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For more information regarding the content of this material, please contact the Charter Schools Division by phone at 916-322-6029 or by email at [charters@cde.ca.gov](mailto:charters@cde.ca.gov).

# Tab 3

## Articles of Incorporation

2753026

State of California  
Secretary of State



I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 2 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JUN 22 2005

BRUCE McPHERSON  
Secretary of State

2753026

ARTICLES OF INCORPORATION  
OF  
AVANCE SCHOOLS, INC.

**ENDORSED - FILED**  
in the office of the Secretary of State  
of the State of California

**JUN 16 2005**

**Article I**

The name of the corporation is Avance Schools, Inc.

**Article II**

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes. The public purpose for which this corporation is organized is to operate public charter schools in the State of California.

**Article III**

The name and California address of the corporation's initial agent for service of process is Ricardo Mireles, 5936 Hayes Avenue, Los Angeles, CA 90042.

**Article IV**

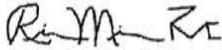
(a) This corporation is organized exclusively for charitable and educational purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code. Despite any other provision of these articles to the contrary, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on by (a) a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or (b) a corporation to which contributions are deductible under Section 170(c)(2) of the Internal Revenue Code.

(b) No substantial part of the activities of this corporation shall consist of lobbying or propaganda, or otherwise attempting to influence legislation, except as set forth in Section 501(h) of the Internal Revenue Code, and this corporation shall not participate in or intervene in (including publishing or distributing statements) any political campaign on behalf of or in opposition to any candidate for public office.

(c) All corporate property is irrevocably dedicated to public or charitable purposes, and no part of the net earnings of this corporation shall ever inure to the benefit of any of its directors, trustees, officers, members, or any private person, except that the corporation shall be authorized to pay reasonable compensation for services rendered and to make other payments in furtherance of the purposes set forth in Article II.

(d) On the winding up and dissolution of this corporation, after paying or adequately providing for the debts, obligations, and liabilities of the corporation, the remaining assets of this corporation shall be distributed to such organization (or organizations) organized and operated exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

Dated: June 16, 2005



\_\_\_\_\_  
Ricardo Mireles, Incorporator



08/21/2008 11:07 12136520994

AVANCE

PAGE 01

This page is part of your document - DO NOT DISCARD

05 1675271

RECORDED/FILED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
10:41 AM JUL 15 2005

TITLE(S) : Fictitious Name Statement



FEE

\$23.00

D.T.T.

CODE  
20

CODE  
19

CODE  
9

Assessor's Identification Number (AIN)

To be completed by Examiner OR Title Company in black ink.

Number of AIN's Shown

THIS FORM IS NOT TO BE DUPLICATED

08/21/2008 11:07 12136520994

AVANCE

PAGE 02

**A** Your Return Mailing Address  
Name **Ricardo Mireles**  
Address **P.O. Box 42095**  
City **Los Angeles State CA Zip Code 90042**

REGISTRAR - RECORDER / COUNTY CLERK'S FILING STAMP

**05 1675271**

**1**  First Filing  Renewal Filing  
Check one only

**FICTITIOUS BUSINESS NAME STATEMENT**  
THE FOLLOWING PERSON(S) IS (ARE) DOING BUSINESS AS (Attach additional pages if required)

**2** Fictitious Business Name(s)  
**1 Academia Avance**

**3** Street Address, City & State of Principal Place of Business in California (PO Box alone not acceptable)  
**115 N. Avenue 53, Los Angeles, CA 90042**

**4** Full name of Registrant / Corporation / Limited Liability Company  
**Avance Schools, Inc.** (if corporation - incorporated in what state)  
**California**

Residence Street Address (PO Box not accepted) City State Zip Code  
**115 N. Avenue 53 Los Angeles CA 90042**

**4A** Full name of Registrant / Corporation / Limited Liability Company (if corporation - incorporated in what state)  
Residence Street Address (PO Box not accepted) City State Zip Code

**4B** Full name of Registrant / Corporation / Limited Liability Company (if corporation - incorporated in what state)  
Residence Street Address (PO Box not accepted) City State Zip Code

**5** This Business is conducted by (check one only)  
 an individual  a general partnership  joint venture  a business trust  
 co-partners  husband and wife  a corporation  a limited partnership  
 an unincorporated association other than a partnership  a limited liability company

**6**  The registrant commenced to transact business under the fictitious business name or names listed on (Date) \_\_\_\_\_  
 Registrant has not yet begun to transact business under the fictitious business name or names listed herein

**7** I declare that all information in this statement is true and correct  
(A registrant who declares as true information which he or she knows to be false is guilty of a crime)

**8** Signature of Registrant(s)

|           |                 |
|-----------|-----------------|
| Signature | type/print name |

**8A** If Registrant is a CORPORATION or LLC, sign below  
**Avance Schools, Inc.**  
 Corporation Name / Limited Liability Company  
*Maria Lou Calanche*  
 Signature  
**Corporate Secretary**  
 Title  
**Maria Lou Calanche**  
 Type or Print Name

This statement was filed with the County Clerk of **LOS ANGELES** County on date indicated by file stamp above

**NOTICE - THIS FICTITIOUS NAME STATEMENT EXPIRES FIVE YEARS FROM DATE IT WAS FILED IN THE OFFICE OF THE COUNTY CLERK. A NEW FICTITIOUS BUSINESS NAME STATEMENT MUST BE FILED PRIOR TO THAT DATE. The filing of this statement does not of itself authorize the use in this state of a fictitious business name in violation of the rights of another under federal, state, or common law (See Section 14411 et seq., Business and Professions Code)**

