

Updated June 21, 2024
Amended July 23, 2020



Midway Star Academy Bylaws

ARTICLE I. **OFFICES**

Section 1.1 Registered Office. The Board of Directors shall have authority to change the registered office of the Organization from time to time, and any such changes shall be registered by the secretary with the Secretary of State of Minnesota if and as required by law.

Section 1.2 Office. The Organization may have such other offices, including its principal business office, either within or without the State of Minnesota, as the Board of Directors may designate.

ARTICLE II. **CORPORATE SEAL**

Section 2.1. Corporate Seal. The Organization shall have no corporate seal.

ARTICLE III. **MEMBERS**

Section 3.1 Members and Directors. The members of the Board of Directors of the Organization shall be the only Members of the Organization. Each member of the Board of Directors of the Organization shall automatically become and be a Member of the Organization concurrently with his or her becoming a member of the Board of Directors of the Organization so long as he or she is a member of the Board of Directors of the Organization and shall cease to be Member of the Organization concurrently with his or her ceasing to be a member of the Board of Directors of the Organization.

Section 3.2 Voting Rights. Each Member shall be entitled to one (1) vote, and all voting rights of each Member shall be equal.

Section 3.3. Powers Reserved to Board of Directors. All power and authority of the Organization shall be vested in the Board of Directors, and any action by the Board of Directors alone shall be deemed an action by the Members of the Organization, and any action otherwise required to be taken by the Members of the Organization shall be valid and binding on the Organization if approved by the Board of Directors in accordance with the provisions of the Articles of Incorporation of the Organization and these Bylaws.

Section 3.4 Applicable Rules. To the extent any action by the Members is requested or required by the Board of Directors, or otherwise required by law, the rules applicable to meetings, notice, quorum, proxy, actions without a meeting, resignation, and all other matters shall be determined in accordance with the provisions of Article IV of these Bylaws to the same extent applicable to Directors.

Section 3.5 No Ownership. No Member shall have any right, title, or interest in or to any property of the Organization.

Section 3.6 Conflict of Interest. Any person running or serving as a director must comply with MN Statute 124E.14 regarding conflict of interest. If there is any conflict of interest with any board member, then he or she is automatically disqualified to be a board member.

(a) No member of the board of directors, employee, officer, or agent of a charter school shall participate in selecting, awarding, or administering a contract if a conflict of interest exists. A conflict exists when:

- (1) the board member, employee, officer, or agent;
- (2) the immediate family member of the board member, employee, officer, or agent;
- (3) the partner of the board member, employee, officer, or agent; or
- (4) an organization that employs, or is about to employ any individual in clauses (1) to (3),

has a financial or other interest in the entity with which the charter school is contracting. A violation of this prohibition renders the contract void.

(b) The conflict of interest provisions under this section do not apply to compensation paid to a teacher employed as a teacher by the charter school or a teacher who provides instructional services to the charter school through a cooperative formed under chapter 308A when the teacher also serves on the charter school board of directors.

(c) A board member, employee, or officer is a local official for purposes of section 471.895 with regard to receipt of gifts as defined under section 10A.071, subdivision 1, paragraph (b). A board member, employee, or officer must not receive compensation from a group health insurance provider.

(d) No charter school employee or board member may serve on the board or decision-making committee of the school's authorizer. An employee or school board member must disclose to the school's board of directors any paid compensation they receive from the school's authorizer.

ARTICLE IV. DIRECTORS

Section 4.1 General Powers. The property, affairs, and business of the Organization shall be governed by the Board of Directors unless delegated as permitted by law. The board of directors shall decide and is responsible for all decision making on policy matters related to operating the school, including budgeting, curriculum programming, personnel, and operating procedures.

Section 4.2 Number. The number of Directors shall be at least five (5) and not more than nine (9).

The number of Directors may be changed from time to time by resolution of the Directors at any annual or special meeting called for the purpose of electing Directors and such number shall be subject to change by action of the Board of Directors amending these Bylaws at any regular or special meeting duly called for such purpose.

