

OREGON EPISCOPAL SCHOOL
AMENDED AND RESTATED BYLAWS

Adopted _June 9, 2007_, by Board of Trustees
Approved __ pending_____, by Diocesan Council

AMENDED AND RESTATED BYLAWS

OF

OREGON EPISCOPAL SCHOOL

SECTION I

PURPOSE AND SCOPE

This corporation was organized and exists under the laws of the state of Oregon relating to nonprofit corporations for the purpose of operating primary and secondary schools ("divisions") and offering the students in its divisions a superior education in a Christian atmosphere. It is an institution in and of The Diocese of Oregon ("Diocese") and is subject to the jurisdiction and control of the Diocesan Convention.

The corporation admits students of any race, color, religious belief, national origin and ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students in its divisions. The corporation does not discriminate on the basis of gender, race, color, religious belief, national origin or ethnic origin in the administration of its educational policies, admission policies, scholarship or loan programs, or athletic or other programs.

SECTION II

BOARD OF TRUSTEES

A. General Powers. The affairs of the corporation shall be managed by its Board of Trustees ("Board").

B. Number. The number of Trustees shall not be less than 15 nor more than 25.

C. Duties. The duties of Trustees include regular attendance at meetings, participation in development, committee work, and such other duties as may from time to time be specified by the Governance Committee.

D. Selection and Term of Office. The Bishop of the Diocese ("Bishop") and the Rector of the Parish Church of St. John the Baptist shall serve as ex-officio voting Trustees. The Diocesan Convention elects nine Episcopal Trustees. Nominees shall be selected by the Governance Committee, which shall consider any suggestions from the Religious & Spiritual Life Committee and the Diocesan Nominating Committee. At least one person shall be nominated for each position, and nominations may be made from the floor. The Bishop appoints not less than four nor more than 14 Trustees who need not be Episcopalians. All Trustees shall serve three-year terms and may not serve more than two consecutive terms, excluding any initial abbreviated term served pursuant to paragraph G of this Section II; provided, however, that any former Trustee (including a former Trustee who served two consecutive terms) may be elected or appointed to an additional term or an additional two consecutive terms after a break in service of at least one year; provided further that a Trustee serving or elected to serve as President may remain as a Trustee while completing the term of that office and any additional terms of that office to which he or she is elected under paragraph B of Section III and, if having completed his or her second three year term, may remain as an ex-officio non-voting Trustee for one additional year as a member of the Executive and Governance Committees as Past President after completion of his or her final term as President; provided further that a Trustee serving or elected to serve in any other office may remain as a Trustee while completing the term of that office and any additional terms of that

office or any other office to which he or she is elected under paragraph B of Section III up to but not beyond a maximum of nine consecutive years of Board service; and provided further that up to three of the Trustees appointed by the Bishop may be reappointed by the Bishop to any number of consecutive terms (without limitation) for reasons including, but not limited to, a Trustee's wisdom and his or her understanding of the corporation and its history.

E. Resignation. A Trustee may resign at any time, by providing notice in writing of the resignation notice to the President or Secretary of the Board. The resignation of the Trustee shall be confirmed in writing by the President of the Board by sending a letter to the trustee. A resignation shall take effect at the time designated, and, unless otherwise specified, the acceptance of a resignation shall not be necessary to make it effective.

F. Removal. A Trustee may be removed, with or without cause, by the Bishop.

G. Vacancies. In the event of a resignation, removal, death, or disability of any Trustee, the Bishop, upon receiving a nomination from the Board, shall appoint a successor to fill the vacancy. The successor shall be appointed for the unexpired portion of the term of his or her predecessor.

H. Advisors. The following persons, by virtue of the positions which they hold, shall be Advisors to the Board for as long as they hold their respective positions, shall be entitled to attend all meetings of the Board except when the Board sits in executive session, and shall be entitled to a voice but no vote at Board meetings:

- (1) the Head of School;
- (2) the chair of Volunteers Common Link;
- (3) the President of the Alumni Association; and

(4) the chair or co-chairs of the Endowment Investment Committee.