08/21/2008 11:07 12136520994

AVANCE

PAGE 03

This is a true and certified copy of the record  
if it bears the seal, imprinted in purple ink,  
of the Registrar-Recorder/County Clerk

AUG 20 2008

*Dean C. Logan*  
REGISTRAR-RECORDER/COUNTY CLERK  
LOS ANGELES COUNTY, CALIFORNIA



# Tab 3

## Bylaws

**BY-LAWS  
OF  
AVANCE SCHOOLS, INC.**

(A California Nonprofit Public Benefit Corporation)

**ARTICLE I  
NAME**

Section 1. NAME. The name of this corporation is:  
Avance Schools, Inc.

**ARTICLE II  
PRINCIPAL OFFICE OF THE CORPORATION**

Section 1. PRINCIPAL OFFICE OF THE CORPORATION. The principal office for the transaction of the activities and affairs of this corporation shall be fixed and located at such place within the State of California as the Board of Trustees (herein called the "Board") shall determine. The Board is granted full power and authority to change such principal office from one location to another.

Section 2. OTHER OFFICES OF THE CORPORATION. The Board of Trustees may at any time establish branch or subordinate offices at any place or places where this corporation is qualified to conduct its activities.

**ARTICLE III  
GENERAL AND SPECIFIC PURPOSES; LIMITATIONS**

Section 1. GENERAL AND SPECIFIC PURPOSES. The general purpose for which this Corporation is organized is to engage in any lawful act or activity for which a corporation may be organized under the Nonprofit Public Benefit Corporation Law of California. The specific purposes of this Corporation shall include, without limitation, the following objects and purposes:

- a. To serve at-risk children, youth and their families by establishing and operating charter schools and by implementing programs and activities for at-risk children, youth and their families, including, without limitation, after school, evening and summer programs and other programs and activities; and
- b. To accept monetary and non-monetary contributions for the purpose of furthering the charitable activities listed above.

This corporation is organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States internal Revenue Law). Notwithstanding any other provision in these articles, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that do not further the purposes of this corporation, and the Corporation shall not carry on any other activities not permitted to be carried on by (a) a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), or (b) a corporation to which contributions are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law).

No substantial part of the activities of this corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and this corporation shall not directly or indirectly participate or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

#### **ARTICLE IV CONSTRUCTION AND DEFINITIONS**

Section 1. CONSTRUCTION AND DEFINITIONS. Unless the context indicates otherwise, the general provisions, rule of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these by-laws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, and the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

#### **ARTICLE V DEDICATION OF ASSETS**

Section 1. DEDICATION OF ASSETS. This corporation's assets are irrevocably dedicated to public benefit purposes as set forth in the Corporation's Charter. No part of the net earnings, properties, or assets of the Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any trustee or officer of the Corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Internal Revenue Code section 501(c)(3).

**ARTICLE VI  
CORPORATIONS WITHOUT MEMBERS**

Section 1. CORPORATIONS WITHOUT MEMBERS. This corporation shall have no voting members within the meaning of the Nonprofit Corporation Law. The Corporation's Board of Trustees may, in its discretion, admit individuals to one or more classes of nonvoting members; the class or classes shall have such rights and obligations as the Board of Trustees finds appropriate.

**ARTICLE VII  
BOARD OF TRUSTEES**

Section 1. GENERAL POWERS Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the articles of incorporation or by-laws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Trustees ("Board") The board may delegate the management of the Corporation's activities to any person(s), management company or committees, however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 2. SPECIFIC POWERS. Without prejudice to the general powers set forth in Section 1 of these by-laws, but subject to the same limitations, the Board of Trustees shall have the power to:

- a. Appoint and remove, at the pleasure of the Board of Trustees, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these by-laws; fix their compensation; and require from them security for faithful service.
- b. Change the principal office or the principal business office in California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside California; and designate a place in California for holding any meeting of members.
- c. Borrow money and incur indebtedness on the Corporation's behalf and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.
- d. Adopt and use a corporate seal; prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

Section 3. DESIGNATED TRUSTEES AND TERMS. The authorized number of trustees shall be no more than eleven (11) and no less than three (3) until changed by amendment of these by-laws. The exact number of trustees shall be fixed, within these limits, by a resolution adopted by the Board. The initial Board of Trustees shall be five (5) and shall be comprised of founders and other uninterested parties as appointed by the Incorporator. Subsequent voting Board members may be nominated by any member of the Avance Schools, Inc. Board and will be elected by a simple majority of current board members.

#### Elected Trustee Positions

The term of office of elected members of the Board of Trustees shall be two (2) years. There shall be no limitation upon the number of consecutive terms to which a trustee may be re-elected. Each trustee, including a trustee elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

Section 4. RESTRICTION ON INTERESTED PERSONS AS TRUSTEES. The definition of an interested person and applicable restrictions for all transactions entered into by the Corporation is defined and established by the Conflict of Interest Policy for the Corporation, incorporated herein through Exhibit A.

