

# **BYLAWS OF THE FUND FOR PORTLAND PUBLIC SCHOOLS an Oregon Nonprofit Corporation**

## **ARTICLE I: DIRECTORS**

### **Section 1. Powers.**

The board of directors (the “Board” or “Directors”) shall manage the business and affairs of the Corporation and exercise or direct the exercise of all corporate powers.

### **Section 2. Number.**

The size of the Board may vary between a minimum of three and a maximum of twenty total Directors, the exact number to be fixed from time to time by resolution of the Board. The Directors shall consist of “Elected Directors” and “Ex Officio Directors,” as set forth in Sections 3 and 4 below.

### **Section 3. Elected Directors.**

- (a) Election. Elected Directors will be appointed by election of the Board, by the vote of a majority of the voting Directors then in office at the annual meeting of the Board. Additional Board positions may be established and filled at any meeting of the Board by the vote of a majority of the voting Directors then in office.
- (b) Eligibility. Elected Directors may be any individual over the age of 18, who is wholly independent from the Portland Public Schools. Eligible candidates for Elected Director positions shall be selected and recommended to the Directors then in office by the Nomination Committee, described in more detail in Article 3, Section 3 below.
- (c) Number. The number of Elected Directors is subject to change from time to time by resolution of the Board, consistent with the limitations set forth in these Bylaws. In particular, the number of Elected Directors shall always exceed the number of Ex Officio Directors.

### **Section 4. Ex Officio Directors.**

- (a) Number. The Board shall include at least one but no more than four Ex Officio Directors, who shall be voting members of the Board. The number of Ex Officio Directors shall never be equal to or exceed the number of Elected Directors.
- (b) Eligibility. The individuals holding the following Portland Public Schools positions shall serve as the four (4) ex officio Directors, subject to the number limitations set forth in Sections 3 and 4 of this Article I:
  - a. The Superintendent of Portland Public Schools;
  - b. A member of the Portland Public School’s governing board;
  - c. The Portland Public School’s Chief Financial Officer; and
  - d. The Deputy Superintendent of Policy and Operations of Portland Public Schools.

- (c) Removal Due to Improper Majority. To the extent the number of voting Ex Officio Directors becomes equal to or exceeds the number of Elected Directors then serving on the Board, and the absence of the requisite number of Elected Directors is not temporary in nature, the Superintendent of the Portland Public Schools shall select the Ex Officio Director(s) to be removed from the Board to ensure that the number of Ex Officio Directors on the Board is consistent with the limitation set forth in (a) above. If the number of Elected Directors on the Board increases so that the removed Ex Officio Director may be appointed to the Board in accordance with the limitations set forth in this Section 4, the Superintendent of the Portland Public Schools shall appoint the removed Ex Officio Director back to the Board for the remainder of that Ex Officio Director's term.

#### **Section 5. Term.**

- (a) The Board shall be divided into three groups for the purpose of staggering the Directors' terms. The members of each group shall serve three-year terms, and there shall be no limit on the number of terms which a Director may serve.

#### **Section 6. Removal.**

- (a) Generally. A Director may be removed, with or without cause, by the affirmative vote of at least two-thirds of the Directors then in office, at any meeting of the Board. The notice of any Board meeting at which a Director is to be removed shall state that the purpose or one of the purposes of the meeting is the removal of the Director or Directors involved and the reasons therefore.
- (b) Removal due to Absence. Any Director who does not attend three successive Board meetings will be removed from the Board if a majority of the Directors agree by resolution, and will be advised of any such removal in writing by the Chair of the Board, unless:
  - a. The absence(s) are excused by a majority vote of the Board in writing.
  - b. The Director requests in writing a leave of absence for a limited period of time and the leave is approved by a majority vote of the Directors. If such leave is granted, the number of Directors will be reduced by one in determining whether a quorum is present or not.
  - c. The Director suffers from an illness, injury, or disability that prevents him or her from attending meetings and the Board, by resolution, waives the automatic removal procedure.

#### **Section 7. Vacancies.**

Any vacancy occurring in the Board shall be filled by election by a majority of the Board at a special meeting called for that purpose. Any vacancy can be filled by a Director that was previously removed, if elected by a majority of the Board.

**Section 8. Resignation.**

Any Director may resign at any time by delivering written notice of resignation to the Board, the President or the Secretary. Such resignation shall be effective on receipt unless it is specified therein to be effective at a later time, and acceptance of the resignation shall not be necessary.

**Section 9. Compensation.**

Directors shall serve without compensation for their services as Directors.

