PENN CHRISTIAN ACADEMY

Bylaws of Penn Christian Academy *of Butler County, Inc.*

PREAMBLE

Penn Christian Academy has been established to support parents in their role to train and educate their children, pointing them to God, who is the source of all wisdom, knowledge and understanding. Penn Christian Academy is free to accomplish this within a Biblical worldview context by employing Christ-like staff who set the highest academic standards in a God-centered nurturing environment (Ephesians 6:4, Deuteronomy 6:1-9, Proverbs 9:10).

ARTICLE I – Name

The name of this school is Penn Christian Academy of Butler County, Inc.

ARTICLE II – Statement of Faith

WE BELIEVE the Bible is God's written revelation to man. It is composed of sixty-six books which are divinely inspired and inerrant in all their parts. The Bible is infallible and the final authoritative source for faith and conduct (Psalm 12:6; 2 Timothy 3:16; 2 Peter 1:21).

WE BELIEVE in the Genesis account of creation: that man was created directly in God's own image and after His own likeness - not by evolution; and that man was created in innocence, but voluntarily sinned. As a consequence, all men are now sinners, inclined to evil, and are under just condemnation without defense or excuse (Genesis 1:1-3:15).

WE BELIEVE there is one true and living God, eternally existent in three persons - Father, Son, and Holy Spirit, coequal, perfect in their attributes, each deserving worship and obedience. God is the Creator and sustainer of all things which He miraculously accomplished by the Word of His power in six literal days (Genesis 1-2; Exodus 31:17; Deuteronomy 6:4; Isaiah 44:24; 48:16; John 1:3; 2 Corinthians 3:18; 13:14; Colossians 1:15; Hebrews 1:2).

WE BELIEVE Jesus Christ is the second person of the Trinity who possesses all the divine attributes. He is fully God and fully man. He was conceived miraculously through the virgin birth without losing any of His divine essence. He lived a sinless life out of obedience to the Father. His incarnation was for the purpose of revealing God, redeeming men, and ruling over God's kingdom. He accomplished our redemption through His shed blood on the cross. Three days later He rose from the dead and later ascended to heaven where He sits at the

right hand of God waiting to return in great glory and power (Isaiah 7:14; John 1:14, 10:30; Acts 1:9-11; Philippians 2:5-11; Colossians 2:9; Hebrews 7:25; 1 Peter 1:18-19; Revelation 19:11-16).

WE BELIEVE in the Holy Spirit who is a divine person who regenerates sinful men and baptizes all of them into the body of Christ. He indwells, sanctifies, instructs, transforms, and empowers all believers for service (Romans 8:14-16; 1 Corinthians 2:7-14; 7:19-20; 12:13; 2 Corinthians 3:18; Titus 3:5).

WE BELIEVE in the resurrection of both the saved and the lost; they that are saved unto the resurrection of life [Heaven], and they that are lost unto the resurrection of eternal condemnation [the Lake of Fire] (John 5:28-29; Romans 8:11; Revelation 20:13-15).

WE BELIEVE in the absolute necessity of regeneration by the Holy Spirit for salvation. Due to man's depravity, he is unable to do or achieve anything that might merit salvation. Man must be justified on the single ground of faith in the shed blood of Jesus Christ. It is only because of God's grace and belief in Christ's atoning work that anyone can be saved from the penalty, power and ultimately the presence of sin (John 3:16-19; Romans 3:23-25; 5:1-11; Ephesians 2:8-9).

WE BELIEVE in the spiritual unity of all believers who have been born again through the Lord Jesus Christ and have been placed in the body of Christ, who is the Head of the Church. (Acts 5:12; Romans 8:9; 1 Corinthians 12:13; 2 Corinthians 12:12; Galatians 3:26-29; Colossians 1:18). For His creatures, God has instituted marriage as a way for men and women to enjoy companionship. Sexual intimacy is a wonderful gift of God that is only to be expressed between a man and a woman, as defined genetically, within the love and bonds of marriage. Therefore,

WE BELIEVE that any form of sexual intimacy outside of marriage is both immoral and a perversion of God's gift (Genesis 2:24-25; Leviticus 18:1-30; Proverbs 5:18; 6:32; Romans 1:26- 27; 1 Corinthians 6:18; 7:5; 1 Thessalonians 4:3-5; Hebrews 13:4).

