

**BYLAWS OF
NERSTRAND ELEMENTARY SCHOOL ABC**

**ARTICLE I
THE CORPORATION AND PURPOSE**

- 1.1. The Corporation. Nerstrand Elementary School ABC is the “Corporation” herein.
- 1.2. The Purpose. The Corporation’s purpose is stated in its Articles of Incorporation.
- 1.3. Mission Statement. The Corporation’s mission is to use real property ownership to support its member’s mission through providing educational facilities to the member.
- 1.4. Legal Compliance. In the event that the laws or regulations of the State of Minnesota conflict with any portion or provision of the Articles of Incorporation or Bylaws, the laws or regulations shall take precedence. If changes in law enlarge the authority or powers of the Corporation, the Board of Directors of the Corporation may exercise the authority thereby granted following acceptance of the authority by Resolution or amendment to the Articles of Incorporation or these Bylaws. If changes in law reduce the authority or powers of the Corporation, those changes will be deemed to be incorporated into these Bylaws.

**ARTICLE II
MEMBERSHIP OF THE CORPORATION**

- 1.1. Single Member. The sole Member of the Corporation shall be as set forth in the Articles.
- 1.2. Meetings. There shall be a meeting of the membership of the Corporation at least annually. The Member will conduct an annual meeting, and such additional meetings as may be required from time to time.
- 1.3. Action in Writing. Any action required or permitted to be taken at a membership meeting may be taken by written action signed, or consented to by authenticated electronic communication, by the member.

**ARTICLE III
BOARD OF DIRECTORS**

- 2.1. General Powers. The Board of Directors (the “Board”) of the Corporation shall manage the affairs of the Corporation. The Board has the power and authority to

perform all acts and perform all functions as may be performed by the Corporation, including governance, management, and direction of the Corporation, except as otherwise limited in the Corporation's Articles of Incorporation, these Bylaws, and other applicable laws, including Minnesota Statutes chapter 124E.

2.2. Directors. The Board shall be composed of three (3) non-related individuals, unless the Board unanimously determines that it should have a greater number.

2.2.1. Eligibility. No person shall be a Director whose inclusion on the Board would create or constitute a conflict-of-interest under Minnesota Statutes, sections 124E.07, subdivision 3, and 124E.14.

2.2.2. Terms. The term of office for each Director shall be one year. Each year, at its annual meeting, the sole Member will appoint Directors for the coming fiscal year. An individual may hold the office of director for unlimited successive terms.

2.2.3. Compensation. Directors shall not receive compensation for their services as a Director. Directors may be reimbursed for actual, necessary, and reasonable out-of-pocket expenses incurred by them in rendering services to this Corporation, as the Board determines to be consistent with the purpose and interests of the Corporation.

2.2.4. Vacancies. The member may fill any vacancy occurring in the Board by appointment. A Director appointed to fill a vacancy shall serve until such date as the vacating Director's term would have ended.

2.2.5. Removal. Directors may be removed by the member at any time, with or without cause. The member shall then or thereafter appoint a new Director to replace the Director so removed.

2.3. Meetings. Meetings of the Board may be held at such times and places as shall from time to time be determined by the Board. The President of the Board shall be authorized to call a regular meeting by providing written or electronic notice of the time, date, and location of such a meeting to all Directors five (5) days prior to the meeting.

2.3.1. Member Notice. The member of the Corporation shall receive notice of all regular, annual, special, and emergency meetings simultaneously with the first notice of the meeting required to be provided to any Director of the Corporation. Any Director may waive notice of a meeting of the Board, and such waiver shall be effective whether given before, at, or after the

meeting, and whether given in writing, orally, by authenticated electronic communication, or by attendance without objection.

2.3.2. Purpose. Except in the case of a proposed amendment to the Articles of Incorporation or a special meeting, the purpose of each meeting need not be stated and shall be presumed to be to discuss all business of the Corporation.

2.3.3. Frequency. The Directors shall hold at least one (1) meeting during each school year. The annual meeting shall count as a regular meeting.

2.3.4. Special Meetings. Special meetings may be called by the President on 24-hour electronic, telephonic, or in-person notice to all Directors and all members. The President shall call a special meeting of the Board upon written request of another Director. Notices of special meeting shall state a purpose and shall be limited to the purpose so stated.

2.3.5. Emergency Meetings. In the event of circumstances that, in the judgment of the Board, require immediate consideration, the Board may hold an emergency meeting to discuss those circumstances. All Directors must be notified of any emergency meeting as far in advance as is possible. The Board must keep minutes of an emergency meeting and must explicitly resolve on the minutes that the circumstance constitutes an emergency. The Board may only discuss only the emergency circumstances at an emergency meeting.

