

Minutes of The Summit Charter School, Inc.

Board of Trustees

November 19, 2019

Report by: Collins Zimmer, Secretary

Voting Members Attending: Ann Betty (Chair); Scott Westendorf (Vice Chair); David Billingsley (Treasurer); Collins Zimmer (Secretary); Edward Cole, Travis Boswell, Katie Bumgarner, and Elisabeth Hoffman

Absent Voting Members: Sarah Chapin and Robin Tanner

Non-Voting Members and Foundation Board Members Attending: Kurt Pusch (Head of School); Melissa Hudson (Development Director); Marie Starkings (Business Officer); and Josh Crawford (Foundation Board Chair)

Non-Voting Members absent: Tracie Jernigan, Brittany Schiele, and Jesse Loyd

The November 19, 2019 meeting of The Summit Charter School, Inc. Board of Trustees was called to order at 4:30p.m. with Ann Betty, Chair presiding.

All attending recited the Summit Pledge.

Approval of Minutes: Edward Cole moved that the Minutes from the October 15, 2019 meeting be approved. The motion was seconded by Elisabeth Hoffman and was approved unanimously.

Director's Report: Kurt Pusch presented his Head of School Report, a copy of which was distributed at the meeting. He discussed financials, the launch of the Family Fund, current student enrollment (233), key dates, pre-ACT and ACT scores, school-wide safety procedures and meetings, as well as instructional goals and other pertinent updates. He shared the data collected by the First Quarter Survey, issued to both parents and faculty/staff. He also distributed and discussed the Booster Club Financial Operating Procedures & Booster Club Budget. In addition, Kurt provided a SCS Capital Wishlist, comprised by the administration, for discussion.

Treasurer's Report: David Billingsley complimented Kurt Pusch's involvement in revising the budget and documenting expenses. David reviewed the itemized revenue and expenses year-to-date vs actuals. He mentioned that there was a budget amendment request in process to reflect additional needs for funding. Kurt and the Financial Committee are actively creating documentation to reflect this additional need, primarily due to the unexpected decline of student enrollment. As of 11/19, the state of North Carolina has not passed a budget, so we have no confirmed funding per student numbers from the state. Line 8000 Grants & Awards, from the Budget Analysis Report, will be reviewed more in depth by the administration and Financial Committee.

Committee Reports:

- Facilities/Safety: Scott Westendorf distributed and presented his document, 10 Year Cash Flow SCS K-8th Structures, highlighting projections and upcoming costs for the original buildings. Discussions with the SCS Foundation Board are underway.
- Development: Melissa Hudson presented her development and marketing update. Her updates included the Annual Fund, the launch of the Family Fund, the launch of an Endowment Committee, and grants. High Hampton approached Summit School about donating a rock-climbing wall and gym equipment, the next steps are being taken.
- Governance: Nothing new to report.
- Curriculum: Nothing new to report.
- Strategic Planning: Nothing new to report.
- SFA: Collins Zimmer shared upcoming community events: Thanksgiving Gratitude Round-Up & Dessert Social November 22nd and a holiday-themed choir event December 18th.

Faculty Appreciation: Board members provide staff breakfast or lunch on assigned dates:

November: David Billingsley and Collins Zimmer

December: Scott/Danae Westendorf and Elisabeth Hoffman

Other Business: Ann Betty shared an expedition taking place by one of our Summit graduates, from the Galapagos Islands to Easter Island, to study the plastic/trash mass in the ocean. She will share more information with the Board in the future.

There was a motion to adjourn the meeting and the meeting was adjourned.

AMENDED AND RESTATED
BYLAWS OF
THE SUMMIT CHARTER SCHOOL, INC.
EFFECTIVE NOVEMBER 19, 2019

ARTICLE I.
OFFICES

SECTION 1. PRINCIPAL OFFICE. The principal office of The Summit Charter School, Inc. (the “Corporation”) shall be located in Jackson County, North Carolina.

SECTION 2. REGISTERED OFFICE. The registered office of the Corporation required by law to be maintained in the State of North Carolina may be, but need not be identical with the principal office in the State of North Carolina.