Section 5. EVENTS CAUSING VACANCIES ON BOARD. A vacancy or vacancies on the Board of Trustees shall occur in the event of (a) the death or resignation of any trustee; (b) the declaration by resolution of the Board of Trustees of a vacancy in the office of a trustee who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under California Nonprofit Public Benefit Corporation Law, Chapter 2, Article 3; (c) the increase of the authorized number of trustees; or (d) the failure of the members, at any meeting of members at which any trustee or trustees are to be elected, to elect the number of trustees required to be elected at such meeting.

Section 6. REMOVAL. Trustees may be removed without cause by a simple majority of trustees then in office.

Section 7. RESIGNATION OF TRUSTEES. Except as provided below, any trustee may resign by giving written notice to the Chairman of the Board, if any, or to the President or the Secretary, or the Board of Trustees. The resignation shall be effective when the notice is given unless the notice specifies a later time for the resignation to become effective. If a trustee's

resignation is effective at a later time, the Board of Trustees may elect a successor to take office as of the date when the resignation becomes effective.

Section 8. TRUSTEE MAY NOT RESIGN IF NO TRUSTEE REMAINS. Except on notice to the California Attorney General, no trustee may resign if the Corporation would be left without a duly elected trustee.

Section 9. VACANCIES FILLED BY BOARD. If a vacancy is created by any event, a majority of the remaining trustees then in office may appoint a new trustee to serve until the next regularly noticed meeting of the Board of Trustees. Any trustee elected to fill a vacancy not resulting from an increase in the number of trustees shall have the same remaining term as that of his predecessor.

Section 10. NO VACANCY ON REDUCTION OF NUMBER OF TRUSTEES. Any reduction of the authorized number of trustees shall not result in any trustee's being removed before his or her term of office expires.

Section 11. PLACE OF BOARD OF TRUSTEES MEETINGS. Meetings shall be held at the principal office of the Corporation. The Board of Trustees may designate that a meeting be held at any place within California that has been designated by resolution of the Board of Trustees or in the notice of the meeting. All meetings of the Board of Trustees shall be called, held and conducted in accordance with the terms and provisions of the Ralph M. Brown Act California Government Code Sections 54950, et seq., as said chapter may be modified by subsequent legislation.

Section 12. MEETINGS BY TELEPHONE OR OTHER TELECOMMUNICATIONS EQUIPMENT. Any Board of Trustees meeting may be held by conference telephone, video screen communication, or other communications equipment. Participation in a meeting under this Section shall constitute presence in person at the meeting if all of the following apply:

- a. Each member participating in the meeting can communicate concurrently with all other members.
- b. Each member is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation.
- c. The Board of Trustees has adopted and implemented a means of

verifying both of the following:

1. A person communicating by telephone, video screen, or other communications equipment is a trustee entitled to participate in the Board of Trustees meeting.
  2. All statements, questions, actions or votes were made by that trustee and not by another person not permitted to participate as a trustee.
- d. The meeting is held and conducted in accordance with the terms and provisions of the Ralph M. Brown Act California Government Code Sections 54953(b), et seq., as said chapter may be modified by subsequent legislation.
1. The meeting notice must specifically identify all teleconference locations.
  2. An agenda must be posted at each teleconference location and list each teleconference location in the notice and agenda.
  3. Each teleconference meeting agenda must ensure the public's right to testify at each teleconference location in accordance with section 54954.3
  4. The meeting location must be fully accessible to members of the public, and be accessible to the disabled.
  5. At least a quorum of the members of the body must participate from locations that are within the boundaries over which the body exercises jurisdiction.
  6. All votes taken during a teleconference meeting must be conducted by rollcall.

Section 13. ANNUAL AND REGULAR MEETINGS. The Board of Trustees may set a specified time and place for its regular meetings. Once the Board of Trustees sets the time for regular meetings, each trustee shall receive notice, as specified in Section 14 of this Article VII, of the time and place that regular meetings shall be held. Subsequent to such notice, regular meetings shall be held without call. If the Board of Trustees changes the time and place of regular meetings, each trustee shall receive notice of the change in keeping with Section 14 of this Article VII. If the Board of Trustees does not set a specified time and place for its regular meetings, meetings of the Board of Trustees shall be considered special meetings and have the notice requirements of Section 14. The Board of Trustees shall hold an annual meeting for purposes of organization, election of officers, and transaction of other business at such hour and on such day

as may be specified in a notice given pursuant to the notice requirements set forth in Section 14 of this Article VII or in a waiver of notice thereof. The board may hold regular, special and emergency meetings. All meetings of the Board of Trustees shall be called, held and conducted in accordance with the terms and provisions of the Ralph M. Brown Act California Government Code Sections 54950, et seq., as said chapter may be modified by subsequent legislation.

Section 14. AUTHORITY TO CALL SPECIAL MEETINGS. Special and emergency meetings of the Board of Trustees for any purpose may be called at any time by the chairperson of the Board, or the President, or any vice president, or the Secretary, or any two trustees.

Section 15. NOTICE OF SPECIAL OR EMERGENCY MEETINGS. Notice of the time and place of special or emergency meetings shall be given to each trustee by (a) personal delivery of written notice; (b) first-class mail, postage prepaid; (c) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, either directly to the trustee or to a person at the trustee's office who would reasonably be expected to communicate that notice promptly to the trustee; (d) telegram; (e) facsimile; (f) electronic mail; or (g) other electronic means. All such notices shall be given or sent to the trustee's address or telephone number as shown on the Corporation's records.

