

PROPOSED BYLAWS

AURORA COLLEGIATE ACADEMY

Amended by the Board of Directors on January 16, 2018 in accordance with Article VIII, Section 5 of these Amended Aurora Collegiate Academy Bylaws (previously Article IX, Section 1).

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Bylaws

ARTICLE I.

GENERAL PROVISIONS

Section 1: Name and structure. The name of the organization will be Aurora Collegiate Academy (“Aurora Collegiate”).

Section 2: Mission. Building a foundation of skills, knowledge, and character, Aurora Collegiate Academy educates every K – 5 student for college.

Section 3: Purpose. The purposes for which Aurora Collegiate is organized are educating students in grades Kindergarten through fifth by building the academic and character foundation necessary for success in college preparatory secondary schools, college, and in life.

Section 4: Location. The location of Aurora Collegiate may change from time to time and shall be such location as is determined by the Board of Directors (“Board”). The current principal location of Aurora Collegiate is located at:

3804 Given Ave.
Memphis, TN 38122

Aurora Collegiate may also have offices at such other places as the Board shall determine the business of Aurora Collegiate requires; provided, however, that the registered office be registered with the Secretary of State of Tennessee and the agent so registered be located at the same address, or otherwise as provided by the Board.

Section 5: Fiscal Year. The fiscal year of the Aurora Collegiate shall begin on July 1 of each calendar year and terminate on June 30 of the same year.

Section 6: Registered Office and Registered Agent. The Registered Office and the Registered Agent for Aurora Collegiate may change from time to time and shall be determined as that registered with the Secretary of State of Tennessee.

ARTICLE II.

BOARD OF DIRECTORS

Section 1: Powers. The Board shall have such powers as set forth in Aurora Collegiate’s Charter Agreement, Bylaws, or applicable state and federal laws, including, but not limited to, those powers necessary to operate Aurora Collegiate by deciding matters, including, but not limited to, budgeting, curriculum and other operating procedures for Aurora Collegiate, and overseeing management and administration of Aurora Collegiate. The Board may sue and be sued.

Section 2: Number. The Board shall consist of no fewer than seven (7) and no more than fifteen (15) Directors. The Board shall include at least one (1) parent representative whose child is currently enrolled in Aurora Collegiate. The Executive Director of Aurora Collegiate will be an advisory, non-voting member of the Board (“*ex officio*”).

Section 3: Term of Office. Each director shall serve a two (2) year term, with no director being allowed to serve more than three (3) consecutive terms, after which they must take a minimum of two (2) years off before being reconsidered for nomination as a director. Terms shall be staggered so that not all terms are renewed at the same time.

Section 4: Election. Directors shall be nominated in accordance with Aurora Collegiate’s nominating policies in compliance with the state board-approved nominating policy. Directors shall be elected by the Board at any meeting of the Board by a majority of the directors currently in office. A director elected to fill an unexpired term shall have tenure only to the end of such term.

Section 5: Qualifications. Whenever possible, board members shall be sought who bring the skills, expertise, perspective, and qualifications, as established by the board and delineated in the annual board recruitment plan, and director job description.

Section 6: Rights and Responsibilities. Directors shall have the rights and responsibilities set forth in the director job description. All directors shall have identical rights and responsibilities.

Section 7: Resignation. Any director may resign at any time by delivering a written resignation to the chair of the board or to the organization at its principal office. Such resignation shall be effective upon receipt unless it is specified to be effective at some later time. To facilitate the election of new directors, the organization formally encourages directors intending to resign or to decline nomination to provide notice of the director’s intent as much in advance of the annual meeting as possible.

Section 8: Removal. Any director may be removed from office with or without cause by an affirmative vote of the majority of the directors then in office.

The Board shall provide a statement of the reason or reasons by registered mail to the director proposed for removal at least thirty (30) days before any final action is taken by the Board. This statement shall be accompanied by a notice of the time when, and the place where, the Board is to take action on the removal. The director shall be given an opportunity to be heard and the matter considered by the Board at the time and place mentioned in the notice.

Section 9: Vacancies. In accordance with nominating and election process set forth by the governance committee, any newly created directorships and any vacancies of the Board, arising at any time and from any cause, may be filled at any meeting of the Board in which a quorum is present, by two-thirds (2/3) vote of the seated directors. However, if the number of Directors then in office is less than a quorum, the vacancies shall be filled by the affirmative vote of (a) a majority of directors then in office, or (b) a sole remaining

director. A director so elected shall serve until the next annual meeting and until his or her successor is elected and qualified.