ARTICLE III – Foundation

Section 1 – Vision

~~The vision of Penn Christian Academy is to graduate young leaders and scholars who think and act from a Christian worldview.~~The vision of Penn Christian Academy is to equip biblical worldview thinkers who serve and lead in the name of Christ.

Section 2 – Mission

The mission of Penn Christian Academy is to partner with the home and church to provide an engaging, biblically integrated educational experience and leadership culture that ensures the growth of every student.

Section 3 – Core Values

Truth – Scripture is the revealed Word of God and is taught as truth, which is then integrated into the learning experience. Students are taught:

- All truth is God's truth
- They are created in the image of God
- They must confront the issue of sin and redemption
- They can know God as revealed in Christ and made present through the Holy Spirit

Intellectual Development – The Christian mind should be the best mind, enlightened by the mind of Christ and one that integrates God's principles with academic pursuits. The goal is to develop students with a biblical worldview who are well prepared in all academic disciplines with an emphasis on:

- Accurately interpreting the Word of God
- Mastering communication skills
- Showing proficiency in mathematics and science
- Understanding history and God's role in it
- Appreciating literature and the arts
- Reasoning and thinking critically
- Finding, analyzing, evaluating, and appropriately using information

Christian Educators – The Christian school must have a governing body, administration, faculty, and staff who are committed followers of Christ, teaching and leading from a biblically integrated perspective. Those engaged with the school's governance, leadership, and teaching will:

- Model Christ in their teaching and leading
- Reflect and support the school's mission and core values
- Understand and focus on achieving the school's vision and expected outcomes
- Demonstrate a teachable mind and spirit, growing in the understanding of pedagogy and best practice

Potential in Christ – Every learning experience aims to enable students to reach their full potential in Christ. Teaching will include a focus on:

- Providing programs and services appropriate for the student
- Establishing awareness of the student's relationship and responsibility to society
- Developing students intellectually, spiritually, socially, emotionally, and physically through every curricular and co-curricular activity
- Making disciples
- Preparing for works of service
- Developing an eternal view of life

Operational Integrity – The school's day-to-day operational practices are a consistent model of integrity, efficiency, and accountability. Biblical values are consistently implemented as the school:

- Reflects the high road to policy development and accountability in board governance
- Manages people resources ethically and justly
- Manages and monitors school finances with integrity and disclosure
- Conducts straightforward and Christ-like relations with the government and its agencies
- Creates ethical, clear, and open strategies in development and marketing
- Conducts fair and consistent classroom management
- Reflects honesty, openness, and fairness in parent relations

Section 4 – Goals

1. To provide for the spiritual, physical, emotional, social and intellectual development of children.
2. To encourage the active involvement of children in the learning process.
3. To include learning experiences which: use a variety of materials, incorporate both child and teacher-initiated activities, and take place in individual, small, and large group settings.
4. To provide for the assessment of each child's developmental needs and to evaluate skills and concepts on an on-going basis.
5. To provide for manipulation of real objects, proceeding from concrete to abstract concepts.
6. To provide opportunities for each child to achieve success in learning.
7. To foster within each child the development of a positive worth in Christ and an understanding of human dignity and respect.
8. To provide opportunities for interaction with peers and adults in both a formal and informal setting.
9. To provide children with opportunities to apply Biblical principles and values in their lives and in the context of their culture.
10. To partner with the family, local churches, and community in influencing the lives of children toward a positive and productive life.

Section 5 – Purpose Clause
Penn Christian Academy of Butler County, Inc. is organized exclusively for educational and religious purposes under section 501(c)(3) of the Internal Revenue Code.

Penn Christian Academy's purposes are limited to those charitable functions that come within the meaning of Section 501(c)(3) of the Internal Revenue Code, and no substantial part of Penn Christian Academy's activities shall constitute the carrying on of propaganda or attempting to influence campaigns for elective office.

All income and earnings of Penn Christian Academy shall be used exclusively for charitable purposes.

ARTICLE IV – Philosophy of Education

The purpose of Penn Christian Academy is to disciple children to salvation in Jesus Christ while maintaining and operating a Christ-centered, challenging academic institution. The school is dedicated to and passionately believes in the "whole child" concept of educating children, that is educating a child academically, socially, emotionally, physically, and spiritually. As we move through training the whole child, the word of God will be our teaching manual and final authority to accomplish our purpose. Students will be recognized as unique individuals and challenged to embrace learning that maximizes their God-given ability levels.