The notice shall state the time of the meeting and the place, if the place is other than the Corporation's principal office and the business to be transacted at the meeting.

All notice requirements will comply with the terms and provisions of the Ralph M. Brown Act California Government Code Sections 54956, et seq., as said chapter may be modified by subsequent legislation.

- a. Notice for a special meeting must be posted at least 24 hours prior to the meeting in a location freely accessible to the public. The notice shall indicate that the meeting is being called as a special meeting, and shall state the time, place, and business to be transacted at the meeting. No other business shall be considered at the special meeting. Notice is required even if the meeting is conducted in closed session, and, even if no action is taken. The special meeting notice shall describe the public's rights to address the body on any item described in the notice before or during consideration of that item. (§ 54954.3(a).)
- b. When a majority of the trustees determine that an emergency situation exists, it may call an emergency meeting. (§ 54956.5.) An emergency situation is defined by the Brown Act as a crippling activity, work stoppage or other activity which severely impairs public

health, safety or both. (§ 54956.5(a)(1).) Absent a dire emergency, telephonic notice must be provided to all media outlets that have requested that they receive notice of any special meetings called pursuant to section 54956 at least one hour prior to the meeting. (§ 54956.5(b).)

- c. In the case of a dire emergency, notice need only be provided at or near the time that notice is provided to the trustees. (§ 54956.5(b).) A dire emergency is a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and significant that requiring notice one-hour before holding an emergency meeting may endanger the public health, safety, or both, as determined by a majority of the members of the legislative body. (§ 54956.5(a)(2).)
- d. In the event telephone services are not working, the notice requirements are waived, but a report must be given to media outlets as soon as possible after the meeting. At the conclusion of the meeting, the minutes of the meeting, a list of persons who the trustees notified or attempted to notify, a copy of the rollcall vote, and any actions taken at the meeting shall be posted for a minimum of 10 days in a public place as soon after the meeting as possible. (§ 54956.5(e).)

Section 16. QUORUM. A majority of the authorized number of trustees shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by a majority of the trustees present at a duly held meeting at which a quorum is present shall be an act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a trustee has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common trusteeships, (c) creation of and appointments to committees of the Board, and (d) indemnification of trustees. A meeting at which a quorum is initially present must cease to continue to transact business and adjourn or meet as a committee upon the withdrawal of trustees such that the required quorum is lost.

Section 17. WAIVER OF NOTICE AND PROTEST TO LACK OF NOTICE. A trustee may waive failure to receive notice of the meeting by filing a written waiver prior to the meeting or by being present at the meeting, as established in Section 54956 of the Brown Act.

Trustees can protest the lack of notice only by presenting a written protest to the Secretary of the Corporation either in person, by first-class mail addressed to the Secretary at the principal office of the Corporation as contained on the Corporation's records as of the date of the protest, or by facsimile addressed to the facsimile number of the Corporation as contained on the Corporation's records as of the date of the protest.

Section 18. ADJOURNMENT. A majority of the trustees present, whether or not a quorum is present, may adjourn any meeting to another time and place.

Section 19. ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Board may not be taken without a meeting in accordance with Section 11 through 18 of Article VII.

Section 20. FEES. COMPENSATION AND REIMBURSEMENT. Trustees and members of committees may not receive compensation for their services as trustees or officers. Trustees and members of committees may receive reimbursement of actual and reasonable expenses, as the Board of Trustees may establish by resolution to be just and reasonable as to the Corporation at the time that the resolution is adopted.

Section 21. CREATION OF POWERS OF COMMITTEES. The board, by resolution adopted by a majority of the trustees then in office, may create one or more committees, each consisting of two (2) or more trustees, to serve at the pleasure of the Board. Committees may be structured so that they report to the Executive Director. Appointments to committees of the Board of Trustees shall be by majority vote of the authorized number of trustees. The Board of Trustees may appoint one or more trustees as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the Board, to the extent provided in the Board of Trustees resolution, except that no committee may:

- a. Take any final action on any matter that, under the California Nonprofit Public Benefit Corporation Law, also requires approval of the members or approval of a majority of all members;
- b. Fill vacancies on the Board of Trustees or any committee of the Board;
- c. Fix compensation of the trustees for serving on the Board of Trustees or on any committee;
- d. Amend or repeal by-laws or adopt new by-laws;
- e. Amend or repeal any resolution of the Board of Trustees that by its express terms is not so amendable or subject to repeal;
- f. Create any other committees of the Board of Trustees or appoint the members of committees of the Board;
- g. Expend corporate funds to support a nominee for trustee if more people have been nominated for trustee than can be elected; or
- h. Approve any contract or transaction to which the Corporation is a

party and in which one or more of its trustees has a material financial interest, except as special approval is provided for in Corporations Code section 5233(d)(3).

Section 22. MEETINGS AND ACTION OF COMMITTEES. Meetings and actions of committees of the Board of Trustees shall be governed by, held, and taken under the provisions of these by-laws concerning meetings, other Board of Trustees actions, and the Brown Act, if applicable, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by Board of Trustees resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The Board of Trustees may adopt rules for the governance of any committee as long as the rules are consistent with these by-laws. If the Board of Trustees has not adopted rules, the committee may do so.

Section 23. REVOCATION OF DELEGATED AUTHORITY. The Board of Trustees may, at any time, revoke or modify any or all of the authority so delegated to a committee, increase or decrease but not below two (2) the number of its members, and fill vacancies therein from the members of the Board.