ARTICLE II.
TYPE OF CORPORATION

The Corporation is and shall continue to be a non-profit corporation as defined in Chapter 55A of the General Statutes of North Carolina. The Corporation shall have no members.

ARTICLE III.
BOARD OF TRUSTEES

SECTION 1. GENERAL POWERS. The business and affairs of the Corporation shall be managed by its Board of Trustees (the “Board”) or by such committees as the Board may establish pursuant to these Bylaws. The Board shall have sole power and authority to elect its trustees. The Board shall decide all matters related to the operation of Summit Charter School, including budgeting, curriculum and operating procedures.

SECTION 2. NUMBER, TERMS AND QUALIFICATIONS. The number of trustees constituting the Board shall not be less than nine (9) nor more than fifteen (15) as may be fixed by resolution duly adopted by the Board prior to the Annual Meeting (defined below) at which such trustees are to be elected. The trustees shall be divided into three (3) classes, as nearly equal in number as may be, with each class serving staggered three-year terms, which shall begin July 1 and end on June 30. In the event of any increase or decrease in the number of trustees, the additional or eliminated trusteeship shall be so classified or chosen that all classes of trustees shall remain or become equal in number, as nearly as may be. In the event of death, resignation, retirement, removal or disqualification of a trustee during such trustee’s elected term of office, the trustee’s successor shall be elected to serve only until the expiration of the term of such trustee’s predecessor.

SECTION 3. ELECTION OF TRUSTEES. Each trustee shall hold office until the Annual Meeting (defined below) that falls immediately prior to the end of such trustee’s term (June 30) or until a successor is elected and qualifies. Notwithstanding the foregoing, in the event a trustee is also an

officer of the Corporation, such trustee's term of office as a trustee shall continue until the expiration of such trustee's term of office as an officer of the Corporation. As set forth below in Article VI, the officers' terms are two (2) years in length.

Prospective trustees will be nominated by the Governance Committee and shall be elected by the affirmative vote of a simple majority of the trustees present at a meeting at which a quorum is present.

A trustee is eligible for election to two (2) successive terms. When a trustee is filling an unexpired term of less than one half (1/2) term, it is not considered a full term for reelection purposes. If there is more than one half (1/2) term remaining when a trustee fills an unexpired term, it is considered a full term for reelection purposes.

The Head of School of Summit Charter School, the Summit Charter School Business Officer, the Chair and Vice Chair of the Board of Summit Charter School Foundation, Inc., the President of Summit Family Association, and two (2) faculty members, selected by the faculty of Summit Charter School, shall be ex officio members of the Board, and shall not be included in the number of trustees constituting the Board pursuant to Section 2 of this Article. Ex officio members of the Board shall be vested with full voice in the activities of the Board, but shall not have the right to vote.

SECTION 4. REMOVAL. Any trustee may be removed from office for cause or for absenting himself/herself excessively (as determined by the Board) from regularly scheduled meetings of the Board by a simple majority vote of trustees present at a meeting at which a quorum is present. If any trustee is so removed, a new trustee may be elected at the same meeting or subsequent meeting.

SECTION 5. VACANCIES. Any vacancy occurring in the Board may be filled by affirmative vote of a simple majority of the remaining trustees present at a meeting at which quorum is present. A trustee elected to fill a vacancy shall be elected for the unexpired term of such trustee's predecessor in office.

ARTICLE IV. MEETINGS OF BOARD OF TRUSTEES

SECTION 1. MEETINGS. No less than eight (8) regular meetings of the Board shall be held during the year, at dates and times established by the Board. The Board may provide, by resolution, the time and place for holding of additional regular meetings. Pursuant to Section 115C-218.25 of the North Carolina General Statutes, the Board's meetings are subject to North Carolina's Open Meetings Law, Article 33C of Chapter 143 of the North Carolina General Statutes.

SECTION 2. ANNUAL MEETING. The last regular meeting before June 30 of each year shall be considered the "Annual Meeting" for purposes of election of officers and trustees by the Board.