Section 4.3 Qualifications and Term of Office. Each Director shall be elected by the affirmative vote of the electors entitled by Minnesota Statutes to vote in a public election held during the school year on a day when school is in session pursuant to procedures adopted by the Board. Per MN §124E.07 Subd. 5.

(a) The board members must not be related parties. The ongoing board must include: (1) at least one licensed teacher; (2) at least one parent or legal guardian of a student enrolled in the charter school who is not an employee of the charter school; and (3) at least one interested community member. A community member serving on the board must reside in Minnesota, must not have a child enrolled in the school, and must not be an employee of the charter school.

(b) To serve as a licensed teacher on a charter school board, an individual must:

(1) be employed by the school or provide at least 720 hours of service under a contract between the charter school and a teacher cooperative;

(2) be a qualified teacher as defined under section 122A.16, either serving as a teacher of record in a field in which the individual has a field license, or providing services to students the individual is licensed to provide; and

(3) not serve in an administrative or supervisory capacity for more than 240 hours in a school calendar year.

(c) The board structure may include have no clear majority of teachers, community members or parents.

(d) The chief administrator may only serve as an ex-officio nonvoting board member. No charter school employees shall serve on the board other than teachers under paragraph (b).

(e) A contractor providing facilities, goods, or services to a charter school must not serve on the

board of directors. In addition, an individual is prohibited from serving as a member of the charter school board of directors if: (1) the individual, an immediate family member, or the individual's partner is a full or part owner or principal with a for-profit or nonprofit entity or independent contractor with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities; or (2) an immediate family member is an employee of the school. An individual may serve as a member of the board of directors if no conflict of interest exists under this paragraph, consistent with this section.

- (f) A violation of paragraph (e) renders a contract voidable at the option of the commissioner or the charter school board of directors. A member of a charter school board of directors who violates paragraph (e) is individually liable to the charter school for any damage caused by the violation.
- (e) Any employee, agent, contractor, or board member of the authorizer who participates in initially reviewing, approving, overseeing, evaluating, renewing, or not renewing the charter school is ineligible to serve on the board of directors of a school chartered by that authorizer.
- (f) An individual is prohibited from serving on more than one charter school board at the same time in either an elected or ex-officio capacity, except that an individual serving as an administrator serving more than one school under section 124E.12, subdivision 2, paragraph (f), may serve on each board as an ex-officio member.

(g) Each of the Directors of the Organization shall hold office until the regular meeting next following or closely coinciding with the expiration of his or her term of office and until his or her successor shall have been elected and shall qualify, or until he or she shall resign, or shall have been removed as provided herein or by statute. The term of office for Directors shall be three (3) years. The Board has the discretion to modify term lengths to facilitate the scattering of election dates by a majority vote.

Section 4.4 Quorum. The presence, in person or interactive tv in accordance with Minnesota Chapter 13D, of a majority of the Board of Directors shall constitute a quorum for the transaction of business. If less than a quorum is present at any meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 4.5 Regular Meeting. In accordance with MN §13D.01 Subd. 1, a schedule of the regular meetings of the Organization shall be kept on file at its primary offices and posted on the website. If the Board of Directors decides to hold a regular meeting at a time or place different from the time or place stated in its schedule of regular meetings, notice shall be given in the same manner as prescribed for notice of special meetings.

Section 4.6 Special Meeting. Special meetings of the Board of Directors may be held at such time and place as may from time to time be designated in the notice or waiver of notice of the meeting. Special meetings of the Board of Directors may be called at the written request to any officer by any two directors acting together. Notice of the special meeting shall be given by the Chairperson of the Board who shall give at least three (3) days' notice thereof to each Director by public posting, mail, e-mail, telegraph, telephone, facsimile, or personal delivery. Any Director may request that he or she receive notice via either mail or facsimile instead of via e-mail. Each Director, by his or her attendance and participation in the action taken at any Director's meeting, shall be deemed to have waived notice of such meeting.