ARTICLE III.

MEETINGS

Section 1: Open Meeting Law. Aurora Collegiate shall comply with the requirements of The Tennessee Open Meetings Act, codified at Tenn. Code Ann. § 8-44-101, *et seq.*

Section 2: Annual Meeting. The annual meeting of the Board shall occur in September of each year.

Section 3: Meetings. There shall be at least eight (8) regular meetings of the Board of Directors held each year, not including the annual meeting. Notice shall be given to each Director thirty (30) days prior to the date of every regular meeting of the Board of Directors.

Section 4: Special Meetings. Special meetings of the Board of Directors may be called by the Chair, or by a majority of the directors filing a written request for such a meeting with the Chair, by stating the object, date, hour, and location of such meeting. Due notice of any special meeting must given to each director at least five (5) calendar days prior to the special meeting.

Section 5: Notice of Meetings. Notice to the public of annual, regular, and special meetings shall be given in accordance with the Tennessee Open Meetings Act, Tenn. Code Ann. § 8-44-103.

Notice of all regular and special meetings of the Board, an agenda of all items to be discussed at such meetings, and agenda support materials shall be circulated to all directors prior to the meeting. Any director may waive notice of any meeting. The attendance of a director at any meeting also shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 6: Quorum and Voting. One-half (1/2 or 50%) of the directors then in office shall constitute a quorum for the transaction of business at any regular or special meeting of the Board, except where otherwise required by these Bylaws.

Each Director gets one (1) vote.

An absentee board member may not designate an alternate to represent him or her at a Board meeting. A member of the Board may be deemed to be present for purposes of achieving a quorum and may cast a vote if he/she grants a signed, written proxy to another board member who is present at the meeting. The proxy must direct a vote to be cast with respect to a particular proposal that is described with reasonable specificity in the proxy. No other proxies are allowed.

Section 7: Recusal. A director shall recuse himself or herself from any Board meeting, discussion, or decision in which the Director has a conflict of interest as defined in Article IX of these bylaws.

Section 8: Rules of Order. In case of conflict or challenge, the rules of order in the current edition of Robert's Rules of Order shall govern the conduct of all meetings of Aurora Collegiate.

ARTICLE IV.

COMPENSATION AND PERSONAL LIABILITY

Section 1: Compensation. Directors shall receive no payment of honoraria, excepting reimbursement for expenses incurred in performance of voluntary Aurora Collegiate activities in accordance with Aurora Collegiate Academy policies.

Section 2: No personal liability. No individual Director shall be personally liable for the actions of the Board; however, the Board shall be subject to the same limits of liability as local school systems and shall provide insurance in accordance with Tenn. Code Ann. § 49-13-107 for any liability exposure.

ARTICLE V.

OFFICERS

Section 1: Number. The officers of the Board shall be a Chair, Vice Chair, Secretary, Treasurer, and such other officers, if any, as the Board may require. The same person may temporarily hold any two or more offices, provided that no individual may act in more than one capacity where action of two or more officers is required. Each officer will fulfill the requirements outlined in the board-approved officer job description.

Section 2: Election and Term. The governance committee shall present a slate of officers to the Board. All officers shall be elected by the Board at their annual meeting and shall hold office for the term of one (1) year. Each officer shall continue in office until his or her death, resignation, or removal. A director may serve more than one (1) term in the same office, but no more than three (3) consecutive terms in the same office. The newly elected officers shall take office following the close of the meeting at which they are elected.

Section 3: Resignation, Removal, and Vacancy. Any officer may resign at any time by delivering a written resignation to the Chair or to the organization at its principal office. Such resignation shall be effective upon receipt unless it is specified to be effective at some later time. To facilitate the election of new officers, the organization formally encourages officers intending to resign to provide notice of the officer's intent as much in advance as possible.

Any officer may be removed from office with or without cause by an affirmative vote of the majority of the directors then in office. The Board shall provide a statement of the

reason or reasons by registered mail to the director proposed for removal at least thirty (30) days before any final action is taken by the Board. This statement shall be accompanied by a notice of the time when, and the place where, the Board is to take action on the removal. The director shall be given an opportunity to be heard and the matter considered by the Board at the time and place mentioned in the notice.

