

**BYLAWS**  
**OF**  
**THE PARADISE VALLEY PRIVATE SCHOOL FOUNDATION**

**ARTICLE I: GENERAL PROVISIONS**

Section 1.1. Name. The name of this Corporation is The Paradise Valley Private School Foundation (the "Foundation").

Section 1.2. Offices. The known place of business of the Foundation is 4800 East Doubletree Ranch Road, Paradise Valley, Arizona 85253. The offices may be changed from time to time by the Board of Trustees, and the Foundation may have such additional offices as the Board of Trustees may designate or as the activities of the Foundation may require.

**ARTICLE II: PURPOSE**

The character of the business which the Foundation intends to conduct is the operation of a private, nonprofit school known as the Tesseraet School consistent with the mission and the values of the school as adopted by the Board of Trustees.

**ARTICLE III: MEMBERS**

Section 3.1. Not a Membership Corporation. The Foundation shall not be a membership corporation and shall have no members.

Section 3.2. Stock. The Foundation shall have no capital stock.

**ARTICLE IV: BOARD OF TRUSTEES**

Section 4.1. Number. The Board of Trustees of the Foundation shall consist of not less than three (3), nor more than twenty-one (21), each elected for a term of three (3) years. Trustees shall be elected by a majority vote of those present at the annual meeting as defined in Article VI. The terms of the newly elected Trustees shall commence at the conclusion of the annual meeting and shall end at the conclusion of the annual meeting in the year in which the term expires. No Trustee shall serve more than two (2) successive three (3) year terms. Former Trustees who have served two successive terms shall become eligible for service again after one year. In the event that a Trustee is elected to fill an unfinished term, that term shall not count against that Trustee in relation to the successive terms limitation. The Head of School shall serve as an *ex officio* member of the Board of Trustees.

Section 4.2. Selection of Trustees. All nominations for Trustees shall be presented to the Board of Trustees by the Nominating and Governance Committee. The Nominating and Governance Committee shall provide the Board of Trustees a notice of the election and

qualifications of nominees no later than seven (7) days prior to the meeting at which the nominations will be considered for approval.

Section 4.3. Resignation. Any Trustee may resign from a committee of the Board, office of the Board, or the Board itself at any time, either by oral tender of resignation at any meeting of the Board of Trustees or by giving written notice thereof, at any time, to the Chairperson of the Board or the Secretary of the Foundation. Such resignation shall take effect on the date of the receipt of such notice or at any later time therein specified, and, unless otherwise specified with respect thereto, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.4. Deemed Resignation. The failure of a Trustee to participate in three (3) consecutive regular Board meetings may be treated by the Board as a resignation of the Trustee. The Chairperson shall contact the absent Trustee and discuss the reasons for such absences with the Trustee. At the next Board meeting, following the three consecutive absences, the Chairperson shall make a report to the Board on such absences and the Trustee's interest in continuing to serve on the Board. The Board shall elect either to accept the absences as a deemed resignation or to request that the Trustee continue to serve on the Board. If the Trustee in question was not in attendance at a meeting in which the Board made its election, the Chairperson shall give written notice of the Board's action to the absent Trustee.

Section 4.5. Removal. A Trustee, exempting those trustees who are ex-officio, may be removed at any time by a vote of two-thirds of Trustees then constituting the Board of Trustees at any duly held regular or special meeting thereof, provided that notice of intention to remove such Trustee is set forth in the notice of the meeting. Any such Trustee shall be entitled to appear before and be heard at such meeting.

Section 4.6. Vacancies. Any vacancy on the Board shall merely reduce the number of duly elected and acting Trustees until such time as the vacancy is filled. Vacant trusteeships may be filled by a majority vote of Trustees then constituting the Board of Trustees at any regular meeting of the Board, provided a notice of the election and qualification of nominees is distributed to the members at least seven (7) days prior to the election. A Trustee elected to fill a vacancy occurring in the Board of Trustees shall be elected for the unexpired term of his or her predecessor in office, unless that Trustee sooner resigns.

Section 4.7. Compensation. Trustees shall serve without compensation, but may be reimbursed for expenses actually and reasonably incurred on behalf of the school.

Section 4.8. Ex-Officio Trustees. The Board of Trustees, in its sole discretion, may elect or adopt a method for electing or selecting such ex-officio members to assist the Board of Trustees as the Board of Trustees shall deem necessary or advisable; provided, however, only Trustees shall be voting members of the Board of Trustees and such ex-officio members shall not be counted in determining any quorum or vote of the Board of Trustees.