Section 24. NON-LIABILITY OF TRUSTEES. No Trustee shall be personally liable for the debts, liabilities, or other obligations of this corporation.

## **ARTICLE VIII OFFICERS OF THE CORPORATION**

Section 1. REQUIRED OFFICERS. The officers of this corporation shall be a president, treasurer, and a secretary, each of whom shall be chosen by and hold office at the pleasure of the Board.

Section 2. PERMITTED OFFICERS. The Corporation, at the Board's direction, may also have an executive director, one or more vice-presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board at its pleasure may from time to time determine.

Section 3. DUPLICATION OF OFFICE HOLDERS. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the President of the Board.

Section 4. ELECTION OF OFFICERS. The officers shall be elected annually by the Board at a regular or special meeting of the Board, and may succeed themselves in office. Each person elected as an officer shall continue in office until the next annual election of officers or until his successor shall have been duly elected and qualified or until his earlier

death, resignation or removal in accordance with these by-laws. Vacancies of officers caused by death, resignation, removal or increase in the number of offices may be filled by the Board at a regular or special meeting.

Section 5. APPOINTMENT OF SUBORDINATE OFFICERS. The Board of Trustees may appoint and authorize the President of the Board, or another officer to appoint any other officers that the Corporation may require. Each appointed officer shall have the title and authority, hold office for the period, and perform the duties specified in the by-laws or established by the Board.

Section 6. REMOVAL OF OFFICERS. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, the Board of Trustees, at any regular or special meeting of the Board, or at the annual meeting of the Corporation. An officer who was not chosen by the Board of Trustees may be removed by any other officer on whom the Board of Trustees confers the power of removal.

Section 7. RESIGNATION OF OFFICERS. Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Corporation under any contract to which the officer is a party.

Section 8. VACANCIES IN OFFICE. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these by-laws for normal appointment to that office, provided, however, that vacancies need not be filled on an annual basis.

#### Section 9. RESPONSIBILITIES OF OFFICERS.

- a. PRESIDENT. The President shall serve as the Chairman of the Board and shall preside at all meetings of the Board and of the Executive Committee, if any, and shall exercise and perform such other powers and duties as the Board may assign from time to time. The President shall serve a two-year term.
- b. VICE-PRESIDENTS. If the President is absent or disabled, the vice-presidents, if any, in order of their rank as fixed by the Board, or, if not ranked, a vice-president designated by the Board, shall perform all duties of the President. When so acting, a vice-president shall have all powers of and be subject to all restrictions on the President. The vice-presidents shall have such other powers and perform such other duties as the Board of Trustees or the by-laws may require. The Vice-President shall serve a two-year term.

- c. SECRETARY. The Secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board of Trustees may direct, a book of minutes of all meetings, proceedings, and actions of the Board, and of committees of the Board. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, regular, special, or emergency and, if special or emergency, how authorized; the notice given; and the names of persons present at Board of Trustees and committee meetings. The Secretary shall serve a two-year term.
1. The Secretary shall keep or cause to be kept, at the principal California office, a copy of the articles of incorporation and bylaws, as amended to date.
  2. The Secretary shall give, or cause to be given, notice of all meetings of members, of the Board, and of committees of the Board of Trustees that these by-laws require to be given. The secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board of Trustees or by by-laws may require.
- d. TREASURER. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The Treasurer shall send or cause to be given to the members and trustees such financial statements and reports as are required to be given by law, by these bylaws, or by the Board. The books of account shall be open to inspection by any trustee at all reasonable times.
1. The Treasurer shall (i) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board of Trustees may designate; (ii) disburse the Corporation's funds as the Board of Trustees may order; (iii) render to the president, and the Board, when requested, an account of all transactions as treasurer and of the financial condition of the Corporation; and (iv) have such other powers and perform such other duties as the Board, contract, job specification, or the by-laws may require.
  2. If required by the Board, the Treasurer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board of Trustees for faithful performance of the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Treasurer on his or her death, resignation, retirement, or removal from office.

Section 10. COMPENSATION OF OFFICERS. The salaries of officers, if any, shall be fixed from time to time by resolution of the Board, and no officer shall be prevented from receiving such salary by reason of the fact that he or she is also a trustee of the Corporation. In all cases, any salaries received by officers of the Corporation shall be reasonable and given in return for services actually rendered for the Corporation which relate to the performance of the public benefit purposes of the Corporation.

### **ARTICLE IX STAFF**

Section 1. EMPLOYMENT. Management, professional, clerical and maintenance staff are employed in accordance with the provision of these by-laws and in accordance with the personnel policies established by the Board.

Section 2. EXECUTIVE DIRECTOR. The Executive Director is responsible for the execution and administration of policies and programs approved by the Board. He/she attends and may participate in all meetings of the Board, except when matters of his/her own employment are under consideration. The Executive Director may attend and participate in all meetings of standing and special committees.

The Executive Director acts as the agent of the Board in the employment and release of staff, according to the policies and procedures established by the Board. As head of staff, the Executive Director is responsible for the supervision and direction of the staff and for the implementation of approved personnel policies.

Section 3. LIMITATION OF FUNCTION. Any currently employed staff member is not eligible for membership on the Board, for election to any office, or for appointment to the voting membership of any committee established by the Board.

