

**BYLAWS
OF THE
HIGH DESERT "PARTNERSHIP IN ACADEMIC EXCELLENCE"
FOUNDATION, INC.**

A California Nonprofit Public Benefit Corporation

ARTICLE I - NAME

Section 1.0 Name. The name of this corporation shall be the High Desert "Partnership in Academic Excellence" Foundation, Inc. ("Corporation").

ARTICLE II - OFFICES

Section 2.0 Principal Offices. The principal office of the Corporation is at the Lewis Center for Educational Research, 17500 Mana Road, Apple Valley, CA, 92307.

Section 2.1 Change of Address. The "Board" (as that term is defined in Section 5.0 hereof) hereby is granted full power and authority to change the location of the principal office of the Corporation. Any such change shall be noted by the Secretary in these Bylaws, but shall not be considered an amendment of these Bylaws

Section 2.2 Other Offices. The Board may at any time establish branch or subordinate offices at any place.

ARTICLE III - PURPOSES

Section 3.0 Purposes. The specific purposes of the Corporation are: (i) to promote and support the educational needs of the students, teachers and community members; and (ii) to receive and utilize funds acquired through the solicitation of donations, gifts, and bequests for the purposes for which this Corporation is formed. In addition, the Corporation may manage, operate, guide, direct and promote public charter schools. In the context of these purposes, the Corporation shall not, except to an insubstantial degree, engage in any other activities or exercise of power that do not further the purposes of the Corporation.

**ARTICLE IV
CONSTRUCTION AND DEFINITIONS**

Section 4.0 CONSTRUCTION AND DEFINITIONS. Unless the context states otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the

generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, and the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

ARTICLE V DEDICATION OF ASSETS

Section 5.0 **DEDICATION OF ASSETS.** This corporation’s assets are irrevocably dedicated to public benefit purposes. No part of the net earnings, properties, or assets of the corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any director or officer of the corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Internal Revenue Code section 501(c)(3). That organization shall be the Apple Valley Unified School District if it qualifies as a distributee under the provision of this Article.

ARTICLE VI- MEMBERS

Section 6.0 **Members Prohibited.** In accordance with the Articles of Incorporation of the Corporation and with Section 5310 of the California Nonprofit Public Benefit Corporation Law, the Corporation shall have no members within the meaning of Section 5065 of the California Corporations Code (“CCC”). The Board of Directors may, in its discretion, admit individuals to one or more classes of non-voting members; the class or classes shall have such rights and obligations as the Board of Directors finds appropriate.

Section 6.1 **Effect of Prohibition.** Pursuant to Section 5310 (b) of the CCC, any action that would otherwise require approval by a majority of all members shall only require the approval of the Board.

Section 6.2 **Other Persons Associated with the Corporation.** The Corporation may refer to persons or entities associated with it as “members,” even though those persons or entities are not voting members, but no such reference shall constitute anyone a member within the meaning of Section 5056 of the CCC.

ARTICLE VII - DIRECTORS

Section 7.0 **Foundation Board.** The Foundation Board shall meet at a minimum of a quarterly basis to carry out the overall business oversight of the Corporation. Scheduled meeting dates may be modified or cancelled as determined by the Board. The Foundation Board acts in the oversight capacity of the school board.

Subject to the provisions and limitations of the California Non-Profit Public Benefit

Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation or bylaws regarding actions that require approval of the members, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors (also known as the "Board").

Section 7.1 Powers. The Board shall perform such duties as are necessary to carry out the purposes of the Corporation as stated in the Articles of Incorporation, these Bylaws, and applicable laws and shall possess only those powers necessary and required to perform such duties.

(A) Specific Powers. The specific powers of the Directors include but are not limited to the following:

(1) Select and remove, at the pleasure of the Board, all officers, agents, and employees of the Corporation; prescribe any powers and duties for them that are consistent with law, with the Articles of Incorporation and with these bylaws; and fix their compensation.

(2) Select and remove all directors appointed to the school board committee ("School Board Committee") of any and all approved charter schools operating under this Corporation. The appointed directors will form that school's Board and will act in the capacity of a school board for that School. Each School Board Committee will be comprised of no less than 5 members all of whom shall also be members of the corporate Board of Directors.

(3) Change the principal office or the principal business office in the State from one location to another; conduct business within or without the State; designate any place within or without the State for holding of any members' meeting including any annual meeting.

(4) Adopt, make and use a corporate seal, and alter the form of the seal and the certificate.

(5) Borrow money and incur indebtedness for the stated purposes of the Corporation, and cause to be executed and delivered therefore, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation, or other evidences of debt and securities therefore

Section 7.2 Number And Qualification of Directors.