The Bishop may appoint such other persons, including faculty and staff, as nonvoting Advisors, to serve at the pleasure of the Bishop, as are nominated by the President and as the Bishop deems appropriate and helpful to the proper discharge of the duties of the Board.

I. Regular Meetings. A regular meeting of the Board shall be held at least five times each year with the time and place to be designated by the Executive Committee.

The June meeting shall be the annual meeting.

J. Special Meetings. Special meetings of the Board shall be held upon the call of the President of the Board, the Executive Committee, or any three Trustees, upon notice given in accordance with the following paragraph K.

K. Notice of Meeting. Notice of the time and place of each regular meeting shall be given at least fourteen days prior thereto in writing, and shall be delivered personally, mailed, or electronically relayed to each Trustee and each Advisor. Notice of the time, place, and purpose of each special meeting shall be given personally by telephone, email, or in writing. In the case of telephone notice, 24 hours shall be allowed. Written notice shall be deemed to be delivered when deposited in the United States mail with postage thereon prepaid at least five delivery days prior to the meeting. The attendance of a Trustee at a meeting shall constitute a waiver of notice of the meeting, except where a Trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

L. Quorum. A quorum shall consist of two thirds of the voting Trustees. A simple majority of those present shall be required to approve an action.

SECTION III

OFFICERS

A. Officers Enumerated. The officers of the Board shall be voting Trustees and shall include a Chair (who shall always be the Bishop), a President, one or two Vice Presidents, a Secretary, and a Treasurer.

B. Election and Term. Except as hereinafter provided with respect to the President, the officers (other than the Chair) shall be elected annually by the Board at its annual meeting in June. Each elected officer, with the exception of the President, shall be elected to an initial two-year term and may be elected to additional one-year terms as hereinafter provided, shall hold office until June 30 of the following year. The President may be reelected to two (but no more than two) one-year terms as President after completion of his or her initial two-year term. No other officer may be elected to the same office for more than three consecutive one-year terms unless approved by a 2/3 vote of the Governance Committee.

C. Resignation. An officer (other than the Chair) may resign at any time by providing written notice to the President or the Secretary of the Board. The resignation of the trustee shall be confirmed in writing by the President or the Board by sending a letter to the Trustee. A resignation shall take effect at the time designated; and, unless otherwise specified, the acceptance of a resignation shall not be necessary to make it effective.

D. Removal. A Trustee (other than the Chair) may be removed as an officer by a majority vote of all the Trustees whenever in their judgment the best interests of the corporation would be served thereby.

E. Vacancies. In the event of a resignation, removal, death, or disability of any officer (other than the Chair), the Board shall elect a successor to fill the vacancy. The successor shall be elected for the unexpired portion of the term of his or her predecessor.

F. Chair. The Chair, at his or her discretion, shall be privileged to preside at any regular or special meeting of the Board, at any meeting of the Executive Committee, and at any meeting of any other committee of the Board.

G. President. The President shall preside at all regular and special meetings of the Board, unless the Chair shall have exercised his or her privilege to preside. Otherwise, the duties and functions of the President shall be those ordinarily incident to that office.

H. Vice Presidents. The Vice President (or, if there shall be two Vice Presidents, the First Vice President or Second Vice President in that order of priority) shall preside at regular and special meetings of the Board in the absence of the Chair and the President, and shall generally act in the absence of the President. The Vice President or Vice Presidents also shall exercise such other duties and functions as may from time to time be prescribed by the President or the Board.

I. Secretary. The Secretary or his or her designee shall perform such duties as may be designated by the President, shall keep minutes of all meetings of the Board, and ensure circulation of such minutes among all Trustees and Advisors, and posting of such minutes in designated areas in each division of the school, and/or on the website, shall have custody of the corporate seal and minute book of the corporation, and shall generally exercise the duties and functions ordinarily incident to the office of Secretary.

J. Treasurer. The Treasurer shall be charged with overseeing the maintenance of the financial and accounting records of the corporation, shall be responsible for the proper disposition of its funds, and shall generally exercise the duties and functions ordinarily incident to the office of Treasurer.