Section 4.7 Compensation. Directors shall not receive compensation for their service solely as Directors. Nothing contained herein shall be construed to preclude a Director from serving the Organization and receiving proper compensation in accordance with all applicable laws.

Section 4.8 Committees. The Board of Directors may from time to time, by resolution, establish committees having the authority of the Board in the management of the business of the Organization to the extent provided in the resolution. Any committee so established shall consist of two (2) or more natural persons who need not be Directors and shall be subject at all times to the direction and control of the Board of Directors. At any meeting of any such committee the presence of a majority of the members of the committee shall be necessary to constitute a quorum for the transaction of business.

Committees of the Board shall take action by the affirmative vote of a majority of all committee members, except where the affirmative vote of a larger proportion or number is required by the Board. Any action required or permitted to be taken at a committee meeting may be taken by a written action signed collectively, or individually in counterparts, by all members of such committee. Each committee shall keep a written record of its activities and shall submit such written record to the Board after each meeting.

Section 4.9 Vacancies. Any vacancies on the Board of Directors resulting from death, resignation, removal, or disqualification of a Director may be filled by the affirmative vote of a majority of the remaining Directors. Vacancies on the Board of Directors resulting from newly created directorships may be filled by the affirmative vote of a majority of the Directors serving at the time of the increase unless such increase is at the time of the annual election. A Director who fills a vacancy pursuant to this Section shall stand for re-election pursuant to Section 4.3 within 12 months.

Section 4.10 Meetings by Telephone or Other Electronic Means. The Board shall comply with Minnesota Chapter 13D for all meetings.

Any Director, or any member of any committee created by the Board of Directors, may participate, and be counted for quorum by interactive television in accordance with Minnesota Chapter 13D.02.

In the event of a health pandemic or an emergency declared under Minnesota Statutes, Chapter 12, a meeting may be conducted by telephone or other electronic means in compliance with Minnesota Statutes, Chapter 13D.021. A board member may call in and discuss the topics but may not vote or

count for quorum unless in compliance with 13D.

Section 4.11 Resignation. A Director may resign at any time by giving written notice to the Secretary of the Organization. The resignation is effective without acceptance when the notice is given to the Secretary, unless a later effective time is specified in the notice.

Section 4.12 Removal. A Director may be removed from office at a duly held meeting, with or without cause, by an affirmative vote of a majority of all the Directors; provided that notice of the meeting at which such removal is to be considered states such purpose.

Section 4.13 Meeting Information.

(a) The Board shall ensure that publication and maintenance on the school's official website of:

(1) the meeting minutes of the board of directors and of members and committees having board-delegated authority, within 30 days following the earlier of the date of board approval or the next regularly scheduled meeting, and for at least 365 days from the date of publication;

(2) directory information for the board of directors and for the members of committees having board-delegated authority; and

(3) identifying and contact information for the school's authorizer.

(b) The Board shall include identifying and contact information for the school's authorizer in other school materials it makes available to the public.

Section 5 **Training.**

(a) Every charter school board member and nonvoting ex-officio member who is a charter school director or chief administrator must attend board training.

(b) Prior to beginning their term, a new board member must complete training on a charter school board's role and responsibilities, open meeting law, and data practices law. An ex-officio member, who is a charter school director or chief administrator, must complete this training within three months of starting employment at the school.

(c) A new board member must complete training on employment policies and practices under chapter 181; public school funding and financial management; and the board's roles and responsibilities regarding student success, achievement, and performance within 12 months of being seated on the board or the individual is automatically ineligible to continue to serve as a board member. A board member who does not complete training within the 12-month period is ineligible to be elected or appointed to a charter school board for a period of 18 months.

(d) Every charter school board member must complete annual training throughout the member's term based on an annual assessment of the training needs of individual members and the full board. Ongoing training includes but is not limited to budgeting, financial management, recruiting and hiring a charter school director or chief administrator, evaluating a charter school director or chief administrator, governance-management relationships, student support services, student discipline, state standards, cultural diversity, succession planning, strategic planning, program oversight and evaluation, compensation systems, human resources policies, effective parent and community relationships, authorizer contract and relationships, charter school law, legal liability, board recruitment and elections, board meetings and operations, policy development and review, and school health and safety.

