

**CONSTITUTION
of the
Society for Christian Instruction**

ARTICLE I - NAME

The name of the Society is "The Society for Christian Instruction at Byron Center, Michigan."

ARTICLE II - FOUNDATION

The Society is founded upon the infallible Word of God as summarized in the confessional standards of the Reformed churches.

ARTICLE III - PURPOSE

- A. To promote and defend the cause of Christian education.
- B. To insure to our covenant children instruction that is given in the spirit of Article II.
- C. To train children, in cooperation with the parents, in such a way that they can perform their duties in this world to the glory of God, to their own well-being, and to the welfare of others.

ARTICLE IV - MEMBERSHIP

- A. Members of the Society are those who agree with the principles expressed in this Constitution and:
 - 1. are current school tuition payers, or
 - 2. are confessing adult church members who maintain the Society with an annual recorded contribution and who faithfully continue to support it.
- B. Such members shall have the right to vote on all matters brought to the Society.

ARTICLE V - SOCIETY MEETINGS

- A. There shall be an annual Society meeting which will be the principle business session of the year. School board nominees must be affirmed in advance by the voting Society members and shall be selected by lot, and a tuition scale and a budget for the ensuing year shall be presented at that meeting.
- B. Special Society meetings may be called at any time by the school board.
- C. The school board shall call a special meeting of the Society whenever it is requested to do so in writing. Signatures of 25% of the number of members present at the last annual meeting must appear on the petition.
- D. The time, place and purpose of the meeting shall be announced in the Byron Center Christian Reformed churches' bulletins at least two weeks prior to the meeting. Notices shall be mailed to all tuition-paying members who are not members of the above-mentioned churches at the same time.
- E. All decisions pertaining to persons shall be made by ballot. All other decisions shall be made by oral vote, unless otherwise requested at the meeting.
- F. A majority of one-half plus one shall rule in all decisions except where otherwise required by this constitution. Absentee ballots may be accepted on the first ballot only, subject to approval of those present at the meeting.
- G. The school board shall prepare the agenda for each meeting, but matters not listed on the agenda may be brought up for discussion and referred to the school board for consideration.

ARTICLE VI - THE SCHOOL BOARD

A. Membership:

1. The board shall at all times be composed of twelve (12) members. The members shall serve a three-year term. A term can be extended in one-year extensions up to three additional years. The extensions must be approved by the Board.
2. The board may appoint a new board member to fill a vacancy occurring between the annual Society meetings. A member so appointed shall serve until the following September.
3. Two candidates for each vacancy shall be nominated by the board.
4. Church Representation - Our goal is to have the churches represented with members on the board as follows:

<u>1st CRC</u>	<u>2nd CRC</u>	<u>Heritage CRC</u>	<u>Friendship CRC</u>	<u>At Large</u>
2	2	2	2	4

B. Qualifications of Board Members:

All Board members shall be members or partners in good and regular standing of a Bible teaching church and sign the Statement of Commitments without reservation. A two-thirds majority of the Board must be members of a Christian Reformed Church.

C. Duties of Board Members:

1. The duties of the board shall be to control, direct, and supervise the operation of the school in accordance with the Constitution and the Policy Manual.
2. A policy manual covering the operation of the school shall be maintained and reviewed annually by the board.

D. Meetings:

1. There shall be a regular meeting of the board each month. Attendance of board members at all regular meetings is compulsory. Failure to attend can become grounds for asking for the resignation of the board members.
2. Eight members shall constitute a quorum at any meeting of the board.

E. Board Officers:

The offices shall be president, vice-president, secretary, and treasurers of various funds. Following the annual Society meeting, they shall be elected annually by the board from its membership.

1. It shall be the duty of the president to preside at all meetings of the board and of the Society.
2. In the absence of the president, or at his request, the vice-president shall assume the duties of the president.
3. The secretary shall be the custodian of the official documents of the Society and shall conduct all correspondence and record the minutes of all meetings of the Society and the board.