K. President – Elect. The Governance Committee shall, by January of the year in which the term of the current President is due to expire, identify and confirm acceptance of the Trustee proposed to be nominated to assume the role of President on July 1 of that year. The nomination of the president elect shall be presented by the Governance Committee to the Board for election at the January meeting. This Trustee may either be the existing President, if he or she is asked to continue for an additional one year term as allowed under section B of this section, or be a current Trustee who is being solicited to stand for election in June of the current year to commence a two year term of office.

SECTION IV

COMMITTEES

A. Formation and Procedures. The Board shall have ten standing committees as follows: Executive, Governance, Finance, Advancement, Building & Grounds, Diversity & Outreach, Endowment Investment, Audit, Religious & Spiritual Life, and Mt. Hood Climb Observance. The Board also shall have such additional standing committees as the Board deems appropriate and helpful to the proper discharge of its duties and such ad hoc committees as the President deems appropriate and helpful to the proper discharge of the Board's duties. The duties of the above-named standing committees shall be as hereinafter provided, subject to such expansion and limitation as may be imposed by resolution of the Board. The duties of any additional standing committees shall be as

provided by resolution of the Board. The duties of ad hoc committees shall be as prescribed by the President. Except as hereinafter provided, the members of committees shall be designated by the President and may include faculty, staff, and other persons who are not Trustees, all of whom have the right to vote. Except as hereinafter provided, the chair or co-chairs of each committee shall be a Trustee or Trustees designated by the President. Notwithstanding anything herein to the contrary, the Bishop and the President shall be ex-officio members of each committee. Members of each committee shall meet at the call of the chair or a co-chair at such place as he or she shall designate after reasonable notice has been given to each committee member. Each committee shall submit an annual report of its activities and shall keep minutes, which shall be available to the Trustees, the Advisors, and such other persons as the Board may prescribe.

B. Executive Committee. The Executive Committee shall consist of the officers, the immediate Past President, the President Elect (if any), and such other Trustees as may be designated by the President. The Executive Committee shall discharge the duties of the Board during intervals between Board meetings, subject to such limitations as may be imposed by resolution of the Board; provided, however, that the Executive Committee may not authorize the distribution of any assets of the corporation, authorize or revoke the voluntary dissolution of the corporation, adopt a plan of merger with another corporation, authorize the sale, pledge, or transfer of all or substantially all of the corporation's assets, elect, appoint, or remove Trustees or fill vacancies on the Board, or adopt, amend, or repeal the articles of incorporation of the corporation or these bylaws. The Executive Committee shall assume responsibility for the strategic planning functions of the Board.

C. Governance Committee. The Governance Committee shall consist of the Chair, the President, the immediate Past President, the President Elect (if any), the Head of School, and such other Trustees, Past Presidents, and other former Trustees as may be designated by the President. The purpose of the Governance Committee shall be to ensure that the corporation is governed wisely and in accordance with the corporation's mission, articles of incorporation, and bylaws by qualified individuals who are able to provide effective and efficient leadership. The Governance Committee shall identify and nominate prospective Trustees for appointment by the Bishop or election by the Diocesan Convention, and shall propose a slate of officers to the Board annually, using selection criteria reflecting both the immediate and long-term needs of the corporation. The Governance Committee shall also have such duties in connection with Board self-evaluations as may be prescribed by the President.

D. Finance Committee. The Finance Committee shall consist of the Treasurer, the Chief Financial Officer, and such other persons as may be designated by the President. The Finance Committee shall review and make recommendations to the Board regarding the annual budget, the investments of the corporation other than those managed by the Endowment Investment Committee, and other aspects of the financial administration of the corporation.

E. Advancement Committee. The Advancement Committee shall consist of the Director of Advancement, or designee of the Head of School and such other persons as may be designated by the President. The Advancement Committee shall advise the Board and staff on all matters relating to fundraising, enrollment management, marketing,

admissions, alumni relations, public relations, communications, and any other activities advancing the mission of the School.