In accordance with nominating and election process set forth by the governance committee, any vacancies of the officers, arising at any time and from any cause, may be filled at any meeting of the Board in which a quorum is present, by two-thirds (2/3) vote of the seated directors. However, if the number of directors then in office is less than a quorum, the vacancies shall be filled by the affirmative vote of (a) a majority of directors then in office, or (b) a sole remaining director. An officer so elected shall serve until the next annual meeting and until his or her successor is elected and qualified.

Section 4: Board Chair. The Chair is the senior volunteer leader of the organization who presides at all meetings of the Board and other meetings as required. The Chair is an ex officio member of all committees and task forces of the Board. The Chair oversees implementation of Board and organizational policies and ensures that appropriate administrative practices are established and maintained. The specific responsibilities and qualifications of Chair shall be set forth in the officer job descriptions.

Section 5: Vice Chair. The Vice Chair is the secondary volunteer leader, and as such, discharges the duties of the Chair as required in the Chair's absence. The Vice Chair supports the activities of the Chair including sharing responsibilities as appropriate. The specific responsibilities and qualifications of Vice Chair shall be set forth in the officer job descriptions.

Section 6: Secretary. The Secretary provides direction for the keeping of legal documents including minutes of all meetings of the board. The specific responsibilities and qualifications of Secretary shall be set forth in the officer job descriptions.

Section 7: Treasurer. The Treasurer provides direction for the financial management of the organization and helps the board to meet its financial oversight responsibilities. The specific responsibilities and qualifications of Treasurer shall be set forth in the officer job descriptions.

Section 8: Other Officers. [Reserved].

ARTICLE VI.

COMMITTEES

Section 1: Committees. Aurora Collegiate shall maintain at all times the following five (5) committees as standing committees: Governance, Finance, Academic Excellence, Development (Fundraising), and Executive Director Support and Evaluation.

Each standing committee shall have a minimum of three (3) members. Each standing committee shall be chaired by a member of the Board, and shall consist of at least one (1)

or two (2) other members of the Board. Additional non-members of the Board may also serve on committees.

Section 2: Governance Committee. The governance committee is commissioned by and responsible to the Board to assume the primary responsibility for matters pertaining to Board recruitment, nominations, orientation, training, and evaluation in accordance with the bylaws of Aurora Collegiate, as well as established policies and practices approved by the Board of Directors.

Appointments of the chair and members of the governance committee shall be made annually by the Chair of the Board with advice and consent of the Board in accordance with the bylaws.

The specific responsibilities of the governance committee shall be set forth in the Board-approved committee job descriptions.

Section 3: Finance Committee. The finance committee is commissioned by and responsible to the Board. The finance committee has the responsibility of working with the Executive Director and Aurora Collegiate's Chief Financial Officer (CFO) to create the upcoming fiscal year budget, presenting budget recommendations to the Board, monitoring implementation of the approved budget on a regular basis, recommending proposed budget revisions, and recommending to the Board appropriate policies for the management of Aurora Collegiate's assets. The finance committee shall be assisted by the Executive Director and CFO.

The members of the finance committee shall be the Treasurer who shall serve as chair, the Chair of the Board who shall serve as an ex officio member, together with other directors appointed by the Chair of the Board with the advice and consent of the Board in accordance with the bylaws. The Executive Director and CFO shall also be members of the finance committee.

The specific responsibilities of the finance committee shall be set forth in the board-approved committee job descriptions.

Section 4: Academic Excellence Committee. The academic excellence committee is commissioned by and responsible to the Board to assume primary responsibility for working with the Executive Director to define academic excellence, ensure that all Board members know the charter promises that were made to the community and the authorizer, and to devise clear and consistent measures to monitor these goals.

Appointments of the chair and members of the academic excellence committee shall be made annually by the Chair of the Board with the advice and consent of the Board and the Executive Director, and in accordance with the bylaws.

The specific responsibilities of the academic excellence committee shall be set forth in the Board-approved committee job descriptions.

Section 5: Development (Fundraising) Committee. The development committee is commissioned by and responsible to the Board to assume primary responsibility for raising non-grant funds to support Aurora Collegiate’s mission.

Appointments of the chair and members of the development committee shall be made annually by the Chair of the Board with the advice and consent of the Board in accordance with the bylaws.

The specific responsibilities of the development committee shall be set forth in the Board-approved committee job descriptions.