### **ARTICLE X TRANSACTIONS BETWEEN CORPORATION AND TRUSTEES OR OFFICERS**

Section 1. CONTRACTS WITH TRUSTEES AND OFFICERS. The limitations upon the Corporation for any contract or transaction with trustees or officers of the Corporation is defined and established by the Conflict of Interest Policy for the Corporation, incorporated herein through Exhibit A.

Section 2. MATERIAL FINANCIAL INTEREST. The conditions under which a trustee or officer of this Corporation shall not be deemed to have a "material financial interest" in a contract or transaction is defined and

established by the Conflict of Interest Policy for the Corporation, incorporated herein through Exhibit A.

Section 3. LOANS TO TRUSTEES AND OFFICERS. The Corporation shall not make any loan of money or property to or guarantee the obligation of any trustee or officer, unless approved by the Attorney General of the State of California; provided, however, the Corporation may advance money to a trustee or officer of the Corporation for expenses reasonably anticipated to be incurred in the performance of duties of such trustee or officer, provided that in the absence of such advance, such trustee or officer would be entitled to be reimbursed for such expenses by the Corporation.

Section 4. INTERLOCKING TRUSTEESHIPS. A contract or other transaction between the Corporation and any California nonprofit public benefit corporation of which one or more trustees are trustees shall be regulated by the Conflict of Interest Policy for the Corporation, presented in Exhibit A, which also defines the restrictions for interested persons.

Section 5. DUTY OF LOYALTY, CONSTRUCTIN WITH ARTICLE X. Nothing in this Article shall be construed to derogate in any way from the absolute duty of loyalty that every trustee and officer owes to the Corporation. Furthermore, nothing in this Article shall be construed to override or amend the provisions of Article X. All conflicts between the two articles shall be resolved in favor of Article X.

#### **ARTICLE XI INDEMNIFICATION**

Section 1. INDEMNIFICATION. To the fullest extent permitted by law, this corporation shall indemnify its trustees, officers, employees, and other persons described in Corporations Code Section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the Corporation by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this by-law, shall have the same meaning as in that section of the Corporations Code.

On written request to the Board of Trustees by any person seeking indemnification under Corporations Code section 5238 (b) or section 5238 (c) the Board of Trustees shall promptly decide under Corporations Code Section 5238 (e) whether the applicable standard of conduct set forth in Corporations Code Section 5238 (b) or Section 5238 (c) has been met and, if so, the Board of Trustees shall authorize indemnification.

## **ARTICLE XII INSURANCE**

Section 1. INSURANCE. This corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, trustees, employees, and other agents, to cover any liability asserted against or incurred by any officer, trustee, employee, or agent in such capacity or arising from the officer's, trustee's, employee's, or agent's status as such.

## **ARTICLE XIII MAINTENANCE OF CORPORATE RECORDS**

Section 1. MAINTENANCE OF CORPORATE RECORDS. This corporation shall keep:

- a. Adequate and correct books and records of account;
- b. Written minutes of the proceedings of its members, the Board, and committees of the Board; and
- c. Such reports and records as required by law.

## **ARTICLE XIV INSPECTION RIGHTS**

Section 1. MAINTENANCE AND INSPECTION OF ARTICLES AND bylaws. This corporation shall keep at its principal California office the original or a copy of the article of incorporation and by-laws, as amended to the current date, which shall be open to inspection by the members at all reasonable times during office hours. If the Corporation has no business office in California, the secretary shall, on the written request of any member, furnish to that member a copy of the articles of incorporation and by-laws, as amended to the current date.

Section 2. TRUSTEES' RIGHT TO INSPECT. Every trustee shall have the right at any reasonable time to inspect the Corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary as permitted by California and federal law. The inspection may be made in person or by the trustee's agent or attorney. The right of inspection includes the right to copy and make extracts of documents as permitted by California and federal law. This right to inspect may be circumscribed in instances where the right to inspect conflicts with California or federal law (e.g., restrictions on the release of educational records under FERPA) pertaining to access to books, records, and documents.

## **ARTICLE XV REQUIRED REPORTS**

Section 1. ANNUAL REPORTS. The Board of Trustees shall cause an annual report to be sent to the Board of Trustees annually. That report shall contain the following information, in reasonable detail:

- a. The assets and liabilities, including the trust funds, or the Corporation as of the end of the preceding fiscal year;
- b. The principal changes in assets and liabilities, including trust funds, during the preceding fiscal year;
- c. The Corporation's revenue or receipts, both unrestricted and restricted to particular purposes, for the preceding fiscal year;
- d. The Corporation's expenses or disbursement for both general and restricted purposes during the preceding fiscal year;
- e. Any information required by Section 6322 of the California Nonprofit Public Benefit Corporation Law, with respect to the preceding fiscal year.

The report required by this Article shall be accompanied by an independent accountant's report or if none, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the Corporation's books and records.

## **ARTICLE XVI AMENDMENT OF BY-LAWS**

The Board of Trustees may adopt, amend, or repeal by-laws unless doing so would be a prohibited amendment under the California Corporations Code. Any amendment to these by-laws will require a majority vote of the authorized number of trustees.

## **ARTICLE XVII OTHER PROVISIONS**

Section 1. CONTRACTS. The Board of Trustees may authorize any officers or agents of Avance Schools, Inc., in addition to the officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of Avance Schools, Inc., in accordance with Board policy. Such authority may be general or confined to specific instances.