(e) The organization or person providing training under paragraphs (b), (c), and (d) must certify the individual's completion of the training provided.

(f) The charter school is responsible for covering the costs related to board training. The charter school must include in its annual report the training each board member completed during the previous year.

(g) The board must ensure that an annual assessment of the board's performance is conducted

and the results are reported in the school's annual report.

ARTICLE V. **OFFICERS**

Section 5.1 Officers. The officers of this Organization shall consist of the Chairperson, Vice Chair, Secretary and Treasurer, each of whom must be Directors, and such other officers as the Board of Directors may from time to time determine.

Section 5.2 Chairperson. The chairperson shall preside at all meetings of the board of Directors and shall perform such other duties as may be assigned to him or her by the Board of Directors.

Section 5.3 Vice Chairperson. At the request of the chairperson, or in the event of the Chairperson's absence or disability, the Vice Chairperson shall perform the duties and possess the powers of the Chairperson. The Vice Chairperson shall also perform such other duties as may be assigned to him or her by the Board of Directors.

Section 5.4 Secretary. The Secretary shall have charge of books, documents, and papers as the Board of Directors may determine. He or she shall record and keep the minutes of all meetings of the Board of Directors as well as a record of the names and places of residence of all members of the Board of Directors. He or she shall, in general, perform all the duties incident to the office of secretary, subject to the control and direction of the Board of Directors.

Section 5.5 Treasurer. The treasurer shall have custody of all funds, property, and securities of the Organization, subject to such regulations as may be imposed by the Board of Directors. He or she shall enter regularly on the books of the Organization full and accurate account of all moneys and obligations received and paid or incurred by or on account of the Organization and shall exhibit such books at all reasonable times to any Director of the Organization. He or she shall, in general, perform all the duties incident to the office of treasurer, subject to the control and direction of the Board of Directors.

Section 5.6 Election, Term of Office, and Qualifications. The Board shall elect or appoint such officers and assistant officers they may deem advisable subsequent to the meeting held for the election of the board. Such officers shall hold office until their successors are elected; provided, however, that any officer may be removed with or without cause by the affirmative vote of a majority of the whole Board of Directors, irrespective of any contractual obligations of employment.

Section 5.7 Vacancies. All vacancies in any office of the Organization must be filled by the Board of Directors at least to the minimum number called for in the Bylaws.

ARTICLE VI.

ELECTIONS

- (a) On or before _____, the Board must hold an election. Staff members employed at the school, including teachers providing instruction under a contract with a cooperative, members of the board of directors, and all parents or legal guardians of children enrolled in the school are the voters eligible to elect the members of the school's board of directors.
 - (b) Eligible voters entitled to be electors include staff members employed at the school, including teachers providing instruction under a contract with a cooperative, members of the board of directors, and all parents or legal guardians of children enrolled in the school are the voters eligible to elect the members of the school's board of directors.
 - (c) Voting will be by ballot (either mail-in or in-person). The ballots will be counted by a person selected by the Board. The counting of the ballots will be witnessed by a third party and will be promptly reported to the Board in writing.
 - (d) The persons receiving the greatest number of votes shall be elected for the open seats on the Board.
- (d) Election requirements.
- 1) The board of directors will publish election policies and procedures on the school's website.
 - 2) The board of directors shall notify eligible voters of the school board election dates and voting procedures at least 30 calendar days before the election and post this information on the school's website.
 - 3) The board of directors shall notify eligible voters of the candidates' names, biographies, and candidate statements at least ten calendar days before the election and post this information on the school's website.
 - 4) Board elections will be held during the school year and will not be conducted on days when the school is closed for holidays, breaks, or vacations

ARTICLE VII INDEMNIFICATION

Section 6.1 Authority of Board of Directors. The Organization acting through its Board of Directors or as otherwise provided in these Bylaws, may exercise as fully as may be permitted from time to time by the statutes and decisional law of this State or by any other applicable rules or principles of law its power to indemnify any eligible person affiliated with the Organization who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, wherever brought, whether civil, criminal, administrative or investigative, by reason of the fact that he or she acted on behalf of the Organization.