(A) The authorized number of persons to be appointed as members ("Directors") of the Board of Directors of this corporation shall be not less than five (5) nor more than seventeen (17) until changed by an amendment to this Bylaw duly adopted in accordance with Article XV hereof. Collectively, the Directors shall be known as the Board of Directors ("Board").

(B) The minimum and maximum numbers of Directors may be changed only by amendment of paragraph (A) of this section.

Section 7.3 Nomination; Election and Term of Office.

- (A) Any person may be nominated to be a Director by the method of nomination authorized by the Board or by any other method authorized by law.
- (B) Directors shall be elected by the Board at the annual meeting.
- (C) Directors are elected for a term of three (3) years.
- (D) A vacancy occurring in the office of Director may be filled by the Board for the balance of the unexpired term and until a successor has been elected and qualified.
- (E) Each elected Director shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.
- (F) The terms to be staggered at the discretion of the Board, and in compliance with CCC, including but not limited to section 5220 (a).

Section 7.4 Interested Person. No more than forty-nine percent (49%) of the persons serving on the Board may be interested persons.

(A) An interested person means either: (i) any person compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; or (ii) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person.

(B) The provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the Corporation.

Section 7.5 Resignation and Removal of Directors.

(A) Except as provided in paragraph (C) of this Section 7.5, any Director may resign effective upon giving written notice to the President, the Chairman of the Board, the Secretary, or the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the effectiveness of such resignation. Unless such resignation specifies otherwise, its acceptance by the Corporation shall not be necessary to make it effective.

(B) The Board may declare vacant the office of a Director for whom a conservator has been appointed by an order of court or convicted of a felony. Any Directors may be removed without cause if such removal is approved by the affirmative vote of a majority of the Directors.

(C) A Director may not resign if no director remains. Except on notice to the CA Attorney General, no director may resign if corporation could be left without a duly elected director or directors.

Section 7.6 Vacancies on Board. A vacancy or vacancies on the Board of Directors

shall exist on the occurrence of the following:

- (A) The death, resignation, or removal of any Directors;
- (B) An increase in the authorized number of directors,
- (C) The declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by an order of court, convicted of a felony, or finding by final order or judgement of any court to have breached a duty under Article 3 of Chapter 2 of the CCC or otherwise.

Section 7.7 Place of Meetings. Meetings of the Board shall be held at the principal office of the Corporation unless another place is stated in the notice of the meeting. Notwithstanding any other provision in these bylaws, all meetings of the Board shall be held in compliance with the requirements of the Ralph M. Brown Act as set forth in Section 54950 of the California Government Code.

(A) An annual meeting of the Board shall be scheduled at or near the end of each fiscal year. At the annual meetings, Directors and officers shall be elected and any other proper business may be transacted.

(B) Regular meetings of the Board shall be held at such time and place specified by the Board, as provided in a resolution adopted by the Board.

(C) A special meeting of the Board may be called by the President, Chairman of the Board, Vice Chairman, or by a majority of the Directors.

(D) Notice of the time and place of special meetings shall be delivered personally or by telephone to each Director or sent by first-class mail or telegram, charges prepaid, addressed to each Director at his or her address as it is shown upon the records of the Corporation. Notice of meetings shall be in accordance with the Brown Act.

(E) Notwithstanding anything in this section to the contrary, the President or Chairman of the Board may call an emergency meeting of the Board, giving at least one hour notice to the media if such a meeting is, in the opinion of the President or Chairman of the Board, necessary to deal with an unforeseen emergency condition. An "emergency condition," is as defined by the Brown Act.

(F) Directors may participate in a meeting through use of conference telephone or similar communications equipment, so long as Brown Act requirements are met.

(G) A majority of the authorized number of Directors shall constitute a required quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a required quorum is present shall be regarded as the act of the Board, subject to the provision of the California Nonprofit Public Benefit Corporation Law, especially those

provisions relating to (i) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (ii) appointment of committees, and (iii) indemnification of Directors.

(H) A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of the adjourned meeting must be given in accordance with the Brown Act.

Section 7.9 Fees And Compensation of Directors. Directors shall serve without compensation except that directors may receive such reimbursement of expenses, as the Board of Directors may establish by resolution to be just and reasonable as to the corporation at the time that the resolution is adopted. In addition, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties as specified in Section 7.1(A). Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity as an officer, agent, employee, or otherwise, However, Directors may not be compensated to render services to the corporation in any capacity other than director, unless such compensation is reasonable and is allowed under provisions of Section 7.4 of this article.