**Section 10. Board Chair.**

The Board shall elect a Director to be chair by majority vote of the voting Directors then in office (the "Chair"). The Chair may not be an officer or employee of the Corporation. The Chair shall preside at all meetings of the Board and exercise and perform such other powers and duties as may be from time to time assigned to him or her by the Board or prescribed by the Bylaws. If there is no President, the Chair shall, in addition, be the chief executive officer of the corporation and shall have the powers and duties of the President as prescribed in these bylaws. The Board Chair shall serve a one-year term and is eligible for reelection by the Board.

**Section 11. Annual Meetings.**

The annual meeting of the Board shall be held at a date, time, and place determined by the Board.

**Section 12. Regular Meetings.**

The Board may from time to time establish quarterly or other regular meetings of the Board, the specific date, time, and place to be determined by the Board.

**Section 13. Special Meetings.**

Special meetings of the Board may be called by the Chair, the President, or any two Directors.

**Section 14. Notice of Meetings.**

Written notice of the annual meeting of the Board shall be given at least 30 days before the meeting. Written notice of any regular meeting shall be given at least 10 days before the meeting. Written or oral notice of a special meeting shall be given at least 48 hours before the meeting. The notice shall in each case specify the date, time, and place of the meeting. Notice shall be sufficient if actually received at the required time, or if mailed, five days after deposit in the United States mail postage prepaid; if sent by facsimile or sent electronically over the Internet, 48 hours after transmission; or if given orally, at the time of the oral communication. Mailed, facsimile, or electronically mailed notices shall be directed to the Director's address shown on the corporate records or to the Director's actual address ascertained by the person giving notice. Oral notice may be delivered in person or by telephone. Except as otherwise required by law, the articles of incorporation, or these bylaws, neither the business to be transacted at nor the purpose of any meeting of the Board need be specified in the notice.

**Section 15. Waiver of Notice.**

Whenever any notice is required to be given to any Director, a waiver thereof in writing, signed by the Director entitled to such notice, whether given before or after the event specified in the waiver, shall be deemed equivalent to the giving of such notice. Furthermore, the attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, unless 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. Whenever any notice to any Director is required, a waiver of notice in writing signed at any time by the director shall be equivalent to the giving of the notice.

**Section 16. Action Without a Meeting.**

Any action that is required or permitted to be taken by the Directors at a meeting may be taken without a meeting if a consent in writing setting forth the action is signed by all the Directors entitled to vote on the matter. The action shall be effective when the last Director signs the consent or such earlier date as is specified in the consent.

**Section 17. Quorum; Majority Vote.**

A majority of the number of voting Directors in office at the time of a meeting of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. The act of a majority of the voting Directors present at a meeting at which a quorum is present shall be the act of the Board, unless a different number is required by law, the articles of incorporation, or these bylaws. A minority of the voting Directors, in the absence of a quorum, may adjourn and reconvene any Board meeting from time to time but may not transact any business.

**Section 18. Meeting by Electronic Conference.**

The Board may hold a meeting by conference telephone or similar equipment by means of which all persons participating in the meeting can hear or read each other's communications during the meeting. Participation in such meeting will constitute presence in person at the meeting.

**ARTICLE II: OFFICERS****Section 1. Designation of Officers and Terms.**

The Corporation shall have the following officers elected at the Board's Annual Meeting: a President, a Secretary, and a Treasurer. The Board may, but need not elect, a Vice Chair, Vice Chairs, or a Treasurer. One person may occupy more than one office, except a person may not at the same time be both the President and Secretary.

**Section 2. Additional Officers.**

The Board may also, from time to time, designate and elect such other officers, as it deems appropriate, to serve at the pleasure of the Board, such as Assistant Secretaries and Assistant Treasurers, who need not be Directors and who may be compensated.

**Section 3. Functions of Officers:**

- (a) President. The President shall report to and be subject to the direction of the Board. The President shall have the responsibility of ensuring that the policies of

the Board are carried out by the staff and those with whom the Corporation has contracted, and shall perform all other duties customary to the office of the President or Executive Director, or as assigned by the Board.

- (b) Vice Chair. If a Vice Chair is elected, in the absence of, or in the event of the death or inability of the Chair to act, the Vice Chair (in the event there are more than one Vice Chair, then the Vice Chairs in the order of their seniority on the Board) shall perform the duties of Chair. In addition, the Vice Chair(s) shall perform all other duties customary to the office or as the Board shall assign.
- (c) Secretary. The Secretary shall see that true and correct minutes of all meetings of the Board are taken and kept. To the extent that members of the staff undertake the initial taking of minutes, the Secretary shall personally review and correct all drafts of minutes before they are submitted for approval by the appropriate body. The Secretary shall also insure that timely notices for all meetings of the Board are sent out and shall perform all other duties customary to the office.
- (d) Treasurer. The Treasurer shall perform the duties customary to the office or as the Board shall assign.