Jesus commanded us in Matthew 28: 19 and 20 to "make disciples, teaching them to observe all things I have commanded you". Penn Christian Academy understands that we are in partnership with our parents and their churches to be dedicated and diligent in teaching God's word and how each child can know the will of God for their lives. We believe that God's word is clear. He has given a charge for the education of children primarily to parents. (Deuteronomy 6: 4-9, Psalm 28: 1-7, Proverbs 22: 6). Penn Christian Academy recognizes its role and is committed to serving with our parents and the church to fulfill God's charge.

Our philosophy recognizes that, while each child exists in a secular society, we have the opportunity to develop within them a biblical worldview which can successfully be applied to all areas of living within the culture. We are committed to presenting scripture as the inspired, infallible, inerrant, and authoritative written word of God. (II Timothy 3: 15-17). We expect to produce, with God's help, strong Christian leaders who are grounded in a Christian worldview and in pursuit of God's plan for their life as they come to understand their unique gifts and passions. With the foundation of truth firmly in place, each child can emerge from their educational experience at Penn Christian Academy with a Christ-centered focus that will directly impact all their relationships. They, surely, will be "salt and light" in a dark, dying world.

We will consider our Christian Education plan a success when we have integrated Biblical principles with a stellar academic experience that results in the sanctification of each child. As our students leave Penn Christian Academy, equipped to serve God and others, we visualize their influence to be far reaching. Families, communities, workplaces, churches, social and political arenas, educational forums, in essence, our whole society will be impacted by these young leaders. Our hopes hang on their giving their lives, resources, and faith away to live the way Jesus lived. It is our fervent prayer that we will be found faithful, careful, and consistent as we minister to the children God has placed in our care.

Penn Christian Academy embraces as its ultimate goal the development of mature, intelligent, and wise disciples of Jesus Christ whose lives glorify God. The greatest result we pray for is to turn "shapeable" children into mature Christian adults who live lives of Godly character and integrity for all to see.

ARTICLE V – Board of Directors, Employees, Guidelines and Structures of Board Governance

Section 1 – Qualifications and Commitment

1. Qualifications – All Board members and employees shall:
   A. Be born again Christians who know the Lord Jesus Christ as Savior and consider Him to be Lord of their life (John 3:3; 1 Peter 1:23).
   B. Accept and agree to support (without verbal or mental reservations) the Statement of Faith in Article II of these Bylaws and be committed to upholding it (1 Timothy 4:16; 2 Timothy 2:15). Further, they shall faithfully participate in a local church whose doctrine is in agreement with Article II of these Bylaws (Hebrews 10:25).
   C. Accept the school's religious conviction that the unique roles of the male and female are clearly defined in Scripture (Genesis 2:23-24; Matthew 19:4-5; Ephesians 5:22- 33) and that Scripture condemns the homosexual lifestyle (Romans 1:24-32; 1 Corinthians 6:9-20; Ephesians 5:3-5; 1 Thessalonians 4:3-8).
   D. Be at least eighteen (18) years of age and may or may not be a resident of Pennsylvania.

2. Commitment
   A. All Board members and employees shall in their life manifest by daily example the highest Christian virtues, serving as a Christian role model (1 Timothy 4:12) both on and off campus, thus educating through word, deed, example, and shared experience.
   B. All Board members shall give testimony that serving as a board member is a spiritual calling and thus it is part of God's direction for their lives (Romans 12:1-2; Ephesians 4:1-11).

C. All Board members and employees shall read, sign, and follow the Lifestyle Statement set forth in this document during their tenure as a board member or employee. In addition, Board members shall read, sign and follow the Leadership Commitment Statement set forth in this document during their tenure as a board member (1 Timothy 4:12; 2 Timothy 2:19- 22; 1 Peter 1:15-16, 2:15-17; 1 John 3:1-3):
D. All Board members shall read, sign, and follow the Leadership Commitment Statement set forth in this document, thereby pledging their faithful and selfless service on the Board:
E. All Board members shall:
    - Make attendance at all Board meetings a priority.
    - Observe appropriate confidentiality in matters regarding Penn Christian Academy.
    - Faithfully pray for the ministry of Penn Christian Academy, its faculty, staff, students, and parents.
    - Approach decisions by the Board of Penn Christian Academy with one voice.
    - Approach meetings of the Board with a spirit of cooperation, respect for perspectives that each board member brings to the Board, and submission to the organizational structure that a governance-by-policy organization requires.
    - Approach stake holders of Penn Christian Academy as Christian brothers and sisters – seeking to resolve conflicts Biblically in a way that will most effectively lead to fellowship being preserved.

