

Bylaws of A Child's Nature — Care and Education

Adopted April 10, 2013

Amended April 16, 2013

Mission

A Child's Nature provides flexible, full-day child care and education for families of diverse backgrounds. Surrounded by goodness, truth and beauty, our children achieve their full potential through daily outdoor adventures, purposeful work, artistic experiences and imaginative play with a curriculum inspired by Waldorf education. Through close personal relationships with caregivers, teachers and nature, our children grow into capable, caring individuals who can step out into the wider world with confidence.

**Article I
Offices**

Section 1: Principal Office

The principal office of *A Child's Nature — Care and Education* (the Corporation) is located in Hillsborough County in the state of New Hampshire.

Section 2: Change of Address

The designation of the county or state of the Corporation's principal office may be changed by amendment of these bylaws. The Board of Trustees may change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed, nor require an amendment of these bylaws.

New Address: _____

Dated: _____

New Address: _____

Dated: _____

Section 3: Other Offices

The Corporation may also have offices at such places, within or without its state of incorporation where it is qualified to do business, as its business and activities may require, and as the Board of Trustees may, from time to time, designate.

**Article II
Nonprofit Purposes**

Section 1: IRC Section 501(c)(3) Purposes

This Corporation is organized exclusively for one or more of the purposes as specified in Section 501 (c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organization under Section 501 (c)(3) of the Internal Revenue Code.

Section 2: Specific Objectives and Purposes

The specific objectives and purposes of the Corporation shall be:

- (a) To establish one or more centers for the care, education and enrichment of the whole child, licensed by the state (the Centers);
- (b) To maintain a regularly enrolled student body, a curriculum based on Waldorf principles, and a full time faculty;
- (c) To participate in educational and financial incentive programs through federal, state and foundation support;
- (d) To enrich and participate in the broader community through our activities; and
- (e) To have the normal functions, operations, programs and pursuits incidental to a fully recognized and operational nonprofit center of child care, education and enrichment.

Article III Board of Trustees

Section 1 – Composition of the Board of Trustees

The business and affairs of the Corporation, except as they be reserved to the Staff as outlined in Section 3 below, shall be controlled by a Board of not less than six (6) and not more than twelve (12) trustees (the Board).

One trustee will be a Staff Representative, elected by the Staff to represent their interests and views on the Board.

One trustee will be a Parent Representative, elected by the Parent Body to represent the interests and concerns of current parents.

One trustee shall be the Executive Director of the corporation.

The remaining trustees shall be determined by the procedure specified in Section 5 below, entitled "Selection of Trustees."

The Board must consist of at least five (5) voting members who are not related by blood or marriage.

Section 2 – Powers of the Board of Trustees

The Trustees shall, in addition to the general powers conferred upon them by these Bylaws, have the power to:

- a. Elect the officers of the Corporation annually, at a regular meeting of the Board.
- b. Receive and hold by purchase, gift, devise, bequest or grant, real or personal property for educational purposes connected with the Corporation or for the benefit of the School.
- c. Sell, mortgage, lease or otherwise use and dispose of the property of the Corporation in such a manner as the trustees shall deem most conducive to the prosperity of the Corporation.

- d. Declare vacant the seat of any trustee who is absent from any three (3) consecutive regular meetings of the Board; or, by a vote of a three-fourths (3/4) majority of the total membership of the Board, declare vacant the seat of any trustee for any other reason.
- e. Make and amend all Bylaws necessary and proper to carry into effect the powers of the Board of Trustees as necessary and desirable in the advancement of the interests of the School, as provided in Article IX of these Bylaws, provided that no Bylaw shall conflict with the constitution or laws of the United States of America or the State of New Hampshire.
- f. Set and adjust the annual tuition rate for the Centers.
- g. Approve the operating budget for the corporation on an annual basis.
- h. Hire, fire, provide annual evaluations and set the salary for the Executive Director of the corporation.
- i. Close the corporation and dispose of its assets in accordance with Section 4 of the Articles of Agreement of the Corporation if, in the judgment of the Board, the School no longer financially viable.

Section 3 – Powers Withheld from the Board of Trustees

Specifically excluded from the powers of the Board of Trustees and reserved to the Staff is:

- a. All matters pertaining to the conduct of the educational program of the corporation, including but not restricted to, the formation of the curriculum.

Specifically excluded from the powers of the Board of Trustees and reserved to the Executive Director is:

- a. The hiring, firing, compensation, and terms of employment of staff of the Corporation, with the exception of the Executive Director.

Section 4 – Terms of Trustees

The term of office of a Trustee will be two years, except for Staff and Parent Body Representatives, who shall serve one-year terms. The initial terms of Trustees first appointed to the Board shall be staggered so that approximately equal numbers will expire in alternating years. A Trustee chosen to fill a vacancy as defined in Section 9 below shall serve the remainder of the vacant term.

Section 5 – Selection of Trustees

Any Trustee vacancies will be filled by nominations from the current board members at any meeting when the board is below maximum membership. Voting will be held *viva voce* and the Board Clerk will record results of the voting.