4. The treasurers are entrusted with the receipt and the disbursement of the Society's funds. All money received by them shall be deposited to the name of the Society in a banking house approved by the board, and no disbursement shall be made except by check. The treasurers shall make a financial report for each at the monthly meetings of the board. They shall be members of the Finance Committee.
- F. Standing Committees:
Regular committees of the board shall be these: Building and Grounds, Education, Finance, Promotions, and Executive. Other committees may be appointed at the discretion of the Board.
- G. Removal of Members of the Board:
The board may remove a member if (s)he no longer qualifies under Article IV, Section 2, or if (s)he no longer fulfills his/her duties as outlined in Article VI, Sections C and D. Members may be removed only at duly-constituted board meetings by a two-thirds majority vote.

ARTICLE VII - SCHOOL EMPLOYEES

- A. Teachers must be members of a church of Reformed persuasion.
- B. All staff members must declare their unconditional agreement with Article II of this Constitution. They must be scripturally sound in their teaching, and must lead exemplary lives.
- C. The staff members shall be appointed by the Board after careful consideration of their spiritual, academic, and physical qualifications. They shall be appointed for the terms and at the salaries set forth in the Policy Manual. Their appointment shall also be subject to the other conditions set forth in the Policy Manual.
- D. All other employees may be appointed at the discretion of the Board.
- E. The administrative head shall be granted full knowledge of and full voice in the employment and termination of employment of all employees.

ARTICLE VIII - STUDENTS

- A. The members of the Society shall be privileged to send their children to this Christian school.
- B. Parents or guardians who are not members of the Society, but desire a Christian education for their children, may send them to our school subject to the approval of the board.

ARTICLE IX - FISCAL YEAR

- A. All parents or guardians shall be presented with a schedule of tuition which will indicate their share of the school's operating expenses. All parents or guardians who are behind in their tuition shall be notified. They shall then be required to make acceptable financial arrangements or face the possibility of their children's dismissal from school.
- B. No committee of the board shall spend funds in excess of the budgeted allotment without the approval of the board.
- C. The fiscal year of the Society shall be from July 1 to June 30 of the following year.

- D. The board is empowered by the Society to borrow up to 5% of its current operating budget in instances of real need. The borrowing of additional funds requires Society approval.

ARTICLE X

Should the Society disband, all property belonging to it must be transferred to the Christian Reformed Churches at Byron Center, Michigan.

ARTICLE XI

A two-thirds majority vote of the members present is required to amend or revise this Constitution. The exception to this rule is that Articles II, III, and X are not subject to material change.

LIMITED LIABILITY FOR DIRECTORS - TAX EXEMPT NONPROFIT CORPORATIONS

ARTICLE XII

1. Definition - For Purposes of this Article, the term "volunteer director" is defined by the Michigan Nonprofit Corporation Act, as it may be amended.
2. A Volunteer Director's Liability to the Corporation and Society. A volunteer director of the corporation shall not be personally liable to the corporation or Society for monetary damages for a breach of the volunteer director's fiduciary duty, except for liability for any of the following:
 - (a) A breach of the volunteer director's duty of loyalty to the corporation or Society;
 - (b) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of the law;
 - (c) A violation of Section 551(l) of the Michigan Nonprofit Corporation Act;
 - (d) A transaction from which the volunteer director derived an improper personal benefit;
 - (e) An act or omission occurring before January 1, 1988; or
 - (f) An act or omission that is grossly negligent.
3. A Volunteer Director's Liability to Third Parties. The corporation shall assume all liability to any person other than the corporation or Society for claims for monetary damages for a breach of a volunteer director's duty in his or her capacity as a volunteer director and the volunteer director shall not be personally liable to such persons for monetary damages, except for liability for any of the following:
 - (a) A breach of the volunteer director's duty of loyalty to the corporation or Society;
 - (b) Acts of omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
 - (c) A violation of Section 551(l) of the Michigan Nonprofit Corporation Act;
 - (d) A transaction from which the volunteer director derived an improper personal benefit;
 - (e) An act or omission occurring before January 1, 1988; or

- (f) An act or omission that is grossly negligent.
4. Any repeal, modification or, adoption of any provision in these Articles of incorporation inconsistent with this Article XII shall not adversely affect any right or protection of a volunteer director of the corporation existing at the time of such repeal, modification, or adoption.