Section 2. CHECKS AND DRAFTS. All checks, drafts or orders for the payment of money or other evidences of indebtedness issued in the name of

Avance Schools, Inc. shall be approved and signed by such officers and in such manner as shall be determined by resolution of the Board of Trustees. Authorized check signers will include the Board President, Vice President, Treasurer and Secretary. Staff authorized to sign checks will include the Executive Director.

Section 3. DEPOSITS AND FUNDS. All funds of Avance Schools, Inc. shall be timely deposited to the credit of Avance Schools, Inc. in such banks, trust companies, or other depositories as the Board may authorize.

**CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting secretary of Avance Schools, Inc., a California nonprofit public benefit corporation; that these bylaws, consisting of 18 pages, are the by-laws of this corporation as adopted by the Board of Trustees on March 12, 2011 ; and that these by-laws have not been amended or modified since that date.

Executed on March 12, 2011 at Los Angeles, California.

  
\_\_\_\_\_ Maria Lou Calanché, Secretary

# **Tab 3**

## **Conflict of Interest Code**

**EXHIBIT A  
TO  
BY-LAWS  
OF  
AVANCE SCHOOLS, INC.**

(A California Nonprofit Public Benefit Corporation)

**INCOMPATIBLE ACTIVITIES**

Members of the Board of Trustees ("Board") of the Avance Schools, Inc. ("Corporation") shall not engage in any employment or activity which is inconsistent with, incompatible with, in conflict with or inimical to the Trustees' duties as an officer of the Corporation.

**CONFLICT OF INTEREST POLICY**

The Corporation's conflict of interest policy shall apply to persons that manage public investments. For the Corporation these include trustees of the Board and the Executive Director.

The Board shall review the Corporation's conflict of interest policy in even-numbered years. If no change in the policy is required, the district shall submit by October 1 a written statement to that effect to the policy reviewing body. If a change in the policy is necessitated by changed circumstances, the Corporation shall submit an amended policy to the Board.

When a change in the Corporation's conflict of interest policy is necessitated by changed circumstances, such as the creation of new designated positions, amendments or revisions, the changed policy shall be submitted to the Board within 90 days.

When reviewing the conflict of interest policy, the Corporation shall provide officers, employees, consultants and members of the community adequate notice and a fair opportunity to present their views.

If a Board trustee or designated employee determines that he/she has a financial interest in a decision, as described herein, this determination shall be disclosed. The member shall be disqualified from voting unless his/her participation is legally required.

Statements of economic interests submitted to the Corporation by designated employees in accordance with the conflict of interest policy shall be available for public inspection and reproduction.

### **FINANCIAL INTEREST**

Trustees of the Board and designated employees shall not be financially interested in any contract made by the Board or in any contract they make in their capacity as Board members or designated employees.

A Board member shall not be considered to be financially interested in a contract if his/her interest includes, but is not limited to, any of the following:

1. That of an officer who is being reimbursed for his/her actual and necessary expenses incurred in the performance of an official duty
2. That of a recipient of public services generally provided by the public body or board of which he/she is a member, on the same terms and conditions as if he or she were not a member of the board
3. That of a landlord or tenant of the contracting party if such contracting party is the federal government or any federal department or agency, this state or an adjoining state, any department or agency of this state or an adjoining state, any county or city of this state or an adjoining state, or any public corporation or special, judicial or other public district of this state or an adjoining state unless the subject matter of such contract is the property in which such officer or employee has such interest as landlord or tenant in which even his/her interest shall be deemed a remote interest.
4. That of a spouse of an officer or employee of the Corporation if his/her spouse's employment or office holding has existed for at least one year prior to his/her election or appointment
5. That of a nonsalaried member of a nonprofit corporation, provided that such interest is disclosed to the Board at the time of the first consideration of the contract, and provided further that such interest is noted in its official records
6. That of a non-compensated officer of a nonprofit, tax-exempt corporation which, as one of its primary purposes, supports the functions of the non-profit board or to which the school Board has a legal obligation to give particular consideration, and provided further that such interest is noted in its official records
7. That of a person receiving salary, per diem, or reimbursement for expenses from a governmental entity, unless the contract directly involves the department of the government entity that employs the officer or employee, provided that such interest is disclosed to the Board at the time of consideration of the contract, and provided further that such interest is noted in its official records

8. That of an attorney of the contracting party or that of an owner, officer, employee or agent of a firm which renders, or has rendered, service to the contracting party in the capacity of stockbroker, insurance agent, insurance broker, real estate agent, or real estate broker, if these individuals have not received and will not receive remuneration, consideration, or a commission as a result of the contract and if these individuals have an ownership interest of less than 10 percent in the law practice or firm, stock brokerage firm, insurance firm or real estate firm

~~In addition, a Board member or employee shall not be deemed to be interested in a contract made pursuant to competitive bidding under a procedure established by law if his/her sole interest is that of an officer, director, or employee of a bank or savings and loan association with which a party to the contract has the relationship of borrower or depositor, debtor or creditor.~~

A Board member shall not be deemed to be financially interested in a contract if he/she has only a remote interest in the contract and if the remote interest is disclosed during a Board meeting and noted in the official Board minutes. The affected Board member shall not vote or debate on the matter or attempt to influence any other Board member to enter into the contract.

