shall not invalidate, cancel, void, or make voidable any contract, relationship, action, transaction, debt, commitment, or obligation of the Corporation that otherwise is valid and enforceable under applicable law.

Article X. Indemnification of Directors and Officers

Section 10.01 ***Indemnification.*** The corporation shall indemnify and protect each of its officers to the fullest extent permitted by the laws of the State of Texas. Every member of the Board of Directors, officer or employee of the Corporation shall be indemnified by the corporation against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon such members of the Board, officer or employee in connection with any threatened, pending, or completed action, suit or proceeding to which she/he may become involved by reason of her/his being or having been a member of the Board, officer, or employee of the corporation, or any settlement thereof, unless adjudged therein to be liable for negligence or misconduct in the performance of her/his duties. Provided, however, that in the event of a settlement the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the corporation. The foregoing right of indemnification shall be in addition and not exclusive of all other rights which such member of the Board, officer or employee is entitled.

Article XI. Miscellaneous

Section 11.01 ***Waiver of Notice of Meetings.*** Whenever any notice is required to be given to any Director or Committee Member of the Corporation under the provisions of these Bylaws, or under the provisions of the Articles of Incorporation, or under the provisions of the Texas Non-Profit Corporation Act, 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 deemed equivalent to the giving of such notice.

Section 11.02 ***Seal.*** The Corporation shall not maintain a corporate seal.

Section 11.03 ***Books and Records.*** The Corporation, at its offices, shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and shall keep a record of the names and addresses of all members of the Board of Directors.

Section 11.04 ***Parliamentary Authority.*** Robert's Rules of Order shall govern meetings when they are not in conflict with the organization's bylaws.

Section 11.05 ***Amendments.*** These bylaws may be amended at any regular or special meeting of the membership by a majority vote of the members present if the quorum requirement is satisfied. At least ten (10) days notice of the proposed amendments must be given to the membership, or alternatively the membership may waive the required notice.

Section 11.06 ***Dissolution.*** The Corporation may be dissolved with previous notice (14 calendar days) and a two-thirds (2/3) vote of the members present at a meeting where the quorum requirement is satisfied.