Section 4.9. Emeritus Trustees. Any current Trustee who is retiring as an active Trustee and who has served as a Trustee for a minimum of two (2) complete terms may, upon the recommendation of the Executive Committee, be elected by a majority of the entire Board of

Trustees as an Emeritus Trustee. Election as an Emeritus Trustee shall be for one (1) year terms and shall be reserved for persons with records of distinguished service to the Foundation. Emeritus Trustees shall not be members of the Board of Trustees. An Emeritus Trustee shall be entitled to receive notices of all meetings of the Board of Trustees, to attend and speak at all such meetings, and to receive minutes of all meetings of the Board of Trustees, but shall not have voting power on any matters before the Board of Trustees or any Committee or Subcommittee thereof. Emeritus Trustees shall serve without compensation, but may be reimbursed for expenses actually and reasonably incurred on behalf of the school.

## ARTICLE V: POWERS AND RESPONSIBILITIES OF THE BOARD

Section 5.1. General Powers of the Trustees. Subject to the limitations of these By-laws, the Articles of Incorporation and the laws of the State of Arizona, the Board of Trustees shall exercise general oversight of the management of the business and property of the Foundation, and shall have all powers of the Foundation except those that are specifically reserved by these By-laws. The Trustees need not be residents of the State of Arizona. No Trustee, officer or agent of the Foundation shall authorize or allow any corporate funds to be expended for any purposes other than as set forth in the Articles of Incorporation or for purposes reasonably incidental thereto.

Section 5.2. Certain Specific Powers of the Trustees. Without limiting the foregoing or such other responsibilities and obligations as may be found under the laws of the State of Arizona, the Board shall undertake the following responsibilities:

- (a) To select and remove a Head of School, to approve his or her compensation, and to evaluate his or her performance annually.
- (b) To delegate to the Head of School administrative functions, including the power to admit or dismiss students and to appoint or remove other employees.
- (c) To monitor the Foundation's financial management; to approve capital expenditures in accordance with the financial policies adopted by the Board; to adopt annual capital and operating budgets for the Foundation; to institute, promote, and direct major fund-raising for the Foundation, and otherwise undertake such steps as may be necessary to protect the financial stability of the Foundation.
- (d) To establish the educational philosophy and the objectives of the Foundation; to develop, implement, and update the Foundation's strategic plan; and to review the Foundation's programs to ensure that the Foundation is well-managed in accordance with the Foundation's mission and purposes.
- (e) To define or ensure the definition of and promulgate general policies for the Foundation for the effective operation of the Foundation, including financial, employment, operating, and educational policies and procedures and ensure their effective implementation.
- (f) To advise the Head of School and require specific Board approval of matters the Board determines may have a material effect on the educational or financial health of the school.

## ARTICLE VI: MEETINGS AND BOARD LOGISTICS

Section 6.1. Regular Meetings. The Chairperson shall establish and publish the upcoming year's calendar of regular Board meetings in furtherance of the strategic direction of the Board. The Board shall be required to meet at least four times in the calendar year. The Board shall hold its annual meeting in June of each year.

Section 6.2. Special Meetings. Special meetings of the Board of Trustees may be called by or at the request of a majority of the Board of Trustees or by the Chairperson of the Board. Business transacted at a special meeting shall be limited to the matter stated on the notice of the meeting.

Section 6.3. Notice. Notice of the annual meeting, regular or special meetings of the Board of Trustees shall be given at least five days prior thereto via United States mail, email, or facsimile. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail as so addressed with postage thereon prepaid. If e-mailed or faxed, such notice shall be deemed to be delivered when sent. The attendance of a Trustee at a meeting shall constitute a waiver of notice of such meeting, except where a Trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Unless otherwise required by law or specified by the Articles of Incorporation or the Bylaws, neither the business to be transacted nor the purpose of any meeting of the Board of Trustees need be specified in the notice or the waiver of notice of such meeting. Notice of any meeting may be waived by any or all of the Trustees.

Section 6.4. Quorum. A majority of the number of Trustees actually serving shall constitute a quorum for the transaction of business of any meeting of the Board of Trustees.

Section 6.5. Manner of Acting. The act of a majority of the Trustees present at a meeting duly held at which a quorum is present shall be the act of the Board of Trustees, unless the act of a greater number is required by law, by the Articles of Incorporation or by these Bylaws.

Section 6.6. Informal Action. Any action required by law to be taken at a meeting of the Board of Trustees, or any action which may be taken at a meeting of the Board of Trustees, may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by all of the Trustees either on paper or electronically. Such action by written consent or consents shall have the same force and effect as a unanimous vote of the Board of Trustees. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Trustees.