2.3.6. Remote Participation. A Director may participate in a Board meeting by means of video or telephone conference, or by other means of remote communication as approved by the Board, provided that each Director participating remotely or in person is able to hear and interact with all other Directors participating in the meeting. Participation by remote means shall constitute being present for purposes of determining whether a quorum is present.

2.3.7. Quorum. The presence of a majority of Directors on the Board shall constitute a quorum sufficient to transact business at any meeting. The majority of a quorum shall be sufficient to take action that the Board is authorized to take. If, however, such a quorum shall not be present at any such meeting, the Director or Directors present shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present. Notwithstanding the foregoing, if a quorum is present when a duly called meeting is convened, and later enough Directors withdraw from the

meeting so that less than a quorum remains, the Directors remaining may continue to transact business until adjournment.

- 2.3.8. Voting. Each Director shall have the power to exercise one (1) vote on all matters to be decided by resolution of the Board. The affirmative vote of a majority of a quorum of Directors shall constitute a duly authorized action of the Board unless a greater number of votes is required by law, the Articles of Incorporation or these Bylaws.
- 2.3.9. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken by written action signed, or consented to by authenticated electronic communication, by the number of directors that would be required to take the same action at a meeting of the Board of Directors at which all directors were present; provided that all directors must be notified of the text of the written action before it is signed by any of the directors. The written action shall be effective when signed by the required number of directors, unless a different effective time is provided in the written action, and all directors shall be notified immediately of its text and effective date. Failure to provide the notice shall not invalidate the written action.
- 2.4. Committees of the Board. The Board may, by resolution passed by a majority of the Board, designate, define the authority of, set the number and determine the identity of individuals to serve on one or more committees.
- 2.4.1. Committee Members. Committee members need not be Directors on the Board. Directors may be committee members, provided that no committee shall have half or more of Directors as committee members. The Board shall be permitted to remove or replace committee members, or to appoint or designate alternate committee members. All committee meetings shall be open for attendance by all Directors, who may not participate as a voting committee member unless so appointed.
- 2.4.2. Authority. The Board may, but need not, provide any committee with the authority of the Board in the management of the business of the Corporation. The Board must set forth in the resolution the authority provided to the committee, if any. If no authority is so provided, it shall have none. No committee shall be granted any powers or authority exceeding that of the Board. Unless otherwise stated in the resolutions creating it, or in these Bylaws, committee actions shall be taken only upon the affirmative vote of a majority of the committee members. Failure of a committee to reach an agreement upon any issue before it shall require referral of such issue to the entire Board.

2.4.3. Procedures. Each committee shall meet as provided by its rules or by resolution of the Board. The activities of all committees of this Corporation shall be conducted in such manner as will advance the best interest of the Corporation. Each committee shall fix its own rules of procedure and other regulations which shall be consistent with the Articles of Incorporation, these Bylaws, and the policies of the Corporation. Each committee shall keep minutes of its meetings and shall report all actions taken pursuant to the authority delegated to it to the Board as soon as practicable after such action.

2.4.4. Limitations. Committees established pursuant to this section are subject at all times to the direction and control of the Board, which may also reverse, revise, or amend any decision of the committee.

2.5. Conflicts-of-Interest. The purpose of this section is to protect the 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 might result in a possible excess benefit transaction. This section is intended to supplement but not replace any applicable state and federal laws governing conflict-of-interest applicable to nonprofit and charitable organizations or applicable to members organized as charter schools under the laws of the State of Minnesota.

2.5.1. Definitions.

- a. *Interested Person.* Any director, officer, or member of a committee with Board delegated powers, 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.

4. 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. A person who has a financial interest may have a conflict-of-interest only if the Corporation decides that a conflict-of-interest exists.

2.5.2. 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 Directors and members of committees with 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, the interested person shall leave the Board or committee meeting while the determination of a conflict-of-interest is discussed and voted upon. The remaining Directors shall decide if a conflict-of-interest exists.
- c. *Procedures for Addressing the Conflict-of-Interest.*
 1. An interested person may make a presentation at the Board or committee meeting, but after the presentation, the interested person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict-of-interest.
 2. The chairperson shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 3. After exercising due diligence, the 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.
 4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict-of-interest, the Board or committee shall determine by a majority vote of the disinterested Directors 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.

2.5.3. Violations of the Conflict-of-Interest Policy.

- a. If the Board or committee has reasonable cause to believe a committee member has failed to disclose actual or possible conflicts-of-interest, it shall inform the committee member of the basis for such belief and afford the committee 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 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.

2.5.4. Records of Proceedings. The minutes of the 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 Board's decision as to whether a conflict-of-interest in fact existed; and
- 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.

2.5.5. Compensation.

- a. A voting committee member of the Board who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that committee member's compensation.
- b. 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 committee member's compensation.

- c. No voting Director or committee member 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.