SECTION 3. QUORUM. At any meeting of the Board, a majority of the trustees shall constitute a quorum for the transaction of business. The vote of the majority of trustees present at any meeting shall prevail.

SECTION 4. MANNER OF ACTING.

- A. Except as otherwise provided in these Bylaws, the act of the majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board, unless a greater number is required by law.
- B. The vote of a majority of the number of trustees then in office shall be required to adopt a resolution constituting any committee having and exercising the authority of the Board in the management of the corporation.

SECTION 5. PRESUMPTION OF ASSENT. A trustee of the Corporation who is present at the meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless the trustee's contrary vote is recorded or the trustee's dissent is otherwise entered in the minutes of the meeting or unless the trustee shall file a 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 registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a trustee who voted in favor of such action.

SECTION 6. INFORMAL ACTION BY TRUSTEES. Action taken by a majority of the trustees or members of a committee of the Board without a meeting is nevertheless Board or committee action if written consent to the action in question is signed by all the trustees or members of the committee, as the case may be, and filed with the minutes of the proceedings of the Board or committee, whether done before or after the action so taken.

SECTION 7. MINUTES. The Board shall keep regular minutes of its proceedings.

ARTICLE V. COMMITTEES

SECTION 1. CREATION AND POWERS. The Board, by resolution adopted by a majority of the trustees then in office, may designate an Executive Committee and other standing or ad hoc committees each of which, to the extent authorized by law and provided in such resolution, shall have and may exercise all of the authority of the Board in the management of the Corporation except that no committee shall have authority as to the following matters, which require approval of a majority of the Trustees entitled to vote unless otherwise provided herein:

- A. The dissolution, merger or consolidation of the Corporation; or the sale, lease or exchange of all or substantially all of the property of the Corporation.
- B. The amendment or repeal of the Bylaws, or the adoption of new Bylaws.
- C. The amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable.

Other committees not having and exercising the authority of the Board in the management of the Corporation may be designated by a resolution adopted by a majority of the trustees present at a meeting at which a quorum is present.

SECTION 2. EXECUTIVE COMMITTEE. The Executive Committee is hereby authorized to meet at any time between regular meetings to exercise the authority of the Board as provided by law. A majority of the committee constitutes a quorum. It shall be composed of the Chair, Vice Chair, Treasurer, and Secretary. Additionally, the Chair may appoint one other Trustee to the Executive Committee on an ad hoc or an annual basis.

SECTION 3. OPEN MEETINGS AND MINUTES. Pursuant to Section 115C-218.25 of the North Carolina General Statutes, the meetings of each committee vested with the authority of the Board are subject to North Carolina's Open Meetings Law, Article 33C of Chapter 143 of the North Carolina General Statutes. All committees appointed by the Board pursuant to this Article shall keep regular minutes of the transactions of their meetings and shall cause them to be recorded in books kept for that purpose in the office of the Corporation, and shall report the same to the Board at its next meeting.

SECTION 4. REMOVAL. Any committee, or any member thereof, may be discharged or removed by action of a majority of the trustees present at a meeting at which a quorum is present.

SECTION 5. RESPONSIBILITY OF BOARD OF TRUSTEES. The designation of any committee and the delegation thereto of authority shall not operate to relieve the Board, or any trustee thereof, of any responsibility or liability imposed upon it or such trustee by law.

SECTION 6. VACANCY. Any vacancy occurring in any committee shall be filled by the Board at any regular meeting.

ARTICLE VI. OFFICERS AND HEAD OF SCHOOL

SECTION 1. OFFICERS OF THE CORPORATION. The officers of the Corporation shall consist of a Chair of the Board, a Vice Chair, a Secretary, an Assistant Secretary and a Treasurer. Any two or more offices may be held by the same person, but no officer may act in more than one capacity where action of two or more officers is required.

SECTION 2. ELECTION AND TERM. The officers of the Corporation shall be elected at the Annual Meeting held in odd years. Each officer shall hold office until the officer's resignation, retirement, removal, disqualification or until such officer's successor shall have been elected and qualified. The term of each officer shall be two (2) years.