Section 6.7. Participation in Meetings by Means of Conference Telephone. Members of the Board of Trustees, or any committee of the Board of Trustees, may participate in a meeting of the Board or of such committee by means of a conference telephone or similar communications device whereby all persons participating in the meeting can hear each other, and participation by such means shall constitute presence of such person at such meeting.

Section 6.8. Adjournment. A majority of the Trustees present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 6.9. Presumption of Assent. A Trustee who is present at a meeting of the Board of Trustees at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless his or her dissent shall be entered in the minutes of the meeting, or unless he or she shall file his or her written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof, or shall forward such dissent by certified mail to the Secretary of the Foundation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Trustee who voted in favor of such action.

## ARTICLE VII: OFFICERS

Section 7.1. Titles. The officers of the Board of Trustees shall be a Chairperson of the Board, a Vice Chair, a Secretary, and a Treasurer, and such other officers and assistant officers as the Board of Trustees may deem necessary. Officers must be Trustees. Officers shall serve terms of one year or until their successors are elected. Officers may serve up to three consecutive one-year terms in any of the positions set forth in Section 7.3. All officers shall be elected at the Annual Meeting. Vacancies may be filled at any time by the election of an Officer who shall fill the remainder of the term of the original Officer. If a person is elected as an Officer to fill a vacancy and serve for the unexpired term, such service shall not be counted in determining eligibility for re-election.

Section 7.2. Election of Officers. The officers of the Board of Trustees shall be elected by the Board of Trustees. New offices may be created and filled, and vacancies may be filled, at any meeting of the Board of Trustees.

Section 7.3. Powers and Duties of Officers. The following shall be Powers and Duties of Officers:

- (a) Chairperson of the Board. The Chairperson of the Board shall preside at all meetings of the Board of Trustees, shall support all committees, shall provide an annual charge to each committee, and shall have such other powers and duties as are incident to the office of the Chairperson. The Chairperson will chair the Executive Committee.
- (b) Vice Chair. The Vice Chair shall have such powers and shall perform such duties as may be assigned by the Chairperson. In the absence or disability of the Chairperson, the Vice Chair shall perform the duties of the Chairperson.
- (c) Secretary. The Secretary shall keep a record of the minutes of all meetings of the Board of Trustees, and see that all required notices are given, shall have custody of all books, records and papers of the Foundation, except those in the custody of the Treasurer or some other person authorized to have charge thereof by the Board of Trustees, shall have the authority to authenticate records of the Foundation.
- (d) Treasurer. The Treasurer shall be responsible for carrying out the mandates of the Board and its Finance Committee in overseeing the financial affairs of the School. The Treasurer shall, with the assistance of the Head of School, monitor all accounts and records and shall direct the preparation of the annual audited financial statements. The Treasurer shall oversee the custody of the funds and securities of the School and shall render periodic accounting of the financial condition of the School to the Board.

- (e) Additional Officers. Officers and assistant officers, in addition to those hereinabove described, who are elected or appointed by the Board of Trustees, shall perform such duties as shall be assigned to them by the Chairperson of the Board or the Board of Trustees.

Section 7.4. Vacancies. A vacancy in any office due to death, resignation, removal, disqualification or other cause may be filled by the Board of Trustees at any time.

Section 7.5. Removal. Any officer elected by the Board of Trustees may be removed by a majority of the Board of Trustees, with or without cause, whenever in the judgment of the Board of Trustees the best interests of the Foundation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officers so removed.

Section 7.6. Resignation. Any officer may resign at any time by giving written notice to the Chairperson of the Board or Secretary. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in such notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Foundation under any contract of which the officer is a party.

#### **ARTICLE VIII: COMMITTEES AND TASK FORCES**

Section 8.1. Committees. The Board of Trustees may designate one or more committees or task forces, each of which shall consist of one or more Trustees among other members. The purpose and responsibilities and duties of the committee or task force shall be specified by a charter adopted by the Board of Trustees. All committees and task forces shall be chaired by a member of the Board of Trustees. The committee chairs shall have access to management and information relevant to the committee's work.

Section 8.2. Committee and Task Force Nomination. Chairpersons and members of committees and task forces shall be selected by the Board Chairperson, after consultation with the Nominating and Governance Committee and the Head of School. Except as provided in these bylaws, the Chairperson and the Head of School shall be ex-officio members of all standing committees without the power to vote, and each standing committee shall include at least one additional Trustee. Except where otherwise provided in this article or determined by vote of a majority of the Board, persons who are not on the Board may serve on a committee or task force and be a voting member of the committee or task force only if the committee or task force's purpose is to advise the Board of Trustees. A list of members of committees and task forces shall be distributed at the annual meeting of the Board.