Section 7.10 Required Vote of Directors.

(A) Every act or decision done or made by a majority of the Directors present at a meeting duly held at which quorum is present is the act of the Board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

(B) Notwithstanding paragraph (A) of this Section 7.10, the appointment or removal of the President requires the affirmative approval of a majority of the authorized number of Directors.

ARTICLE VIII - OFFICERS

Section 8.0 Officers. The officers of the Corporation shall be a Chairman of the Board, a Vice Chairman, a Secretary and a Treasurer, and such other officers with such titles and duties as shall be determined and deemed advisable by the Board. The same person may hold any two or more offices, except that neither the Secretary nor the CFO may serve concurrently as either President or Chairman of the Board (CCC §5213). The Board shall be responsible for hiring and evaluating the President of the Corporation.

(A) The President is the chief executive officer and general manager of the Corporation and, where appropriate, may be designated by the alternate title of “Chief Executive Officer” of the Corporation. The President shall, subject to the control of the Board, have general supervision, direction, and control of the business and affairs of the Corporation and of its officers, employees, and agents, including the right to employ, discharge, and prescribe the

duties and compensation of all officers, employees, and agents of the corporation, except where such matters are prescribed in the Bylaws or by the Board.

(B) The Chairman of the Board shall preside at all meetings of the Board. The Chairman of the Board is authorized to sign all contracts, notes, conveyances, and other papers, documents, and instruments in writing in the name of the Corporation.

(C) The Vice Chairman shall, in the absence of the Chairman or the inability or refusal of the Chairman to act, carry on all duties and powers required by law or conferred by these Bylaws upon the Chairman of the Board.

(D) The Secretary shall keep or cause to be kept the minute book of the Corporation. The Secretary shall sign in the name of the Corporation, either alone or with one or more other officers, all documents authorized or required to be signed by the Secretary. If the Corporation has a corporate seal, the Secretary shall keep the seal at the Corporation's principal office and shall affix the seal to documents as appropriate or desired. The Board may by resolution authorize one or more Assistant Secretaries to perform, under the direction of the Secretary, some or all the duties of the Secretary.

(E) The Treasurer is the Chairperson of the Finance Committee.

Section 8.1 Appointment of Officers. The officers of the Corporation, shall be appointed by the Board, and each shall serve at the pleasure of the Board, subject to the right, if any, of an officer under any contract of employment. The officers shall be chosen annually from among the members of the Board.

Section 8.2 Removal of Officers.

(A) Any officer appointed by the Board may be removed from office at any time by the Board, with or without cause or prior notice.

(B) When authorized by the Board, any appointed officer may be appointed for a specific term under a contract of employment. Notwithstanding that such officer is appointed for a specified term or under a contract of employment, any such officer may be removed from office at any time pursuant to paragraph (B) of this Section 8.2 and shall have no claim against the Corporation on account of such removal other than for such monetary compensation as the officer may be entitled to under the terms of the contract of employment.

Section 8.3 Resignation of Officers. Any officer may resign at any time by giving written notice to the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any such resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

Section 8.4 Vacancies in Office. A vacancy in any office because of death,

resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointment to such office.

ARTICLE IX CONTRACTS WITH DIRECTORS AND OFFICERS

Section 9.0 **CONTRACTS WITH DIRECTORS AND OFFICERS.** No director of this corporation nor any other corporation, firm, association, or other entity in which one or more of this corporation's directors are directors have a material financial interest, shall be interested, directly or indirectly, in the contract or transaction, unless allowed under the provisions of Government Code Section 1090.

This Section does not apply to a transaction that is part of an educational or charitable program of this corporation if it (a) is approved or authorized by the corporation in good faith and without unjustified favoritism and (b) results in a benefit to one or more directors or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this corporation.

ARTICLE X INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

Section 10.0 Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, officers, employees, and other persons described in Section 5238 of the CCC , including persons formerly occupying any such position, against all expenses, judgements, fines, settlements and other amounts actually and reasonable incurred by them in connection with any "proceeding," as that term is used in that Section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses" as used in this bylaw shall have the same meaning as in Section 5238 of the CCC.

Section 10.1 Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 5238 (b) or Section 5238 (c) of the California Corporations Code, the Board shall promptly determine under Section 5238 (e) of the California Code whether the applicable standard of conduct set forth in Section 5238 (b) or Section 5238 (c) has been met and, if so, the Board shall authorize indemnification.

