

Bylaws of Wilmington ACE Charter Incorporated

ARTICLE I
NAME, LOCATION AND FISCAL YEAR

SECTION 1. NAME. The name of the organization shall be Wilmington ACE Charter, Incorporated

SECTION 2. LOCATION. The location of the facility shall be in New Hanover County, North Carolina. (Address of facility to be determined.)

SECTION 3. FISCAL YEAR. The fiscal year of Wilmington ACE Charter, Incorporated shall be July 1 through June 30. These bylaws shall become effective July 1, 2006.

ARTICLE II.
GOVERNING BOARD

SECTION 1. NUMBER. Wilmington ACE Charter, Incorporated, hereinwith called the Corporation shall be the governing body of Wilmington Preparatory Academy, hereinwith called the Academy. The Corporation shall have a Governing Board, hereinwith called "Governing Board" or "Board", consisting of no fewer than 5 and no more than 11 members including two (2) Academy staff members serving in a non-voting "ex officio" capacity. The Founding Governing Board Members are established with the chartering of the Academy. As vacancies develop new Trustees will be elected.

SECTION 2. TERM. Each member of the Governing Board shall serve for a period of 3 years and until his or her successor is elected. During the first year of operation of the Academy, terms of Board Members shall be staggered, depending on the number of members. Board Members may serve a maximum of 2 consecutive terms.

SECTION 3. VACANCIES. Vacancies on the Governing Board shall exist at any time that there are fewer than 7 Members *or* (1) on the death, resignation or removal of any director, (2) when term of a current Board Member is up and the Member elects not to renew his/her term; or (3) whenever the authorized number of directors is increased. Upon such a vacancy, the Governing Board will solicit letters of applications from members of the public interested in serving on the Governing Board. Vacancies on the Board may be filled by majority vote of the Governing Board, regardless of whether the number of Board Members remaining constitutes a quorum. Efforts shall be made to recruit Board Members from diverse segments of the community.

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SECTION 4. GENERAL POWERS AND DUTIES. The property, business, and affairs of the Corporation shall be managed by the Board. Without limiting the generality of the foregoing, the Governing Board may exercise all such powers of the Corporation as are provided by State and Federal law and these Bylaws. The Governing Board will assign duties and responsibilities to its members at its initial meeting. If necessary, these duties and responsibilities may be reassigned at any time at the direction of the Board.

SECTION 5. COMPENSATION. Members of the Board shall receive no compensation for their services as members of the Governing Board. Approved school-related reimbursements may be made with appropriate documentation.

SECTION 6. RESIGNATIONS AND REMOVAL. Any Board Member may resign at any time by giving written notice to the President or Secretary of the Governing Board. Such resignation shall take effect at the time specified therein; and, unless otherwise stated therein, the acceptance of such resignation shall not be necessary to make it effective. Any Member of the Board may be removed at any time by an affirmative vote of a majority of the remaining Board Members whenever, in their judgment, the best interests of the Corporation are served by the removal.

SECTION 7. ATTENDANCE. Attendance at Governing Board meetings is mandatory. Missing two meetings in a row without prior Board notification is grounds for immediate dismissal from the Board.

SECTION 8. PROCEDURAL GUIDELINES. The Board shall govern by majority vote except where otherwise noted in these Bylaws.

SECTION 9. BOARD MEMBER CONFLICTS OF INTEREST. Public office is a trust created in the interest of the common good and for the benefit of the people. It is the intent of this Bylaw to maintain public confidence and prevent the use of public office for private gain. In order to avoid conflicts of interest, it is the policy of the Board not to employ voting Board Members or engage in any action that would result in economic gain for an individual Board Member. Board Members shall notify the Board of any potential conflict of interest prior to the time set for discussion on any such transaction. The written disclosures will be attached to the minutes of the meeting in which Board action occurred related to the matter disclosed.

ARTICLE III. MEETINGS OF THE GOVERNING BOARD

SECTION 1. MEETINGS. The Governing Board will meet at least once a month to discuss Academy operations and to hear reports and updates from Board Members, committees, and management; to consider and to adopt or

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change policy. Meetings shall include representation from the management and/or staff of the school.

SECTION 2. NOTICES. Wilmington ACE Charter, Incorporated shall comply with the provisions of the NC Open Meetings Law (State Board of Education Policy: EEO-U-006II D). Notice will be posted of any meetings of the Academy's Governing Board at which time adoption of any proposed policy, position, resolution, rule, regulation, or formal action occurs or at which a majority or quorum of the Board is or is expected to be in attendance. These meetings will be regularly scheduled and the dates and times will be posted twenty-four hours in advance at a location to be designated annually. The posting of such notice shall be one means of providing full and timely notice to the public of such meetings and the location for the posting of the notice shall continue in effect until changed by subsequent official action by the Governing Board.