Section 8.3. Executive Committee. The Executive Committee shall be comprised of the Board Chair, Vice Chair, Secretary, Treasurer, and up to two other Trustees deemed appropriate. The Executive Committee may exercise all powers of the Board of Trustees during the interim between meetings of the Board when prudent and expeditious management requires prompt action. The Executive Committee shall not have power to amend the By-Laws, remove or elect Trustees, officers, or the Head of School, approve an annual budget, or take any other

action precluded by resolution of the Board or these By-Laws. The Executive Committee may meet at the call of the Chair to advise the Chair or the Head of School.

Section 8.4. Standing Committees. The following shall be Standing Committees of the Board:

- (a) Nominating and Governance Committee. The Nominating and Governance Committee shall be a standing committee of not less than two Trustees. The Committee shall be responsible for coordinating the nominating process for Board members and directing the sound corporate governance of the School.
- (b) Finance Committee. The Finance Committee shall be a standing committee of not less than four members, including the Board Treasurer and at least two additional Trustees. The Finance Committee shall be responsible for overseeing the financial affairs of the School. The Finance Committee shall create and govern a Financial Aid Subcommittee that shall be responsible for financial aid oversight and shall report its findings periodically to the board. The Financial Aid Subcommittee shall be comprised of three members of not less than one Trustee.
- (c) Fundraising Committee. The Fundraising Committee shall be a standing committee of not less than three members, including at least one Trustee. The Fundraising Committee shall be responsible for overseeing the implementation of fundraising events, plans, and the creation and management of an endowment. The Fundraising Committee shall report to the Board regarding the financial results of these efforts and shall provide guidance to students, faculty, and parent associations that engage in fundraising activities.
- (d) Development Committee. The Development Committee shall be a standing committee of not less than three members, including at least one Trustee. The Development Committee shall be responsible for the overall development and advancement of the School. Specifically, the Development Committee shall focus its efforts on four (4) specific areas: admissions; enrollment; curriculum; and staffing.
- (e) Marketing Committee. The Marketing Committee shall be a standing committee of not less than three members, including at least one Trustee. The Marketing Committee shall be responsible for working with School faculty and the Development Committee to implement a strategy through print, social media, and other mediums to increase the overall desirability of the School.
- (f) Audit Committee. The Audit Committee shall be a standing committee of not less than three members, including at least one Trustee. The Audit Committee shall not have any sitting members or Trustees that hold any current position on the Finance Committee. The audit committee shall maintain communication with the Finance Committee, Director of Finance (if such a position or similar position exists at the School), or any other person or entity in charge of fiscal management of the school (the "Finance Group"). The Audit Committee shall have the obligation to report to the Executive Committee its request to conduct special investigations in cases where it determines accounting practices are problematic or suspect, or where problems exist with personnel within the Finance Group. The Audit Committee shall also review and comment on year-end financials and fiscal year budgets for the coming scholastic calendar.

Section 8.5. Removal. Any member of a committee or task force established under this section may be removed by the Chairperson of the Board of Trustees whenever in the Chairperson's judgment the best interest of the Foundation shall be served by such removal.

Section 8.6. Term. Each member of a committee or task force established under this section shall serve his or her term thereon at the pleasure of the Chairperson of the Board of Trustees.

Section 8.7. Meetings of Standing Committees. All standing committees shall meet at least two times annually, and shall report actions and considerations to the Board. The Committee Chair shall determine the agenda and the frequency and length of meetings. A quorum of the Committee will consist of a majority of the members, whether or not the Chair of the Committee shall be present.

## ARTICLE IX: HEAD OF SCHOOL

Section 9.1. Executive Functions. The Head of the School shall be the Chief Executive Officer and official advisor and executive agent of the Board. The Head shall exercise the general supervision over all the affairs of the school, represent the school to the community, and bring such other matters to the attention of the Board as are appropriate to keep the Board fully informed to meet its responsibilities. The Head shall have the powers, on behalf of the Board of Trustees, to sign any and all contracts for which funds have been allocated and authorized by the Board in the approved operating budget, or in any capital budget or emergency expenditure authorized and approved by the Board.

Section 9.2. General Management. The Board of Trustees shall delegate to the Head of School the general management responsibilities for the School. The Board shall maintain general oversight over these activities.

Section 9.3. Appointment. In the event of a permanent vacancy in the office of the Head, the Board shall elect a replacement from among candidates submitted for consideration by a special Search Committee appointed by the Board. An affirmative vote of at least two-thirds of the Trustees is required for appointment. The employment contract for the Head and all renewal contracts shall be reviewed and approved by the Nominating and Governance Committee.