F. Diversity and Outreach Committee. The Diversity and Outreach Committee shall consist of trustees as designated by the President, representative(s) from the All School Service Learning Committee, the Residential Life Program, St. John the Baptist Episcopal Church, Admissions, faculty, staff, the Chair of AASK, the Chair of the Parent Diversity Committee, and other appointed individuals designated by the President. The Diversity and Outreach Committee is charged with providing oversight to the administration's implementation of policies and actions supportive of the School's *Philosophy on Diversity and Vision for Diversity*, being guided by the *Expectations for Implementation and Evaluation*. The Diversity and Outreach Committee shall also provide coordinated leadership to the School's outreach programs, including AASK and Service Learning, as well as other like activities as may be developed by or assigned to this committee.

G. Endowment Investment Committee. The Endowment Investment Committee shall have at least seven and no more than nine voting members, who shall serve staggered three-year terms and may serve three consecutive terms, not counting any initial abbreviated term. Upon the expiration of the third consecutive three-year term of any voting member, he or she shall not be eligible for appointment to a new term until the expiration of a period of one year. Two of the voting members shall be the President of the Board and the Chair of the Finance Committee. Other voting members shall be appointed by the President subject to Board approval, and may be removed by the President subject to Board approval, but a majority of the voting members shall be

persons who are not Trustees. Persons who are nonvoting Advisors to the Board (under paragraph H of Section II) shall not be deemed Trustees for purposes of the preceding sentence. The Head of School and the Chief Financial Officer shall be nonvoting ex-officio members of the Endowment Investment Committee. The chair or co-chairs of the Endowment Investment Committee shall be a voting member or members nominated by the President and appointed by the Chair. The Endowment Investment Committee shall be responsible for the management of the endowment of the corporation (including donor-restricted endowment funds and Board-restricted endowment funds) in accordance with guidelines approved by the Board. The Endowment Investment Committee shall select investment consultants, investment managers, and custodians, subject to Board approval and shall make recommendations regarding endowment payout policy in consultation with the Finance Committee.

H. Building and Grounds Committee. The Building and Grounds Committee is charged with the functional oversight of the OES buildings and grounds and is the decision making body regarding additions, improvements, removals, relocations, or other changes to the landscape as well as the maintenance of all OES property, buildings and equipment. The Building and Grounds Committee shall include a member designated by the St. John's Parish.

I. Audit Committee. The primary function of the Audit Committee is to assist the Board of trustees in fulfilling its fiduciary responsibilities by overseeing the financial reporting of Oregon Episcopal School (OES) and protecting the assets of OES. The Audit Committee's general duties are to assist Board oversight of: (1) the integrity of the School's financial statements; (2) the School's compliance with legal regulatory

requirements; (3) the independent auditor's qualifications; (4) the performance of the School's internal audit function and independent auditors; and (5) the school's major business and operational risks. This committee shall have the authority and fulfill the responsibilities as specified in the Audit Committee's Charter incorporated by reference herein. The Chair of the Audit Committee shall be appointed by the President with the approval of the Board's Executive Committee and shall be annually elected by the full Board, and shall serve no more than three consecutive one-year terms unless approved by a 2/3 vote of the Board upon the recommendation of the Governance Committee. The members of the Audit Committee, in addition to the Trustee Chair, shall be comprised of two additional members, at least one of whom shall be another Trustee, appointed by the President, none of whom, including the Chair, shall be appointed to serve on the Finance Committee, and each of whom shall have been deemed by the Executive Committee to be 'financially literate' and independent of OES management.

The Audit Committee shall meet at least four times annually, with the CFO of OES and the independent auditor attending one meeting annually to review and approve the School's annual financial statement.

J. Mt. Hood Climb Observance Committee. The committee shall ensure the institutional memory is preserved and shall ensure sensitivity and respect for the individuals and events of May 1986, which has shaped our School's history. More specifically, the committee shall be responsible for the coordination of information and shall annually review guidelines for the observance of the anniversary of the Mt. Hood Climb, communications, care of the Memorial Gardens, and annual service day. The

Chair shall have served on the committee the prior year to ensure continuity of this standing committee.