2.5.6. Annual Statements. Each Director and member of a committee with Board delegated powers shall annually sign a statement which affirms such person has received, read, and understands the conflict-of-interest section of the Bylaws, agrees to comply with the conflict-of-interest section of the Bylaws, and understands the Corporation 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 purpose.

2.5.7. Periodic Reviews.

- a. 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:
 - 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 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 incurment, impermissible private benefit, or in an excess benefit transaction.
- b. When conducting the periodic reviews, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE IV
OFFICERS

3.1. Officers. The Officers of the Corporation shall be a President, Treasurer, and Secretary. The Board may also designate such other Officers as may be necessary and appropriate for the Corporation and may delegate some or all of the duties or powers of an office to the Officers so designated.

3.1.1. Selection. The Officers of the Corporation are elected by and from the Directors at the annual meeting of the Corporation.

3.1.2. Vacancies. Vacancies in any Officer position occurring as the result of resignation, death, disqualification, or removal shall be filled for the unexpired portion of the term by appointment of a successor by the Board.

3.1.3. Term. Each Officer shall be elected in the manner set forth herein for a term that is coextensive with the Director's term on the Board.

3.2. President. The President shall:

3.2.1. Preside at meetings of the Board and of the members, when present;

3.2.2. Perform such duties and exercise such powers as are necessary or incident to the supervision and management of the business and affairs of the Corporation;

3.2.3. Sign and deliver, in the name of the Corporation, all deeds, mortgages, bonds, contracts or other instruments requiring an Officer's signature, unless limited by law or otherwise directed by the Board;

3.2.4. In the Secretary's absence, maintain records of and, when necessary, certify proceedings of the Board and the members; and

3.2.5. Have and exercise the powers and duties set forth in Minnesota Statutes, section 317A.305, subdivision 2, and as the Board may from time to time prescribe.

3.3. Treasurer. The Treasurer shall:

3.3.1. Keep accurate financial records for the Corporation;

3.3.2. Deposit all money, drafts and checks in the name of, and to the credit of, the Corporation in such banks and depositories as designated by the Board;

- 3.3.3. Take care and custody of the corporate funds and securities;
- 3.3.4. Have the power to endorse for deposit notes, checks, and drafts received by the Corporation as ordered by the Board, making proper vouchers for the deposit;
- 3.3.5. Disburse corporate funds and issue checks and drafts in the name of the Corporation, as ordered by the Board;
- 3.3.6. Upon request, provide the president and the Board an account of transactions by the treasurer and of the financial condition of the Corporation;
- 3.3.7. Have and exercise the powers and duties set forth in Minnesota Statutes, section 317A.305, subdivision 3, and as the Board or President may from time to time prescribe; and
- 3.3.8. Act as Board Chair in the absence of the President.

3.4. Secretary. The Secretary shall attend all meetings of the Board and shall maintain records of, and whenever necessary, certify all proceedings of the Board. The Secretary shall keep the records of the Corporation and when so directed by the Board or other person or persons authorized to call such meetings, shall give or cause to be given notice of meetings of the Board, shall act as Board Chair in the absence of the President and Treasurer, and shall also perform such other duties and have such other powers as the President or the Board may prescribe from time to time.

3.5. Compensation. Officers shall not receive compensation for their services as an Officer. Officers may be reimbursed for actual, necessary, and reasonable out-of-pocket expenses incurred by them in rendering services to this Corporation, as the Board determines to be consistent with the purpose and interests of the Corporation.

3.6. Removal. Any Officer of the Corporation may be removed from office with or without cause, by the member or by affirmative vote of the Board, in which vote the Officer must not participate.

ARTICLE V OPERATIONS

- 4.1. Employees and Contractors. The Corporation may employ or contract with management and administrative employees as it deems necessary. Such employees or contractors shall be selected and appointed, under the terms set forth by explicit action of the Board.
- 4.2. Compensation. The employees or contractors of the Corporation may be paid such reasonable compensation, if any, for their services rendered to the Corporation in such capacity, and may be reimbursed for reasonable out-of-pocket expenses, as the Board may determine to be directly in furtherance of the purposes and in the best interests of the Corporation.
- 4.3. Contracts. The Board may authorize any officers or agents or agents of the Corporation to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, and any such authority may be general or confined to specific instances. Unless so authorized by the Board or these Bylaws, 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 pecuniarily for any purpose or to any amount.
- 4.4. Loans and Pledges. No loans shall be contracted nor pledges or guarantees given on behalf of the Corporation unless specifically authorized by the Board.
- 4.5. Authorized Signatures. All checks, drafts, or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation shall be signed by such person or persons and in such manner as shall from time to time be determined by the Board or these Bylaws.
- 4.6. Deposits. All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board may designate and shall be disbursed under such general rules and regulations as the Board may from time to time determine.
- 4.7. Accounting and Audit. The Board shall cause to be established and maintained, in accordance with provisions of Minnesota law, in particular with the provisions of Minnesota Statutes, section 124E.13, subdivision 3(a)(4) and, to the extent not in conflict with the law, with generally accepted accounting principles applied on a consistent basis, an appropriate accounting and financial reporting system for the Corporation. The Board is required by law to and shall cause the records and books of account of the Corporation to be audited at least once each fiscal year

and at such other times as it may deem necessary or appropriate, and may retain such person or firm for such purposes as it may deem appropriate.