Section 10.2 Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by the Corporation as authorized in Section 5238 of the CCC prior to the final disposition of such proceeding, upon receipt of an undertaking by or on behalf of the Director, officer, or employee to repay such amount unless it shall be determined ultimately that the Director, officer, or employee is entitled to be indemnified.

Section 10.3 Insurance. The Corporation may purchase and maintain insurance on behalf of any Director, officer, or employee of the Corporation against any liability asserted

against or incurred by the Director, officer, or employee in such capacity or arising out of the Director's officer's, or employee's status as such, whether or not the Corporation would have the power to indemnify the Director, officer, or employee against such liability under the provisions of Section 5238 of the CCC, except as provided in subdivision (I) of Section 5238 of the CCC.

ARTICLE XI COMMITTEES

Section 11.0 Committees. 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 Directors present at a meeting at which a quorum is present. The President or Chairman of the Board shall appoint all members to any committee formed pursuant to this Article VIII of the Bylaws. Committee members may be removed by the person or persons authorized to appoint such member whenever in his or her judgment such removal serves the best interest of the Corporation. The Board may delegate some of its rights and duties to the committee other than the right to vote on any of the following matters:

- (A) for the election of a director or the filing of a vacancy on the Board for the election of any officer; or
- (B) on the disposition of all or substantially all of the assets of the Corporation; or
- (C) on a merger; or
- (D) on a voluntary dissolution of the Corporation; or
- (E) on amendments to the Corporation's Articles of Incorporation or Bylaws.

Section 11.1 Term of Office. Each member of a committee shall continue as such until the annual meeting of the Board and until his or her successor is appointed, unless (i) the committee sooner shall have been terminated, (ii) such member sooner shall have been removed from such committee, or (iii) such member shall have ceased to be a member of the Corporation.

Section 11.2 Standing Committees. Standing Committees shall be established in the areas of Budget, Personnel and Fundraising. A Committee Chairman of each Standing Committee shall be appointed by the Board. The Committee Chairman shall preside at all meetings of the appointed Committee. Any Committee Chairman appointed by the Board may be removed from office at any time by the Board, with or without cause or prior notice.

ARTICLE XII INSPECTION RIGHTS

Section 12. **DIRECTORS' RIGHT TO INSPECT**. Every director shall have the right at any reasonable time to inspect the corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary as permitted by California and federal

law. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents as permitted by California and federal law. This right to inspect may be circumscribed in instances where the right to inspect conflicts with California or federal law pertaining to access to books, records, and documents.

Section 12.1 ACCOUNTING RECORDS AND MINUTES. On written demand on the corporation, any member may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the members, the Board of Directors, and committees of the Board of Directors at any reasonable time for a purpose reasonably related to the member's interest as a member. Any such inspection and copying may be made in person or by the member's agent or attorney. This right of inspection extends to the records of any subsidiary of the corporation.

Section 12.3. MAINTENANCE AND INSPECTION OF ARTICLES AND BYLAWS. This corporation shall keep at its principal California office the original or a copy of the article of incorporation and bylaws, as amended to the current date, which shall be open to inspection by the members at all reasonable times during office hours. If the corporation has no business office in California, the Secretary shall, on the written request of any member, furnish to that member a copy of the articles of incorporation and bylaws, as amended to the current date.

ARTICLE XIII RECORDS AND REPORTS

Section 13.0 Minute Book. The Corporation shall keep or cause to be kept a minute book which shall contain:

(A) The record of all meetings of the Board including date, place, those attending and the proceedings thereof, a copy of the notice of the meeting and when and how given, written waivers of notice of meeting, written consents to holding meeting, written approvals of minutes of meeting, and unanimous written consents to action of the Board without a meeting, and similarly as to meetings of committees of the Board established pursuant to the Bylaws and as to meetings or written consents of the incorporator or incorporators of the Corporation prior to the appointment of the initial Directors.

(B) A copy of the Articles and all amendments thereof and a copy of all certificates filed with the Secretary of State.

(C) A copy of the Bylaws as amended, duly certified by the Secretary.

Section 13.1 Annual Report.

(A) The Board shall cause an annual report to be sent to each Director within 180 days after the end of the Corporation's fiscal year. That report shall contain the following information, in appropriate detail, of the fiscal year:

(1) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year.

(2) The principal changes in assets and liabilities, including trust funds.

(3) The revenue or receipts of the Corporation both unrestricted and restricted to particular purposes.

(4) The expenses or disbursements of the Corporation for both general and restricted purposes; and

(5) Any information required under these bylaws.

(B) If the income statements and balance sheets referred to in this section have not been audited, they shall be accompanied by the report of any independent accountants engaged by the Corporation or the certificate of an authorized officer of the Corporation that such financial statements were prepared without audit from the books and records of the Corporation.