Section 6: Executive Director Support and Evaluation Committee. The Executive Director support and evaluation committee is commissioned by and responsible to the Board to assume the primary responsibility for developing and implementing a year-round process to strengthen the board’s support, evaluation, and partnership with Aurora Collegiate’s Executive Director.

Appointments of the chair and members of the Executive Director support and evaluation committee shall be made annually by the Chair of the Board with the advice and consent of the Board and in accordance with the bylaws.

The specific responsibilities of the Executive Director support and evaluation committee shall be set forth in the Board-approved committee job descriptions.

Section 7: Task Forces. All other temporary committees, created ad hoc and dedicated to specific projects, shall be designated as “Task Forces”. Task Forces shall dissolve when their required purpose is complete.

ARTICLE VII.

STAFF

Section 1: Executive Director. The Executive Director serves as chief executive of Aurora Collegiate and, in partnership with the Board, is responsible for the success of Aurora Collegiate. Together, the Board and Executive Director assure Aurora Collegiate’s faithfulness to its charter, relevance to the community, the accomplishment of Aurora Collegiate’s mission and vision, and the accountability of Aurora Collegiate to its diverse constituents.

The Board delegates responsibility for management and day-to-day operations to the Executive Director, and he or she has the authority to carry out these responsibilities, in accordance with the direction and policies established by the Board. The Executive Director provides direction and support to the Board as it carries out its governance functions.

The specific responsibilities and qualifications of Executive Director shall be set forth in the officer job descriptions.

ARTICLE VIII.

MISCELLANEOUS

Section 1: Checks, Notes, and Contracts. Orders of withdrawal shall bear the signature of one of the following officers or staff members: Board Chair, Treasurer, Executive Director, or Two staff members, as designated by the Executive Director. Any checks made payable to any of the above-named persons shall be signed by someone other than the payee.

Any checks issued over fifteen thousand dollars (\$15,000) shall require two signatures.

All contracts for goods in excess of ten thousand dollars (\$10,000) shall be bid and must be approved by the Board.

Section 2: Books and Records. The accounts and records of Aurora Collegiate shall be maintained in accordance with generally accepted accounting principles and in conformance with the uniform chart of accounts and accounting requirements prescribed by the comptroller of the treasury.

Section 3: Annual Report. The Board shall make an annual progress report to Aurora Collegiate's Sponsor, chartering authority, and the commissioner of education. The report shall contain the information set forth in Tenn. Code Ann. § 49-13-120.

Aurora Collegiate shall prepare and publish an annual financial report that encompasses all funds. The annual financial report shall include the audited financial statements of the charter school.

Section 4: Right of Inspection. All records of Aurora Collegiate shall be open for personal inspection and duplication by any citizen of the State of Tennessee to the same extent that records of public schools operated by an LEA are open.

Section 5: Amendments. These Bylaws may be amended at a regular meeting by a two-thirds (2/3) vote of all directors then in office; provided that notice of the proposed amendment, together with a copy thereof, is provided to each director at least fifteen (15) days prior to the meeting at which the amendment is to be considered.

Section 6: Indemnification. Aurora Collegiate shall indemnify its directors and officers to the fullest extent provided under the Tennessee Nonprofit Corporation Act.

Aurora Collegiate shall indemnify a director to the extent the director was successful, on the merits or otherwise, or who is immune from suit under Tenn. Code Ann. § 48-58-601 of the Tennessee Nonprofit Corporation Act, in the defense of any proceeding to which the director was a party because the director is or was a director of Aurora Collegiate against reasonable expenses incurred by the director in connection with the proceeding.

Aurora Collegiate may indemnify an individual made a party to a proceeding because the individual is or was a director against liability incurred in the proceeding where authorized by Tenn. Code Ann. § 48-58-502 of the Tennessee Nonprofit Corporation Act.

Unless Aurora Collegiate's charter provides otherwise, a director of Aurora Collegiate who is a party to a proceeding may apply for indemnification to the court conducting the proceeding or to another court of competent jurisdiction pursuant to Tenn. Code Ann. § 48-58-505 of the Tennessee Nonprofit Corporation Act.

An officer of Aurora Collegiate who is not a director is entitled to mandatory indemnification, and is entitled to apply for court-ordered indemnification in each case, to the same extent as a director. Aurora Collegiate may indemnify and advance expenses to an officer, employee, or agent of Aurora Collegiate who is not a director to the same extent as to a director. Aurora Collegiate may also indemnify and advance expenses to an officer, employee, or agent who is not a director to the extent, consistent with public policy, that may be provided by its charter, bylaws, general or specific action of its board of directors, or contract.