#### **Section 4. Removal of Officers.**

Each officer shall hold office at the pleasure of the Board and may be removed, with or without cause, by the Board, present and voting at any meeting of the Board.

#### **Section 5. Vacancies.**

Vacancies in offices occur on the death, resignation, disqualification or removal of an officer and the Board shall fill the vacant office as quickly as possible.

### **ARTICLE III: COMMITTEES**

#### **Section 1. Generally.**

The Board shall create such committees comprised of Directors as, from time to time, it deems appropriate, and all such committees shall have such powers as the Board grants, but in no event may any committee have the power or authority to (a) amend, alter, or repeal these Bylaws or the Articles of Incorporation, (b) elect, appoint, or remove any Director or officer, or committee member, or (c) approve the Corporation's dissolution or merger, or any sale, lease, pledge, or transfer of all or substantially all of the Corporation's assets other than in the usual and regular course of the Corporation's business. The designation and appointment of any committees and the delegation thereto of authority shall not operate to relieve the Board or any individual Director of any responsibility imposed by law. The Board shall have the power at any time to fill vacancies in, to change the size or membership of, and to discharge any committee. The President shall serve as a non-voting ex officio member of all committees of the Corporation.

#### **Section 2. Audit Committee.**

- (a) Composition. At all times when this Corporation is required by applicable law to have an independent audit, or at any time the Corporation voluntarily chooses to do so, the Corporation shall have an audit committee consisting of at least three Directors and that may include non-Director, non-voting, advisors ("Audit Committee"). Directors who are employees of the Corporation or who

directly or indirectly receive any consulting, advisory, or other compensatory fees from the Corporation may not serve on the Audit Committee. The Audit Committee may not include any employee or officer of the Corporation or Portland Public Schools or any person who has a material financial interest in any entity doing business with the corporation.

- (b) Activities of Committee. The Audit Committee shall recommend to the Board the retention and termination of the Corporation's independent auditor; negotiate the independent auditor's compensation and the proposed terms of its engagement; serve as a channel of communication between the independent auditors and the Board; review and determine whether to accept the audit; receive and review the independent auditor's annual management letter; confer with the independent auditor to satisfy the committee members that the financial affairs of the Corporation are in order; approve in writing performance of any non-audit services to be provided by the auditing firm; review the Corporation's annual financial statements; consider, in consultation with the independent auditor and the internal auditor, the adequacy of the Corporation's internal financial controls; consider major changes regarding the appropriate auditing and accounting principles and practices to be followed when preparing the Corporation's financial statements; review the procedures employed by the Corporation in preparing published financial statements and related management summaries; report at least annually to the Board of Directors regarding the Corporation's major financial risk exposures.

### **Section 3. Advisory Committees.**

The Board may establish one or more Advisory Committees to the Board. The members of any Advisory Committee may consist of Directors or non-Directors, with a minimum of at least three members to any Advisory Committee. The Superintendent of Portland School District, in his or her role as an Ex Officio Director of the Corporation, shall be one member of all Advisory Committees, but, in no event shall Ex Officio Directors of the Board hold a majority of member positions on any Advisory Committee. Advisory Committees may not exercise the authority of the Board to make decisions on behalf of the Corporation but shall be limited to making recommendations to the Board or the Board's authorized representatives and to implementing the Board of Directors' decisions and policies. Advisory Committees shall be subject to the supervision and control of the Board, and may include without limitation:

- (a) Nomination Committee. Consistent with this Section 3, the Board will establish a "Nomination Committee," which shall be responsible for selecting and performing due diligence on individual candidates for Elected Directors. All candidates must be eligible for the role of Elected Director, and the Nomination Committee shall recommend the selected candidates to the Board for election, as described in further detail above in Article I, Section 3 of these Bylaws.
- (b) Parent Leadership Council. Consistent with this Section 3, the Board will establish a "Parent Leadership Council" committee, which shall be responsible for making recommendations to the Board regarding the Corporation's administrative management of the local schools foundations. The Board shall select members of the Parent Leadership Council to include individuals who

volunteer to play a leadership role in the Corporation's administrative management and oversight of local schools foundations.