K. Religious & Spiritual Life Committee. The purposes of the Religious & Spiritual Life Committee shall be to ensure that spiritual life on campus is inclusive and meaningful for students, faculty, staff, and parents of all faiths without sacrificing the integrity of the corporation as an Episcopal institution, to promote positive relationships and communications between the corporation and the Parish Church of St. John the Baptist ("Parish"), and to coordinate long-range planning with the corporation and the Parish. The Religious & Spiritual Life Committee shall work closely with the Rector of the Parish ("Rector") and the Head of School and shall make recommendations to the Board as it deems appropriate. The Bishop shall be the chair of the Religious & Spiritual Life Committee, but may designate the Rector or another person (who may or may not be a Trustee and may or may not be a chaplain) as co-chair with authority to preside at meetings of the committee in the absence of the Bishop.

SECTION V

ADMINISTRATION

A. Academic Administration. Academic and business administration shall be in the charge of a Head of School, who shall be directly responsible to the Board. Subject to determination of basic policy by the Board, the Head of School shall have and exercise full authority and control over the academic affairs and business operations of the corporation. He or she shall have authority within the limits of annual budget approved by the Board to employ academic staff and assistants (including heads of divisions and faculty) and non-faculty personnel.

B. Business Administration. The Head of School may delegate to a Chief Financial Officer such authority with respect to the business operations of the corporation (including authority to employ other non-faculty personnel involved in the business operations of the corporation and authority to contract for and purchase supplies and services) as the Head of School shall deem necessary for the proper financial administration of the corporation. The Chief Financial Officer shall be an employee of the school and shall be directly responsible to the Head of School.

SECTION VI

CONTRACTS, CHECKS, DEPOSITS, AND GIFTS

A. Contracts. The Board may authorize any officer or officers, 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.

B. Checks, Drafts, Etc. All checks, drafts, or 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, and/or the CFO with approval by the President, and in such manner, as shall from time to time be prescribed by resolution of the Board.

C. Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board may select.

D. Gifts. The Board may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation; and any such contribution, gift, bequest, or devise in compliance with the Board's Gift Acceptance Policy.

SECTION VII

INDEMNIFICATION

A. Right to Indemnification. Pursuant to ORS 65.387 through 65.414 as currently in effect and as hereinafter amended, the corporation shall indemnify, to the fullest extent provided in the Act, any director, officer, employee or agent who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the corporation) by reason of or arising from the fact that such person is or was a director or officer of the corporation. The determination and authorization of indemnification shall be made as provided in the Act. The corporation shall not indemnify any person if such indemnification would violate Section 4958 of the Internal Revenue Code of 1986, as amended.

B. Advance for Expenses. The corporation may pay for or reimburse the reasonable expenses incurred by a director, officer, employee or agent who is a party to a proceeding in advance of final disposition of the proceeding as provided in the Act, provided that the director or officer meets the requirements set forth in ORS 65.397.

C. Insurance. At the discretion of the board of trustees, and pursuant to ORS 65.411, the corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Article.

D. Nonexclusively of Rights. The indemnification and payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in the

various sections of this Article shall be deemed to be in addition to and not in lieu of any other rights to which those indemnified may be entitled under any statute, rule of law or equity, provision of the Articles of Incorporation or Bylaws, agreement, vote of disinterested directors or otherwise.

E. Definition of Terms. The terms used in this Article shall have the same meanings given them in ORS 65.387 through 65.414, as in effect, or hereinafter amended.

SECTION VIII

LIMITATION OF LIABILITY

Uncompensated directors and officers of the corporation shall have no civil liability to the corporation or its members, except for breaches of duties of loyalty to the corporation, acts or omissions which are not in good faith or which involve intentional misconduct or knowing violations of law, unlawful distributions, transactions from which such director or officer derives an improper personal benefit in money, property or services, and any act or omission in violation of ORS 65.361 through 65.367, as in effect, or hereinafter amended.

SECTION IX

SEAL

The Board shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal - Oregon."

SECTION X

AMENDMENTS TO BYLAWS

These bylaws may be amended by a two-thirds majority vote of the Trustees present at any regular or special meeting duly called and held where a quorum as defined under paragraph L of Section II is constituted, provided the substance of the proposed amendments shall have been incorporated in the notice of the meeting. Amendments shall become effective by a two-thirds vote of the quorum present when the Bishop confirms in writing that such amendment is not of a magnitude that it must be approved by the Diocesan Convention or the Diocesan Council.