In nominating potential Trustees, the following shall be kept in mind:

- a) The Board should have a balance of parent, staff, and outside members.
- b) Trustees shall have a commitment to the mission and long-term development of the school.
- c) Trustees shall have a general commitment to the principles of Waldorf education.
- d) Some Trustees should have applicable business and legal experience.
- e) Trustees shall have demonstrated their willingness to support the school, through financial contributions or by volunteering their work for the school, preferably both.
- f) Trustees shall be willing to assist in generating funds for the school.

Section 6 – Regular & Special Meetings

The Board shall specify the schedule of its regular meetings, but must hold at least one meeting in the Spring and one meeting in the Fall of every year. Meetings shall be held at the principle office of the Corporation or at such other place as shall be designated by the President of the Board.

A special meeting of the Board may be held at any time and place upon the call of the President of the Board or, in the event of his/her absence or inability to act, the Vice President of the Board or any three (3) trustees.

Section 7 – Notice of Meetings

No decisions of any regular or special meeting of the Board shall be valid unless written notice shall have been mailed or emailed to each trustee at his or her last known residence or place of business no less than five (5) days before the meeting.

However, if every member not so notified signs, either before or after a meeting, a written waiver of notice or consent to the holding of the meeting or an approval of the minutes thereof, then the decisions and actions of the meeting shall be as valid as though proper notification had taken place. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 8 – Quorum

A quorum for the transaction of business shall consist of at least one-half of the trustees. A majority vote of such quorum present at the time and place of any meeting of the Board shall determine any proposition that may come before the Board, provided that no other provision of these Bylaws be violated.

Section 9. Vacancies

Vacancies on the board of trustees shall exist (1) on the death, resignation, or removal of any trustee, and (2) whenever the number of authorized trustees is increased.

Any trustee may resign effective upon giving written notice to the president, or the secretary. No trustee may resign if the corporation would then be left without a duly elected trustee or directors in charge of its affairs, except upon notice to the office of the attorney general or other appropriate agency of this state.

Unless otherwise prohibited by the articles of incorporation, these bylaws, or provisions of law, vacancies on the board may be filled by approval of a majority of the trustees then in office or by a sole remaining trustee, per the selection criteria listed in Section 5 above.

Section 10. Nonliability of Trustees

The trustees shall not be personally liable for the debts, liabilities, or other obligations of the Corporation under the laws of this state

Section 11. Indemnification by Corporation of Trustees and Officers

The trustees and officers of the corporation shall be indemnified by the corporation to the fullest extent permissible under the laws of this state.

Section 12. Insurance for Corporate Agents

Except as may be otherwise provided under provisions of law, the board of trustees may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee, or other agent of the corporation) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the articles of incorporation, these bylaws, or provisions of law.

Article IV Officers of the Corporation

Section 1 – General

The officers of the Corporation shall consist of a President, a Vice President, a Treasurer and a Clerk, all of whom shall be members of the Board of Trustees. The Treasurer may also be the Vice President or the Clerk, but not both; otherwise, no individual may hold more than one office.

Other officers, not necessarily members of the Board, may be appointed at the direction of the Board.

Section 2 – Qualifications

Any person may serve as officer of this corporation.

Section 3. Election and Term of Office

Officers shall be elected by the Board of trustees at the annual Spring meeting of the Corporation. Officers will serve for a one-year period.

Section 4. Removal and Resignation

Any officer may be removed by the Board of Trustees, with or without cause, at any time. Any officer may resign at any time by giving written notice to the Board of Trustees or to the president or secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the board of trustees relating to the employment of any officer of the corporation.

Section 5 - Vacancies

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Trustees. In the event of a vacancy in any office other than that of president, such vacancy may be filled temporarily by appointment by the president until such time as the board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the Board shall determine.

Section 6– Powers and Duties of the President

The President of the Corporation shall:

- a. Be the President of the Board of Trustees.
- b. Preside at all meetings of the Board at which s/he is present.
- c. When directed by the Board, sign with the proper officers of the Corporation all contracts, securities, and other obligations of the Corporation in the name of the Corporation.
- d. Do and perform such other duties as may from time to time be assigned to her/him by the Board.
- e. Have a general oversight over the business affairs and finances of the Corporation .

Section 7 – Powers and Duties of the Vice President

The Vice President shall exercise the powers and perform the duties of the President in case of the President's absence or disability. The Vice President shall have other powers and perform such other duties as may be prescribed by law, by the articles of incorporation, or by these bylaws, or as may be prescribed by the board of trustees.