SECTION 3. HEAD OF SCHOOL. A Head of School shall be appointed from time to time by the Board and shall act as chief executive officer of Summit Charter School and perform such other duties as may be assigned to the Head of School from time to time by the Board. The Board shall be responsible for setting goals and objectives for the Head of School and performing regular reviews of the Head of School's performance.

SECTION 4. AGENTS. The Board may appoint and employ such agents, employees or representatives as in the judgment of the trustees shall be necessary to carry on the work of the Corporation, prescribe the duties of such agents, employees and representatives, and fix their compensation.

SECTION 5. REMOVAL. Any officer, agent or the Head of School elected or appointed by the Board, may be removed, with or without cause, by a simple majority vote of trustees present at a meeting at which a quorum is present whenever, in the Board's judgment, the best interests of the Corporation will be served thereby; but such removal shall be without prejudice to the contract or other legal rights, if any, of the person so removed. If any officer, agent or the Head of School is so removed, a new officer, agent or Head of School may be elected or appointed at the same meeting or subsequent meeting.

SECTION 6. BOND. The Board may by resolution require any officer, agent or employee of the Corporation to give to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of such person's respective office or position, and to comply with such other conditions as may from time to time be required by the Board.

ARTICLE VII. POWERS AND DUTIES OF OFFICERS AND AGENTS

SECTION 1. CHAIR OF THE BOARD. The Chair of the Board shall preside over all meetings of the Board and Executive Committee at which the Chair is present and shall be an ex officio member of all standing committees. The Chair shall, subject to the control of the Board, supervise the management of the Corporation. The Chair shall see that all orders and resolution of the Board are carried into effect, and shall have authority to execute all deeds, contracts, agreements, transfers and such other instruments as may be lawfully executed on behalf of the Corporation.

SECTION 2. VICE CHAIR OF THE BOARD. The Vice Chair of the Board shall, in the event of the absence, disability or death of the Chair, have all the powers and perform all the duties of that office until the vacancy is filled.

SECTION 3. SECRETARY. The Secretary shall: (a) keep the minutes of the meeting of the Board and all Executive Committee meetings in one or more books provided for the purpose; (b) see that all notices are duly give in accordance with the provisions of these Bylaws or as required by law; (c) be the custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents the execution of which on behalf of the Corporation under its seal is duly authorized; (d) sign such instruments as may require the Secretary's signature; (e) train the Secretary Elect on state requirements and processes for minutes; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the Chair, the Board, or the Executive Committee.

SECTION 4. ASSISTANT SECRETARY. The Assistant Secretary shall: (a) assist the Secretary in preparing and posting the minutes from all meetings of the Board and any subcommittee meetings; and (b) in the event of the absence, disability or death of the Secretary, have all the powers and perform all the duties of that office, including recording and posting minutes of all meetings in the absence of the Secretary, until the vacancy is filled.

SECTION 5. TREASURER. The Treasurer shall: (a) have charge and custody and be responsible for all funds, securities, negotiable instruments and other monies belonging to the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such depositories as

shall be selected in accordance with the provision of Sections 4 of Article X of these Bylaws; (b) keep full and accurate accounts of finances of the Corporation in books especially provided for that purpose; (c) prepare, or cause to be prepared, [and have audited] a true statement of the Corporation's assets and liabilities as of the close of each fiscal year together with a surplus and deficit statement showing the gross and net income and operating expenses of the Corporation for the same period, all in reasonable detail, which statement shall be made and filed at the Corporation's principal place of business in the state of North Carolina within four (4) months after the end of such fiscal year and thereat kept available for a period of at least ten (10) years; and (d) duties as from time to time may be assigned to the Treasurer by the Chair, the Board's Executive Committee, or these Bylaws. The Treasurer is ultimately responsible for insuring the above and may rely upon or delegate any of the above responsibilities to the Head of School.