(C) This requirement of an annual report shall not apply if the Corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all Directors.

Section 13.2 Report of Transactions And Indemnifications. As part of the annual report to all Directors, or as a separate document if no annual report is issued, the Corporation shall annually prepare and mail or deliver to each director a statement of any transaction or indemnification of the following kind within 180 days after the end of the Corporation's fiscal year:

(A) Any covered transaction during the previous fiscal year involving more than fifty thousand dollars (\$50,000), or which was one of a number of covered transactions in which the same "interested person" had a direct or indirect material financial interest, and which transactions in the aggregate involved more than fifty thousand dollars (\$50,000). For this purpose, an "interested person" is either of the following:

(1) Any Director or officer of the Corporation, its parent, or subsidiary (but mere common Directorship shall not be considered such an interest); or

(2) Any holder of more than ten (10) percent of the voting power of the Corporation, its parent, or its subsidiary.

The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership

need be stated.

(B) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the Corporation, unless that indemnification has already been approved by the Directors under Section 5238 of the CCC.

Section 13.3 Audit Financial Statements. The financial books and records of the Corporation shall be audited annually, at the end of the fiscal year, by an independent auditor assigned by the Board, in connection with the rendering of the annual report required by Section 901 of this Article. The Independent Audit Report to be prepared in accordance with GAAS. In addition, the financial books and records of the Corporation shall be audited upon the resignation of the Chief Financial Officer of the Corporation and at any other time as the Board may direct.

ARTICLE XIV GENERAL PROVISIONS

Section 14.0 Checks, Drafts, Evidences of Indebtedness, and Deposits. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board. All funds of the Corporation shall be deposited in a timely manner to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may direct.

Section 14.1 Contracts. The Board, except as otherwise provided in these bylaws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and, unless so authorized or ratified by the Board or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 14.2 Representation of Shares of Other Corporations. The President, Chairman of the Board, the Vice Chairman, or any other person authorized by resolution of the Board, is authorized to vote on behalf of the Corporation any and all shares of any Corporation or Corporations, foreign or domestic, standing in the name of the Corporation. This authority to such person to vote or represent on behalf of the Corporation any and all shares held by the Corporation in any other Corporation or Corporations may be exercised by any such person in person or by any person authorized to do so by duly executed proxy.

Section 14.3 Construction and Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definition in the CCC shall govern the construction of the Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a Corporation and a natural person.

Section 14.4 Self Dealing. In the exercise of voting right by Directors, no Director shall vote on any issue, motion or resolution which directly or indirectly inures to his or her benefit or detriment financially, No director of this corporation nor any other corporation, firm, association, or other entity in which one or more of this corporation's directors are directors have a material financial interest, shall be interested, directly or indirectly, in the contract or transaction, unless otherwise allowed under the provisions of Government Code Section 1090. In the case of a matter to be voted on, which is not a contractual arrangement with a Board member, but a Board member has a financial interest, the non-interested members of the Board may take action as long as the provisions of the Political Reform Act are followed, namely 1) the interested board member discloses the financial interest at the public meeting; 2) the interested board member recuses him or herself from the discussion and action and leaves the room during the discussion; and 3) such disclosure and recusal is reflected in the minutes of the meeting.

Section 14.5 Gifts and Donations. The Board may accept on behalf of the Corporation any contributions, gifts, bequests, or devises for the general purpose or for any special purpose of the Corporation that do not violate the Corporation's Articles of Incorporation.

Section 14.6 Bonding. All employees handling funds shall be properly bonded.

ARTICLE XV AMENDMENTS

Section 15.0 Amendment of Bylaws. The amendment of Bylaws requires the approval of seventy percent (70%) vote of the Board. If any provision of these bylaws requires the vote of a larger proportion of the Board than is otherwise required by law, that provision may not be altered, amended, or repealed except by that greater vote.

Section 15.1 Amendment of Articles. The amendment of Articles is provided for by California state law and requires the approval of not less than two-thirds majority of the Board and the filing of a certificate of amendment in the Office of the Secretary of State.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that:

1. I am the duly elected and acting secretary of The High Desert "Partnership In Academic Excellence" Foundation, Inc., a California non profit public benefit corporation ("Corporation"); and

2. that the foregoing Bylaws to which this certificate is attached, comprising 12 pages, constitute the Bylaws of such Corporation as duly approved and adopted by the Board of Directors of this Corporation at a meeting duly held on December 14, 2006.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Corporation this 14th day of December, 2006.

Secretary