Section 8 – Powers and Duties of the Treasurer

The Treasurer, in conjunction with the Corporation Office Manager, shall:

- a. Have charge and custody of, and be responsible for, all funds and securities of the Corporation and deposit all such funds in the name of the corporation in such banks, trust companies or other depositories as shall be selected by the Board of Trustees.
- b. Prepare or cause to be prepared, and present to the Board of Trustees at its annual meeting a complete financial report and balance sheet showing the assets and liabilities of the Corporation as of the close of the preceding fiscal year, together with a profit and loss statement showing the gross and net income and operating expenses of the Corporation for the same period.
- c. Whenever required by the Board of Trustees or the President, render to them or to her/him a statement of the finances of the Corporation. Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the board of Trustees, taking proper vouchers for such disbursements.
- d. Keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.
- e. Render to the president and Trustees, whenever requested, an account of any or all of his or her transactions as treasurer and of the financial condition of the corporation.
- f. In general, perform all duties incident to the office of treasurer and such other duties as may be required by law, by the articles of incorporation of the corporation, or by these bylaws, or which may be assigned to him or her from time to time by the board of Trustees.

Section 9 – Powers and Duties of the Clerk

The Clerk shall:

- a. Certify and keep at the principal office of the Corporation the original, or a copy, of these bylaws as amended or otherwise altered to date.
- b. Keep at the principal office of the Corporation or at such other place as the board may determine, a book of minutes of all meetings of the Trustees, Parent Body and, if

applicable, meetings of committees and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.

- c. See that all notices are duly given in accordance with the provisions of these bylaws or as required by law.
- d. Attend to the giving and serving of all notices for the Corporation.
- e. Attest the signatures of the proper officers to all contracts, securities, and other obligations of the Corporation and affix the seal of the Corporation thereto.
Perform all duties incident to the office of the Secretary, subject to the control of the Board, and such other duties as may from time to time be required of her/him by the Board, the Parent Body, or the President.

Article V Committees

The Board of Trustees may establish such Committees as it sees fit, and may delegate responsibilities and authority to them, subject at all times to the ultimate authority of the Board. Committees established by the Board may have members who are not trustees.

Article VI Membership

The members of the Corporation shall be those persons from time to time constituting its Board of Trustees. The vote and acts of the Trustees shall constitute the vote and acts of the members of the Corporation for all purposes in which action by the members, as distinguished from action by the Board of Trustees, is required or permitted by law.

Article VII IRC 501(c)(3) Tax Exemption Provisions

Section 1. Limitations on Activities

No substantial part of the activities of this Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Notwithstanding any other provisions of these bylaws, this Corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a Corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 2. Prohibition Against Private Inurement

No part of the net earnings of this Corporation shall inure to the benefit of, or be distributable to, its members, trustees, officers, or other private persons, except that the Corporation shall be

authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

Section 3. Distribution of Assets

Upon the dissolution of this Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation, shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

Section 4. Private Foundation Requirements and Restrictions

In any taxable year in which this Corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the Corporation 1) shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; 2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; 3) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; 4) shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code; and 5) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

Article VIII Conflict of Interest and Compensation Approval Policies

Section 1. Purpose of Conflict of Interest Policy

The purpose of this conflict of interest policy is to protect this tax-exempt Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. Definitions

- a. Interested Person.** Any Trustee, principal officer, member of a committee with governing board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 1. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement;
 2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement; or

3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3, paragraph B, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Conflict of Interest Avoidance Procedures

- a. Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Trustees and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- b. Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- c. Procedures for Addressing the Conflict of Interest.** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest. The President of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the governing board or committee shall determine whether the corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested Trustees whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

- d. Violations of the Conflicts of Interest Policy.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the member's

response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Board and Board Committee Proceedings

The minutes of meetings of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation Approval Policies

A voting member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for the Executive Director, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the board or a duly constituted compensation committee of the board shall also comply with the following additional requirements and procedures:

- a. the terms of compensation shall be approved by the board or compensation committee prior to the first payment of compensation;
- b. all members of the board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):

1. is not the person who is the subject of the compensation arrangement, or a family member of such person;
 2. is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement;
 3. does not receive compensation or other payments subject to approval by the person who is the subject of the compensation arrangement;
 4. has no material financial interest affected by the compensation arrangement; and
 5. does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or committee member.
- c. the board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:
1. compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size, purpose, and with similar resources;
 2. the availability of similar services in the geographic area of this organization;
 3. current compensation surveys compiled by independent firms;
 4. actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement;

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

- d. the terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the board or compensation committee that approved the compensation. Such documentation shall include:
1. the terms of the compensation arrangement and the date it was approved;
 2. the members of the board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each board or committee member;
 3. the comparability data obtained and relied upon and how the data was obtained;
 4. If the board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the board or committee shall record in the minutes of the meeting the basis for its determination;
 5. If the board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the board or committee meeting;
 6. Any actions taken with respect to determining if a board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a

discussion of the compensation arrangement and a taking of the votes to approve the arrangement);

7. The minutes of board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next board or committee meeting or 60 days after the final actions of the board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next board or committee meeting following final action on the arrangement by the board or committee.

Section 6. Periodic Reviews

To ensure the corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 8. Use of Outside Experts

When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Article IX Amendments

New Bylaws may be adopted or these Bylaws may be amended or repealed by a two-thirds (2/3) majority of the total membership of the Board.