ARTICLE XIII

Section 1. Indemnification: Third Party Actions.

This Corporation has the power to indemnify a person who was or is a party, or is threatened to be made a party to a threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal (other than an action by or in the right of this Corporation) by reason of fact that the person is or was a member of the board, officer, employee or agent of this Corporation, or- is or was serving at the request of this Corporation as a Member of the board, Officer, employee or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for profit or not for profit, against expenses (including attorneys' fees), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by that person in connection with the action, suit or proceeding if that person acted in good faith and in a manner reasonably believed by that person to be in or not opposed to the best interests of this Corporation or Society or members, and with respect to a criminal action or proceeding, that person had no reasonable cause to believe that the conduct was unlawful. The termination of an action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner reasonably believed by that person to be in or not opposed to the best interests of this Corporation or Society or Members and, with respect to a criminal action or proceeding, had reasonable cause to believe that the person's conduct was unlawful.

Section 2. Indemnification: Actions in the Right of this Corporation.

This Corporation has the power to indemnify a person who was or is a party to, or is threatened to be made a party to a threatened, pending or completed action or suit by or in the right of this Corporation to procure a judgment in its favor by reason of the fact that the person is or was a Member of the board, Officer, employee or agent of this Corporation, or is or was serving at the request of this Corporation as a Member of the board, Officer, employee or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for profit or not, against expenses (including actual and reasonable attorneys' fees) and amounts paid in settlement incurred by that person in connection with the action or suit if that person acted in good faith and in a manner reasonably believed by that person to be in or not opposed to the best interests of this Corporation or Society or Members. However, no indemnification shall be made for a claim, issue or matter in which such person shall have been found to be liable to the Corporation unless and only to the extent that the court in which such action or suit was brought has determined upon

application that, despite the adjudication of liability but in view of all circumstances of the case, that person is fairly and reasonably entitled to indemnification for the expenses which the court considers proper.

Section 3. Indemnification: Mandatory and Permissive Payments.

- (a) To the extent that a Member of the board, Officer, employee or agent of this Corporation has been successful on the merits or otherwise in defense of an action, suit or proceeding referred to in Section 1 or Section 2 of this Article XIII, or in defense of a claim, issue or matter in the action, suit, or proceeding, that person shall be indemnified against expenses (including actual and reasonable attorneys' fees) incurred by that person in connection with the action, suit or proceeding as well as in connection with the action, suit or proceeding brought to enforce the mandatory indemnification provided in this Subsection.
- (b) An indemnification under Section 1 or Section 2 of this Article XIII, unless ordered by a Court, shall be made by this Corporation only as authorized in a specific case upon a determination that indemnification of the Member of the board, Officer, employee or agent is proper in the circumstances because that person has met the applicable standard of conduct as set forth in either Section 1 or Section 2. That determination shall be made in any of the following ways:
- (1) A majority vote of a quorum of the Board consisting of Directors who were not parties to the action, suit or proceeding.
 - (2) If that quorum is not obtainable, then by a majority vote of the Executive Committee who were not parties to the action, suit, or proceeding. The Committee shall consist of not less than 2 disinterested Directors.
 - (3) By independent legal counsel in a written opinion.
 - (4) By the Society or Members
- (c) If a person is entitled to indemnification under Section 1 or Section 2 of this Article XIII for a portion of expenses including attorneys' fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount thereof, the corporation may indemnify the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.

Section 4. Indemnification: Expense Advances.

Expenses incurred in defending a civil or criminal action, suit or proceeding described in Section 1 or Section 2 of this Article XIII may be paid by this Corporation in advance of the final disposition of the action, suit, or proceeding upon receipt of an undertaking by or on behalf of the Member of the Board, Officer, employee or agent to repay the expenses if it is ultimately determined that the person is not entitled to be indemnified by this Corporation. The undertaking shall be by unlimited general obligation of the person on whose behalf advances are made but need not be secured. The indemnification provisions of Sections 1 through 4 of this Article XIII shall continue as to a person who ceases to be a Member of the Board, Officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of that person.