SECTION 6. HEAD OF SCHOOL. The Head of School shall carry out the policies established by the Board. The Head of School shall have specific supervision over the academic and administrative operations of Summit Charter School; direct and prescribe the course of study and discipline to be observed therein; employ and discharge all personnel, both academic and administrative, and prescribe their duties, salaries and term of office not to exceed one (1) year; and prepare and submit to the Board annually, and in no event later than the Annual Meeting, a proposed budget for the operation of Summit Charter School for the next succeeding fiscal year.

ARTICLE VIII. COMPENSATION

SECTION 1. TRUSTEES AND COMMITTEE MEMBERS. The trustees of this corporation and the members of any committee created and established under the provision of the Charter or these Bylaws shall serve without compensation (except that trustees and members of any such committee may receive reasonable compensation for services rendered to or for the Corporation other than services performed in their capacity as a trustee or member of any such committee provided said compensation is in accordance with the conflict of interest policy of the Corporation). The Corporation, for a trustee or committee member's travel, out-of-pocket and other expenses incurred in serving as such trustee or committee member, may reimburse a trustee or committee member.

SECTION 2. OFFICERS AND OTHER EMPLOYEES. Reasonable compensation may be paid for services rendered to or for the Corporation effecting one or more of its purposes provided that such persons are not compensated for services performed in their capacity as trustees of the Corporation or in their capacity as members of any committee created and established under the provisions of the Charter of these Bylaws. The Board shall fix the compensation of all officers of the Corporation and no officers shall serve the Corporation in any other capacity and receive compensation therefore unless the Board authorizes such additional compensation.

ARTICLE IX. CONFLICT OF INTEREST

SECTION 1. No employee of the Corporation shall receive, directly or indirectly, any funds which have been received by the Corporation from the State of North Carolina, or any other corporation funds, except for duly authorized employee compensation and benefits, and reimbursement for

expenses actually incurred in connection with corporation business and except as noted in Section 3 below.

SECTION 2. No trustee of the Corporation's Board shall receive, directly or indirectly, any funds which have been received by the Corporation from the state of North Carolina, or any other corporation funds, except for reimbursement for expenses actually incurred in connection with corporation business and except as noted in Section 3 below.

SECTION 3. In the event that goods or services are procured from an employee of the Corporation or a trustee of the Board, at least one (1) additional supporting bid will be kept on file and acceptance will be based on the most competitive bid.

SECTION 4. The Executive Committee will take appropriate action whenever necessary to implement the directives set forth in this policy.

ARTICLE X. LIABILITY AND INDEMNIFICATION

SECTION 1. LIABILITY. No trustee shall be answerable for any act, receipt, neglect or default of any other trustee; and no trustee shall be liable, individually or collectively, for any error of judgment, or for any act done or step taken or omitted under the advice of counsel, nor for any mistakes of fact or law, nor for anything which such trustee may do or refrain from doing in good faith.

SECTION 2. RIGHT TO INDEMNIFICATION. Each person who is or was a trustee or officer of the Corporation, or is or was serving at the request of the Corporation as a trustee or officer of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation as a matter of contract right to the maximum extent permitted under North Carolina law against any and all claims and liabilities to which such person has or shall become subject by reason of any action alleged by reason of such person being or having been a trustee or officer, and the Corporation shall reimburse each such person or shall advance such person sums as hereinafter provided, for all expenses, including reasonable attorney fees, actually incurred by such person to the maximum extent permitted under the North Carolina law in connection with any such claim or liability, provided however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with any claim or liability in which it is adjudged that such person acted in bad faith or was guilty or liable by reasons of such person's own willful misconduct in the performance of duty.

SECTION 3. INSURANCE. The Corporation shall have the power, by resolution of the Board, to purchase and maintain insurance on behalf of any person who is or was a trustee, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability.

SECTION 4. NON-EXCLUSIVITY OF RIGHTS. The right of indemnification hereinabove provided shall inure to the benefit of the legal representative of any such person and shall be in

addition to other rights of indemnification permitted by applicable law, and shall not be exclusive of any rights to which any such trustee, officer, employee or agent may otherwise be entitled with respect to any liability or litigation expenses arising out of such person's activities in such capacity.