Section 7: Advances; Repayment. Aurora Collegiate may pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding in accordance with Tenn. Code Ann. § 48-58-504 of the Tennessee Nonprofit Corporation Act.

Section 8: Authorization. The determination and authorization of indemnification shall be made in the manner specified in Tenn. Code Ann. § 48-58-506 of the Tennessee Nonprofit Corporation Act.

Section 9: Insurance. Aurora Collegiate will maintain insurance coverage pursuant to all laws and policies applicable to charter schools. Aurora Collegiate will maintain copies of all insurance policies at Aurora Collegiate.

Aurora Collegiate may purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee, or agent of Aurora Collegiate, or who, while a director, officer, employee, or agent of Aurora Collegiate, is or was serving at the request of Aurora Collegiate as a director, officer, partner, trustee, employee, or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liability asserted against or incurred by the individual in that capacity or arising from the individual's status as a director, officer, employee, or agent, whether or not Aurora Collegiate would have power to indemnify the individual against the same liability.

Section 10: Dissolution. Upon dissolution, Aurora Collegiate's assets shall be distributed in accordance with the provisions of the Tennessee Nonprofit Corporation Act for one for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

Section 11: Tennessee Public Charter Schools Act of 2002. The provisions of the Tennessee Public Charter Schools Act of 2002, Tenn. Code Ann. § 49-13-101, *et seq.*, are incorporated herein by reference.

Section 12: Tennessee Nonprofit Corporation Act. The provisions of the Tennessee Nonprofit Corporation Act, Tenn. Code Ann. § 48-51-101, *et seq.*, are incorporated herein by reference.

ARTICLE IX.

CONFLICTS OF INTEREST

Section 1: Purpose. The purpose of Article IX, Conflicts of Interest is to protect Aurora Collegiate's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of Aurora Collegiate or might result in a possible excess benefit transaction. This Article is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interest applicable to non-profit and charitable organizations.

Relevant state laws governing conflict of interest applicable to non-profit organizations include, but are not limited to: Part 7 of the Tennessee Nonprofit Corporation Act, Tenn. Code Ann. § 48-51-701, et seq.; Tenn. Code Ann. § 12-2-101, prohibiting personal interest of officers with regards to conflicts of interests involving public contracts; and, Tenn. Code Ann. § 12-4-102 regarding penalty for unlawful interest with regards to conflicts of interests involving public contracts.

Section 2: Definitions.

- (1) Interested Person – Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- (2) Financial Interest – A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which Aurora collegiate has a transaction or arrangement;
 - b. A compensation arrangement with Aurora Collegiate or with any entity or individual with which Aurora Collegiate has a transaction or arrangement;
or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which Aurora Collegiate 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 or interest. Under Article IX, Section 3, 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.

The definitions regarding conflict of interest transactions of directors and officers in the Tennessee Nonprofit Corporation Act are set forth in Tenn. Code Ann. § 48-51-701.

Section 3: Procedures.

- (1) 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 directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- (2) 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.
- (3) Procedures for Addressing the Conflict of Interests –
 - a. 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.
 - b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the governing board or committee shall determine whether Aurora Collegiate 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.
 - d. 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 directors whether the transaction or arrangement is in Aurora Collegiate's best interest, or 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.
- (4) Violations of Article IX Conflicts of Interest –

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

Tenn. Code Ann. § 12-4-102 sets forth the penalty for unlawful interest with regards to conflicts of interests involving public contracts

Section 4: Records of Proceedings. The minutes of the governing board and all committees with board delegated powers shall contain:

- (1) 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.
- (2) 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 alternative to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5: Annual Statements. Each director, principal officer, and member of a committee with governing board-delegated powers shall annually sign a statement which affirms such person:

- (1) Has received a copy of Article IX regarding conflicts of interest;
- (2) Has read and understands Article IX;
- (3) Has agreed to comply with Article IX; and
- (4) Understands Aurora Collegiate is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Section 6: Periodic Reviews. To ensure Aurora Collegiate 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:

- (1) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining; and
- (2) Whether partnerships, joint ventures, and arrangements with management conform to the Aurora Collegiate 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 7: Use of Outside Experts. When conducting the periodic reviews as provided in Article IX, Section 6, Aurora Collegiate 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.