ARTICLE VI BOOKS OF RECORD

- 5.1. Books of Record. The Board of the Corporation shall cause to be kept records of all proceedings of Directors and committees and other such records and books of account as shall be necessary and appropriate to the conduct of corporate business.
- 5.2. Documents Kept at Registered Office. The Board shall cause to be kept at the registered office of the Corporation originals or copies of records of all proceedings of Directors and committees, all financial statements of the Corporation and Articles of Incorporation and Bylaws of the Corporation and all amendments to the Bylaws.

ARTICLE VII INDEMNIFICATION AND INSURANCE

- 6.1. Indemnification. The Corporation shall indemnify each and every individual as required under Minnesota Statutes, section 317A.521. Further, each director, officer, committee member, and employee of the Corporation, past or present, and each person who serves or may have served at the request of the Corporation as a director, officer, employee, representative, or agent, and the respective heirs, administrators, and executors of such persons, shall be indemnified by the Corporation in accordance with, and to the fullest extent permitted by state law. The Corporation shall not be obligated to indemnify any other person or entity, except to the extent such obligation shall be specifically approved by resolution of the Board. The Corporation shall have the power to advance such person's expenses incurred in defending any such proceeding to the maximum extent permitted by law. This Section is and shall be for the sole and exclusive benefit of the individuals designated herein and no individual, firm or entity shall have any rights under this Section by way of assignment, subrogation or otherwise, whether voluntarily, involuntarily or by operation of law.
- 6.2. Insurance. The Corporation may, but is not required to, purchase and maintain insurance on behalf of any person in such person's official capacity for the Corporation against any liability asserted against and incurred by such person in or arising from that capacity, whether or not the Corporation would otherwise be required to indemnify the person against the liability or whether the insurance would exceed allowed indemnification under Minnesota law.

ARTICLE VIII
STANDARD OF CARE

- 7.1. Duty of Good Faith. It is the responsibility of each officer and director of this Corporation to discharge their duties in that role in good faith, in a manner the person reasonably believes to be in the best interests of this corporation, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

ARTICLE IX
MISCELLANEOUS

- 8.1. Seal. The Corporation shall have no seal.
- 8.2. Gender and Plural References. All references herein to the masculine shall include the feminine and neuter, and vice versa. Where appropriate, all references to the singular shall include the plural, and vice versa.
- 8.3. Amendments. Except as limited by the Articles of Incorporation, these Bylaws may be altered or amended by the Board at any meeting of the Board to the full extent permitted by law, subject, however, to the power of the member of the Corporation to alter or repeal these Bylaws.
- 8.4. Waiver of Notice. Whenever any notice is required to be given by these Bylaws or any of the corporate laws of the State of Minnesota, such notice may be waived in writing signed by the person or persons entitled to such whether before, at, or after the time stated therein or before, at, or after the meeting.
- 8.5. Non-Discrimination. The Corporation does not and shall not discriminate on the basis of race, color, religion, creed, gender, gender expression, age, national origin, ancestry, disability, marital status, sexual orientation, status with regard to public assistance, or military status, in any of its activities or operations. These activities include, but are not limited to, hiring and firing of any staff, selection of volunteers and vendors, and provision of services. The Corporation is committed to providing an inclusive and welcoming facility and environment for all.

This statement is in accordance with the provisions of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Regulations of the U.S. Department of Health and Human Services issued pursuant to these statutes at Title 45 Code of Federal Regulations Parts 80, 84, and 91.

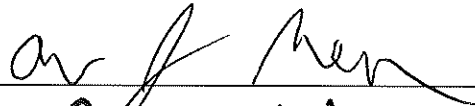
- 8.6. Applicable Law. This Corporation has been formed under and pursuant to the provisions of Chapter 317A of the Minnesota Statutes. All references in these

Bylaws to Chapter 317A shall mean and include such chapter as currently enacted or hereafter amended.

CERTIFICATE

The undersigned Directors of Nerstrand Elementary School ABC, a Minnesota nonprofit corporation, do hereby certify that the foregoing pages constitute the bylaws adopted for the Corporation.

Dated: 4/10/26

By: 

Dated: 4/10/26

By: 

Dated: 4/10/26

By: 