## **ARTICLE IV: EXEMPT ACTIVITIES**

Notwithstanding any other provision of these Bylaws, no director, officer, or representative of this Corporation is authorized to take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization (a) exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and regulations thereunder as they now exist or as they may hereafter be amended ("Code"), or by an organization contributions to which are deductible under Code Sections 170(c)(2), 2055 (a)(2), and 2522(a)(2).

## **ARTICLE V: CONTRACTS, CHECKS, DEPOSITS, ANNUAL REPORT, AND FINANCIAL AUDIT**

### **Section 1. Contracts.**

The Board may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation; and such authority may be general or confined to specific instances.

### **Section 2. Checks, Drafts, Etc.**

All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board.

### **Section 3. Deposit.**

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as selected by the officer or officers authorized by the Board to make such selection or as the Board itself may select.

### **Section 4. Annual Report.**

Within 120 days after the end of the Corporation's fiscal year, the Treasurer shall furnish or cause to be furnished a written report to all Directors containing the following information:

- (a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenue or receipts of the Corporation, including both unrestricted and restricted funds for particular purposes, for the fiscal year;
- (d) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year;
- (e) Any transaction during the previous fiscal year involving more than \$50,000 in which the Corporation was a party and in which any Director or Officer of the Corporation has a direct or indirect financial interest, or any of a number of such

- transactions in which the same person had a direct or indirect financial interest and which transactions in the aggregate involved more than \$50,000; and
- (f) The amount and circumstances of any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any Director or Officer, unless such indemnification is consistent with the Articles of Incorporation.

For each transaction, the report must disclose the names of the interested persons involved in such transaction and state such person's relationship to the Corporation, the nature of such person's interest in the transaction and, where practicable, the value of such interest. The report shall be accompanied by a report of independent accountants or, if there is no such report, by the certificate of an authorized Officer of the Corporation that such statement was prepared without an audit from the books and records of the corporation. Such report may be furnished to the Directors by electronic transmission.

### **Section 5. Financial Audit.**

The Corporation shall obtain a financial audit for any tax year in which it receives or accrues gross revenue of \$2 million or more, excluding grant or contract income from any governmental entity for which the governmental entity requires an accounting. Any audited financial statements obtained by the Corporation, whether or not required by law, shall be made available for inspection by the Attorney General and by the general public within nine months after the close of the fiscal year to which the statements relate. For three years, such statements (1) shall be available at the Corporation's principal office during regular business hours and (2) shall be made available either by mailing a copy to any person who so requests in person or in writing, or by posting them on the corporation's website.

## **ARTICLE VI: INDEMNIFICATION AND INSURANCE**

### **Section 1. Right to Indemnification.**

This corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any action or proceeding by reason of the fact that such person is or was an Officer, Director, or agent of this corporation, or is or was serving at the request of this corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, or other enterprise, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding, to the fullest extent permitted under the Oregon Nonprofit Corporation Law.

In determining whether indemnification is available to the Director, Officer, or agent of this corporation under Oregon law, the determination as to whether the applicable standard of conduct set forth in ORS 65.357 has been met shall be made by a majority vote of a quorum of Directors who are not parties to the proceeding. If the number of Directors who are not parties to the proceeding is less than two thirds of the total number of Directors seated at the time the determination is to be made, the determination as to whether the



applicable standard of conduct has been met shall be made by the court in which the proceeding is or was pending.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled and shall continue as to a person who has ceased to be an agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

**Section 2. Insurance.**

This corporation shall have the power and shall use its best efforts to purchase and maintain insurance on behalf of any Director, Officer, or agent of the corporation, against any liability asserted against or incurred by the Director, Officer, or agent in any such capacity or arising out of the Director's, Officer's, or agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under Section 8.1 of these Bylaws, provided, however, that the corporation shall have no power to purchase and maintain such insurance to indemnify any Director, Officer, or agent of the corporation for any self-dealing transaction, as described in ORS 65.361.

**ARTICLE VII: GENERAL PROVISIONS**

**Section 1. Amendment of Bylaws.**

Except as otherwise provided by law, the Board may amend or repeal these bylaws, or adopt new bylaws, upon the unanimous vote of the Directors then in office at any meeting of the Board; provided that the notice of the meeting indicates that amendment or repeal of these Bylaws or adopting new or restated bylaws will be considered at the meeting.

**ARTICLE XVI: EFFECTIVE DATE AND ADOPTION**

The effective date and date of adoption of the foregoing bylaws is June \_\_, 2019.

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Claire Hertz  
Secretary