SECTION 3. QUORUM. For the purpose of transacting business at meetings of the Board, a quorum shall consist of a majority of the members in office immediately before the meeting begins.

SECTION 4. EXECUTIVE SESSIONS. All regular and special meetings of the Governing Board shall be open to the public, except that, upon a vote of a majority of the members present, an executive session may be held to discuss any one or more of the following: (1) attorney-client matters; (2) matters subject to negotiations, and (3) personnel matters. The motion requesting the executive session shall state the nature of the matter to be discussed. Only those persons invited by the Board may be present during the executive session. The Board shall not make final policy decisions, nor shall any resolution, rule, regulation, or formal action or any action approving a contract or calling for the payment of money be adopted or approved at any session that is closed to the general public. Matters discussed during executive sessions shall remain confidential among those attending. The Secretary of the Governing Board shall maintain minutes of all executive sessions.

ARTICLE IV.
OFFICERS OF THE GOVERNING BOARD

SECTION 1. OFFICERS. The Officers of the Governing Board shall consist of President, Vice President, Secretary and Treasurer. The duties of Secretary and Treasurer may be combined into one office.

SECTION 2. ELECTION AND TERM. Officers shall be appointed annually by the Governing Board. Each officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

SECTION 3. VACANCIES. Any vacancy among the officers shall be filled by the Governing Board. An officer appointed to fill a vacancy shall serve for the unexpired term of his or her predecessor in office.

SECTION 4. DUTIES OF PRESIDENT. The President shall be the executive officer of the Corporation. He or she shall, in general, supervise and control all of the business and affairs of the Corporation, and shall see that all orders and resolutions of the Governing Board are carried into effect. He or she shall preside at all meetings of the Governing Board. The President shall execute contracts, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Governing Board to some other Officer or agent of the Corporation. In general, the President shall perform all duties and may exercise all rights as are incident to the Office of President of the Governing Board and such other duties as may be proscribed by the Governing Board or these Bylaws.

SECTION 5. DUTIES OF VICE PRESIDENT. The Vice-President shall have all the powers and perform all the duties of the President in the absence or disability of the President. The Vice-President shall perform such other duties as from time-to-time may be assigned to him or her by the President or by the Governing Board.

SECTION 6. DUTIES OF THE SECRETARY. The Secretary shall keep full minutes of all meetings of the Governing Board. The Secretary shall attend the meetings of the Governing Board and shall act as clerk thereof and record all the acts and votes and the minutes of all proceedings in one or more books to be kept for that purpose. The Secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law and shall perform such other duties as may be assigned by the President or by the Governing Board.

SECTION 7. DUTIES OF THE TREASURER. The Treasurer shall provide financial oversight for the operations of the Academy and/or monitor the services rendered by a financial management vendor and perform such other duties as from time to time may be assigned to him/her by the President or by the Governing Board. The Treasurer shall offer guidance in the preparation of the annual budget.

SECTION 8. RESIGNATIONS AND REMOVAL. Any Officer may resign by giving thirty days advance written notice to the President or Secretary of the Governing Board. Such resignation shall take effect at the time specified therein; and, unless otherwise stated therein, the acceptance of such resignation shall not be necessary to make it effective. Any Officer may be removed at any time by an affirmative vote of a majority of Board Members, whenever, in their judgment, the best interests of the Academy are served by the removal.

ARTICLE V.
CONTRACTS AND GRANTS

SECTION 1. CONTRACTS. The Governing Board may authorize any member or members of the Board to execute and to deliver any contract in the name of and on behalf of the Academy or Corporation. Such authority may be general or confined to specific instances or transactions, and may be revoked by a majority vote of the Governing Board.

SECTION 2. GRANTS. The Board or any member of the Board may accept on behalf of the Academy or Corporation any contribution, gift, grant, bequest or device for the general purpose or for any special purpose of the Academy.

ARTICLE VI.
BOOKS AND RECORDS

The Academy shall keep correct records and shall also keep minutes of the proceedings of its Governing Board and Committees, and shall keep at its principal office a record giving the names and addresses of the Governing Board and operating Committees. All records of the Corporation and Academy are considered public documents and may be inspected at any reasonable time. However, student and personnel records and any other records protected under privacy laws are excluded.

ARTICLE VI.
PROCEDURE TO AMEND THE BYLAWS

The Bylaws may be amended, altered or repealed and new Bylaws adopted upon the affirmative vote of the majority of the Governing Board.

APPROVED by Wilmington ACE Charter, Incorporated Board of Directors,
January 24, 2006.