SECTION 5. ADVANCES. Expenses incurred by a trustee, officer, employee or agent in defending a civil or criminal action of any type may be paid in advance of the final disposition of such action by the Corporation as authorized by the Board only upon receipt of an undertaking in writing by or on behalf of such trustee, officer, employee or agent that such person will promptly repay such amount unless it shall be ultimately determined that such trustee is entitled to indemnification by these Bylaws or otherwise by applicable law.

ARTICLE XI. ADDITIONAL POWER OF TRUSTEES

The trustees shall, in addition to the other powers conferred upon them by these Bylaws, or which they otherwise possess at law, have the power to:

- A. Grant and confer such certificates or other honors on behalf of Summit Charter School as are usually granted by any school of pre-collegiate grade in the United States;
- B. Make and amend all Bylaws necessary and proper to carry into effect the power of the said Board as necessary or desirable in the advancement of the interests of Summit Charter School;
- C. Review all written applications for review filed by any person who was discharged by the Head of School within five (5) days of such discharge, where such person was employed by Summit Charter School under a contract of employment for a term of one (1) year. Such review shall be conducted at a special closed meeting to be held within ten (10) days following filing of the application. Said closed meeting to be held in accordance with the provisions of Section 143-318.11 of the North Carolina General Statutes. The Board may delegate personnel matters to a committee established for such purpose. No discharge shall become final unless confirmed by the Board or a committee established for such purpose at a meeting.

**ARTICLE XII.
BOOKS AND RECORDS**

The Corporation shall keep correct and complete records in accordance with Chapter 132 (Public Records) and Article 14A of Chapter 115C (Charter School Act of 1996, as amended) of the North Carolina General Statutes.

**ARTICLE XIII.
TERMINATION OF EXISTENCE**

In the event of dissolution of this corporation, the Board shall convey the residual assets of the Corporation to such other education or charitable organization or organizations as the Board shall direct by simple majority vote of the trustees present at a meeting at which a quorum is present, unless otherwise prescribed by Article 14A of Chapter 115C (Charter School act of 1996, as amended) of the North Carolina General Statutes.

**ARTICLE XIV.
THE SUMMIT FAMILY ASSOCIATION**

The Summit Family Association shall be established with membership consisting of all parent or person in loco parentis of Summit Charter School's students, and shall meet at least once during the school year. The President of the Summit Family Association, elected in accordance with its Bylaws, shall be an ex officio member of the Board, without vote.

**ARTICLE XV.
STATEMENT OF POLICY**

SECTION 1. NON-PROFIT. This corporation is an Educational corporation not operated for profit. It is organized exclusively for educational purposes, and its property is to be used exclusively for carrying out thereupon such purpose. No officer, member or employee of this corporation shall receive or may be lawfully entitled to receive any pecuniary profit from the operations of this corporation, except reasonable compensation for services in effecting its purposes.

SECTION 2. NON-SECTARIAN & NON-DISCRIMINATION. Pursuant to Sections 115C-218.50 and 218.55 of the North Carolina General Statutes, Summit Charter School is nonsectarian in its programs, admission policies, employment practices, and all other operations and does not discriminate on the basis of sex, race, color, religion, national origin or other protected status.

**ARTICLE XVI.
GENERAL PROVISIONS**

SECTION 1. FISCAL YEAR. The fiscal year of the Corporation shall begin on July 1 in each year and shall end on June 30 in each year.

SECTION 2. AUDITS. The books of the Corporation and of its fiscal agent shall be audited in accordance with Article 14A of Chapter 115C (Charter School Act of 1996, as amended) of the North Carolina General Statutes.

SECTION 3. AMENDMENTS. The Bylaws may be altered, amended or repealed and new bylaws may be adopted by two-thirds (2/3) of the total membership of the Board, provided that no new Bylaw may be adopted and no existing Bylaw may be amended or repealed at the meeting of which such adoption, amendment or repeal is first proposed or prior to the trustees having had at least 30 days to review such changes.

SECTION 4. WAIVER OF NOTICE. Whenever any notice is required to be given to any trustee by law, by the Charter or by these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.