Section 9.4. Administrative Responsibilities. Within the policy guidelines established by the Board, the Head shall develop institutional programs, provide administrative and educational leadership, employ and discharge personnel, enroll and dismiss students, prepare the annual budget, and shall have the responsibility for the day-to-day operation of the school.

Section 9.5. Assistance to the Board. The Head shall work in close conjunction with the Board and guide it in preparation of agendas in its meetings and the long range development of the school.

Section 9.6. Annual Review of Performance and Compensation. An annual review of the performance of the Head shall be conducted. The Board shall determine the procedure and process to be followed.



Section 9.7. Dismissal of the Head. A decision not to renew the Head's contract or to terminate the services of the Head can only be undertaken by the Board at a regular meeting or a special meeting provided due notice of the contemplated action is given. Such an action shall require a two-thirds majority vote of the Board.

## **ARTICLE X: INDEMNIFICATION OF OFFICERS AND TRUSTEES**

Section 10.1. Right to Indemnification. The Foundation shall, to the fullest extent authorized by the Arizona Nonprofit Corporation Act, as the same exists or may hereafter be amended, indemnify and hold harmless any person who was or is a party, or is threatened to be made a party to, or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such a person is or was an officer, director, or Trustee of the Foundation (an "Indemnitee"), against expenses, liabilities and losses (including attorneys' fees, judgments, fines, or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnitee in connection therewith; provided, however, that the Foundation may not indemnify any such Indemnitee in connection with a proceeding (or part thereof) initiated by such Indemnitee unless such proceeding or part thereof was authorized by the Board of Trustees of the Foundation.

Section 10.2. Right to Advancement of Expenses. The right to indemnification conferred in Section 10.2 of this Article 10 includes the right to be paid by the Foundation the expenses (including attorneys' fees) incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if required by the Arizona Nonprofit Corporation Act, an advancement of expenses incurred by an Indemnitee in his or her capacity as an officer, director, or Trustee (and not in any other capacity in which service was or is rendered by such Indemnitee) will be made only upon receipt by the Foundation of an undertaking, by or on behalf of such Indemnitee, to repay all amounts so advanced if it is ultimately determined by final judicial decision, from which there is no further right to appeal, that such Indemnitee is not entitled to be indemnified for such expenses under this Section 10.2 or otherwise. The rights to indemnification and to the advancement of expenses conferred in this Article 10 are contract rights and these rights will continue to apply to any Indemnitee who has ceased to be an officer, director, or Trustee and will inure to the benefit of the Indemnitee's heirs, executors and administrators.

Section 10.3. Indemnification of Employees and Agents of the Foundation. The Foundation may, to the extent authorized from time to time by the Board of Trustees, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Foundation to the fullest extent of the provisions of this Article 10 with respect to the indemnification and advancement of expenses on behalf of officers, directors and Trustees of the Foundation.

Section 10.4. Officers, Directors and Trustees Not Liable for Monetary Damages. To the fullest extent permitted by the Arizona Nonprofit Corporation Act, no officer, director or Trustee of the Foundation shall be liable to the Foundation for monetary damages for any action taken or any failure to take any action as an officer, director or Trustee.

**ARTICLE XI: CONFLICT OF INTEREST**

A Trustee shall not vote or debate on any matter in which the Trustee has a direct or indirect interest. The Board may approve a transaction in which a Trustee has an interest if the material facts of the transaction and the Trustee's interest are disclosed and if the Trustees approving the transaction in good faith reasonably believe that the transaction is fair to the School.

**ARTICLE XII: FISCAL YEAR**

The fiscal year of the Foundation shall begin July 1 and end June 30 of each year, except that the first year shall be the start year commencing on the date of delivery of the Articles of Incorporation to the Arizona Corporation Commission and ending June 30.

**ARTICLE XIII: CHANGE OF BYLAWS**

These Bylaws may be altered, amended or repealed only by vote of a two-thirds majority of Trustees then constituting the Board of Trustees.

**ARTICLE XIV: CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in Title 10 of Arizona Revised Statutes, shall govern the construction of these Bylaws. Without limiting the generality of the above, any gender, masculine or feminine, includes the other and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation or other organization and a natural person. The rules contained in the current edition of the Modern Rules of Order govern the Foundation in all cases in which they are applicable, and in which they are not inconsistent with these Bylaws, the Articles of Incorporation, or any existing law.

**ARTICLE XV: POLICY OF NONDISCRIMINATION**

In rendering its educational functions and in exercising its educational and incidental purposes, the Foundation shall not practice or permit discrimination on the basis of sex, age, race, national origin, religion, or physical handicap or disability.

Adopted: August 17, 2015.



Secretary  
Paradise Valley Private School Foundation