Notwithstanding the foregoing, nothing in these Bylaws shall limit liability of a director of the Corporation under MN §124E.07, Subd. 3(c).

Section 6.2 Standard for Indemnification. Any eligible person described in Section 6.1 shall be indemnified by the Organization if he or she has acted in good faith and in a manner he or

she reasonably believed to be in or not opposed to the best interests of the Organization, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. He or she must also not have received any improper personal benefit or engaged in self-dealing in violation of law, nor have been indemnified by another organization in connection with the same proceeding with respect to the same acts or omissions.

Section 6.3 No Presumptions. The determination of any 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 which he or she reasonably believed to be in or not opposed to the best interests of the Organization, and, with respect to any criminal action or proceeding, have reasonable cause to believe that such conduct was unlawful.

Section 6.4 Mandatory Indemnification. To the extent that any such eligible person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in these Bylaws, or in defense of any claim, issue or matter within these Bylaws, such eligible person shall be indemnified against expenses reasonably incurred by him in connection therewith.

Section 6.5 Determination. Any indemnification hereunder, unless ordered by a court, shall be made by the Organization upon a determination that indemnification of an eligible person is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 6.2. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who are not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or, even if obtainable a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

Section 6.6 Continuance of Indemnification. Indemnification provided pursuant to these Bylaws shall continue as to an eligible person who has ceased to be affiliated to the Organization through proper means and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 6.7 Not Exclusive Remedy. The indemnification provided by these Bylaws shall not exclude any other right to which an eligible person may be entitled under any agreement, vote of disinterested Directors, or otherwise, both as to action in such person's official capacity and as to action in another

capacity while holding such office and shall not imply that the Organization may not provide lawful indemnification not expressly provided for in these Bylaws. Nothing contained in these Bylaws shall affect any rights to indemnification to which corporate personnel other than Directors and officers may be entitled by contract or otherwise under law.

Section 6.8 Insurance. The Organization may purchase and maintain insurance on behalf of any person who is or was a Director, Member, officer, employee or agent of the Organization, or is or was serving at the request of the Organization as a Director, Member, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by him or her in any such capacity; provided that no indemnification shall be made under any policy of insurance for any such act which could not be indemnified by the organization under these Bylaws.

Section 6.9 Notice of Indemnification. If, under these Bylaws, any expenses or other amounts are paid by way of indemnification, otherwise than by court order or action by the Directors, the Organization shall, in any annual financial statements, include a statement specifying the persons paid, the amounts paid, and the nature and status of the litigation or threatened litigation at the time of such payment.

Section 6.10 No Liability for Volunteers. Notwithstanding anything herein to the contrary, and in addition to the indemnification set forth above, except as provided below, no person who serves without compensation as a Director, officer, trustee, Member, employee or agent of the Organization shall be held civilly liable for an act or omission by that person if the act or omission was in good faith, was within the scope of the responsibilities as a Director, officer, trustee, Member, employee or agent, and did not constitute willful or reckless misconduct; provided that such limitation shall not apply to:

- A. An action or proceeding brought by the state attorney general for a breach of a fiduciary duty as a Director;
- B. A cause of action to the extent it is based on federal law;
- C. A cause of action based on the person's express contractual obligation; or
- D. A cause of action for physical injury to the person of another or for wrongful death which is personally and directly caused by the individual.

ARTICLE VII.

CERTIFICATES, DIVIDENDS AND SURPLUS

Section 7.1 No Certificates. No certificates of membership in the Organization shall be issued.

Section 7.2 Dividends. The Board of Directors may not declare any dividends to any Member, Director, or officer, or allow pecuniary gain to any Member or Director as such from the net profits or net assets of the Organization.