Even if there is no prohibited or remote interest, a Board member shall abstain from voting on personnel matters that uniquely affect a relative of the Board member. A Board member may vote, however, on collective bargaining agreements and personnel matters that affect a class of employees to which the relative belongs. "Relative" means an adult who is related to the person by blood or affinity within the third degree, as determined by the common law, or an individual in an adoptive relationship within the third degree.

A relationship within the third degree includes the individual's parents, grandparents and great-grandparents, children, grandchildren and great-grandchildren, brothers, sisters, aunts and uncles, nieces and nephews, and the similar family of the individual's spouse unless the individual is widowed or divorced.

**DISQUALIFICATION FOR BOARD MEMBERS WHO  
MANAGE PUBLIC INVESTMENTS**

A Board member or officer who manages public investments and who has a financial interest in a decision shall, upon identifying a conflict or potential conflict of interest and immediately prior to the consideration of the matter, do all of the following:

1. Publicly identify the financial interest that gives rise to the conflict or potential conflict of interest in detail sufficient to be understood by the public, except that disclosure of the exact street address of a residence is not required.

2. Recuse himself/herself from discussing and voting on the matter. This Board member shall not be counted toward achieving a quorum while the item is discussed.

3. Leave the room until after the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters.

If the item is on the consent calendar, the Board member must recuse himself/herself from discussing or voting on that matter, but the Board member is not required to leave the room during the consent calendar.

The Board member may speak on the issue during the time that the general public speaks on the issue. The Board member shall recuse himself/herself from voting on the matter and leave the dais to speak from the same area as members of the public. He/she may listen to the public discussion of the matter with members of the public.

If the Board's decision is made during closed session, the public identification may be made orally during the open session before the Board goes into closed session and shall be limited to a declaration that his/her recusal is because of a conflict of interest. The Board member shall not be present when the decision is considered in closed session or knowingly obtain or review a recording or any other non-public information regarding the Board's decision.

# **Tab 3**

## **Conflict of Interest Policy**

|   |   |                                    |
|---|---|------------------------------------|
|  | <b>Board Policy - Conflict of Interest</b>                  |                                    |
|   | <b>Last Reviewed/Revised:</b><br>Reviewed: 4/23/2016        | <b>Effective Date:</b><br>04/23/16 |
| <b>Reference Number: 9270</b>   | <b>Original Author:</b><br>Academia Avance Board<br>Members | <b>Policy Status:</b><br>Active    |

**PURPOSE:**

Academia Avance Charter School Board desires to maintain the highest ethical standards and help ensure that decisions are made in the best interest of the school and the public. In accordance with law, Board members and designated employees shall disclose any conflict of interest and, as necessary, shall abstain from participating in the decision.

**SCOPE**

This policy applies to all Academia Avance Charter School Board members and their applicable actions.

**GENERAL POLICY STATEMENT:**

**Adoption**

In compliance with the Political Reform Act of 1974, California Government Code Section 87100, et seq., Academia Avance Charter School hereby adopts this Conflict of Interest Code ("Code"), which shall apply to all corporate officers, governing board members, candidates for member of the governing board, and designated employees of Academia Avance Charter School ("Charter School"), as specifically required by California Government Code Section 87300.

**POLICY DETAILS:**

**1.1. Designated Reporters**

1.1.1. Employees of the Charter School, as well as corporate officers, governing board members and candidates for election and/or appointment to the governing board, who hold positions that involve the making or participation in the making, of decisions that may foreseeably have a material effect on any financial interest, shall be a "designated reporter". A complete list of the Designated Reporter positions are listed in "Exhibit A" attached to this policy and incorporated by reference herein.

**1.2. Statement of Economic Interests: Filing**

1.2.1. Each Designated Reporter shall file a Statement of Economic Interest (Statement) at the time and manner prescribed below, disclosing reportable investments, interest in real property, business positions, and income required to be reported under the category or categories to which the position is assigned in "Exhibit A". An investment, interest in real property or income shall be reportable, if the business entity in which the investment is held, the interest

in real property, the business position, or source of income may foreseeably be affected materially by a decision made or participated in by the Designated Reporter by virtue of his or her position. The specific disclosure responsibilities assigned to each position are set forth in Exhibit B. All statements shall be filed with **Academia Avance Charter School**. The Charter School's filing officer shall make and retain a copy of the Statement and forward the original to the County Board of Education.

**1.3. Disqualification**

- 1.3.1. No Designated Reporter shall make, participate in making, or try to use his/her official position to influence any Charter School decision which he/she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family.

**1.4. Manner of Disqualification**

- 1.4.1. Non-Governing Board Member Designated Reporter
- 1.4.2. When a non-Governing Board member Designated Reporter determines that he/she should not make a decision because of a disqualifying interest, he/she should submit a written disclosure of the disqualifying interest to his/her immediate supervisor. The supervisor shall immediately reassign the matter to another employee and shall forward the disclosure notice to the Executive Director, who shall record the employee's disqualification. In the case of a Designated Reporter who is head of an agency, this determination and disclosure shall be made in writing to his/her appointing authority.
- 1.4.3. Governing Board Member Designated Reporter
- 1.4.4. Governing Board members shall disclose a disqualifying interest at the meeting during which consideration of the decision takes place. This disclosure shall be made part of the Board's official record. The Board member shall refrain from participating in the decision in any way and comply with any applicable provisions of **Academia Avance Charter School** bylaws.