Section 7.3 Use of Surplus, Reserves. Subject to the provisions of the Articles of Incorporation and of these Bylaw, the Board of Directors in its discretion may use and apply any of the net profits or net assets of the Organization available for such purpose in purchasing or acquiring any of its bonds, debentures, notes, scrip or other securities or

evidences of indebtedness, or from time to time may set aside from its net assets or net profits such sum as it, in its absolute discretion, may think proper as a reserve fund to meet contingencies, or for the purpose of maintaining or increasing the property or business of the Organization or for any other purpose it may think conducive to the best interests of the Organization.

ARTICLE VIII.
FINANCIAL AND PROPERTY
MANAGEMENT

Section 8.1 Fiscal Year. The fiscal year of the Organization shall be the July 1 through June 30.

Section 8.2 Audit of Books and Accounts. The books and accounts of the Organization shall be audited at such times as may be ordered by the Board of Directors but shall be audited at the end of each Fiscal Year.

Section 8.3 Contracts. The Board of Directors or such officer or person to whom such power shall be delegated by the Board of Directors by resolution, except as otherwise provided in these Bylaws, may authorize any officer, agent or employee, either by name or by designation of their respective offices, positions or classes, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Organization, and such authority may be general or confined to specific instances, and unless so authorized, no officer, agent or employee shall have any power or authority to bind the Organization by any contract or engagement, or to pledge its credit, or to render it liable peculiarly for any purpose or in any amount.

Section 8.4 Checks. All checks, drafts or other orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Organization shall be signed by the Treasurer or such other officer or officers, agents or agents of the Organization and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 8.5 Deposits. All funds of the Organization not otherwise employed shall be deposited from time to time to the credit of the Organization in such banks, trust companies or other depositories as the Board of Directors may select.

Section 8.6 Voting Securities Held by Organization. The Chairperson (or School Director as the case may be) or other agent designated by the Board of Directors shall have full power and authority on behalf of the Organization to attend, act and vote at any meeting of security holders of other corporations in which this Organization may hold securities. At such meeting, the Chairperson (or School Director) or such other agent shall possess and exercise any and all rights and powers incident to the ownership of such securities which the Organization might possess and exercise.

Section 8.7 Loans. No loans shall be contracted on behalf of the Organization, and no negotiable papers shall be issued in its name, unless and except as authorized by vote of the Board of Directors or by such officer, agent, employee, or other person to whom such power

shall be delegated by the Board of Directors by resolution.

ARTICLE IX.
WAIVER OF NOTICE

Section 9.1 Requirement of Waiver in Writing. Whenever any notice is required to be given by these Bylaws or the Articles of Incorporation of the Organization or any of the corporate laws of the State of Minnesota, a waiver thereof in writing, signed by the person or persons entitled to said notice, either before, at, or after the time stated therein, shall be deemed equivalent thereto.

Section 9.2 Presence at Meeting. Except as specifically set forth in any other Section of the Bylaws, attendance and participation at any meeting of the Directors by any person entitled to vote shall be deemed to constitute waiver of notice by that person.

ARTICLE X.
AMENDMENT OF BYLAWS

Section 10.1 Amendment of Bylaws. These Bylaws may be amended by the vote of four-fifths of all Members of the Board of Directors.

Section 10.2 Board Structure. The board will change its governance structure only in accordance with MN §124E.07 Subd. 3 (or successor statutes):

- 1) By a majority vote of the board of directors and a majority vote of the licensed teachers employed by the school as teachers, including licensed teachers providing instruction under a contract between the school and a cooperative; and
- 2) With the authorizer's approval.

Any change in board governance structure shall conform with the board composition established under these bylaws and MN §124E.

Adopted May 15, 2004

Amended February 7, 2005 (§§ 4.6, 10.1)

Amended August 21, 2006 (§§ 4.3, 4.9, 5.6)

Amended August 2, 2010 (§§ 3.6, 4.3)

Amended March 25, 2016 (§§3.6, 4.2,4.3,4.4,4.10)

Amended June 10, 2022 (§§3.2, 4.5, 4.6, 3.12, 10.2)