Lifestyle Statement

I will abide by the following lifestyle statement:

Penn Christian Academy is a religious, nonprofit organization representing Jesus Christ throughout the local community. Penn Christian Academy requires its board members and employees to be born-again Christians, living their lives as Christian role models (Rom. 10:9-10, 1Tim. 4:12, Luke 6:40). Board members and employees will conduct themselves in a way that will not raise questions regarding their Christian testimonies. A Christian lifestyle should reflect the biblical perspective of integrity, appropriate personal and family relationships, business conduct, and moral behavior. A board member and employee is expected to demonstrate a teachable spirit, an ability to share love for others, a willingness to live contentedly under authority, and a commitment to follow the Matthew 18 principle when an issue arises with fellow board members or leadership.

The Penn Christian Academy Lifestyle statement expects board members and employees to maintain a lifestyle based on biblical standards of moral conduct. Moral misconduct that defies the criterion of a Christian role model, includes, but is not limited to, sexual intimacy outside the bonds of marriage, and homosexual behavior or any other violation of the unique roles of male and female (Rom. 1:21-27, 1 Cor. 6:9-20). Penn Christian Academy believes that biblical marriage is limited to a covenant relationship between a man and a woman.

Conduct of all board members and employees shall be above reproach while we walk in the Spirit, exhibiting the Fruit of the Spirit (Galatians 5:22-23). Consequently, as a personal standard we agree, according to the grace of God, to have lives that are characterized by an avoidance of the works of the flesh such as immorality, impurity, sensuality, idolatry, sorcery, enmities, strife, jealousy, outbursts of anger, disputes, dissensions, factions, envying, drunkenness, carousing, filthy or foolish talk, crude joking, etc. (Galatians 5:19-21; Ephesians 5:4).

Penn Christian Academy board members and employees will maintain a lifestyle based on biblical standards of conduct. Failure to do so may result in a reprimand, or, in some cases, dismissal from the Board or termination of employment. It is the goal of Penn Christian Academy that each board member and employee will have a lifestyle in which "[Christ] may have the preeminence" (Col. 1:18, NKJV).

I am an active member in an evangelical church in our community.

I have studied these statements of commitment and have prayed over them. My signature below indicates that I meet the lifestyle standards and the Christian role model expectations of this Christian school. I believe God would have me serve on the Board of Penn Christian Academy or as an employee, according to these standards.

Signature: _____ Date: _____

Leadership Commitment Statement

The following code of conduct is to be reviewed by the board annually, with each board member committing in writing to abide by such code. The board members will endeavor to hold each other accountable to such commitment in a spirit of full grace and full truth.

1. *Knowing that a vibrant, healthy relationship with Jesus Christ is essential for fruitful results, and that I have little to offer outside of Him, I will trust Him and actively nurture my relationship with Him and encourage others to do likewise.*

2. *Fundamental to effective leadership is personal humility and commitment to excellence. As a board member, I will demonstrate humility by being submissive, transparent, trusting, and teachable, and demonstrate excellence by being assertive, bold, determined and committed to the highest external standards for the school, the board, and myself.*

3. *Individual board members do not have authority. Only the board, acting as a whole, has authority. I agree that as a board member I will not make personal promises nor take any action that may compromise the board. I understand that outside the board room I am a volunteer with no authority unless granted specific authority by the board for specific purposes. I will communicate such limit of authority where helpful or necessary.*

4. *In order to more effectively fulfill my duties as an informed board member, I will take reasonable opportunity to be personally involved in school activities and get to know staff members and parents.*

5. *I will be one of the first to make a contribution to any capital funding effort that is endorsed by the Board. I recognize the influence this has on potential donors and the credibility it brings to the campaign effort.*

6. *Conduct of a board member is very important. I agree to avoid words and actions that create a negative impression on an individual, the board, or the school. In an effort to find a better way together as a board, and knowing that my perspective is useful and incomplete, I will encourage debate and differing points of view, and will do so with care and respect.*

7. *I recognize that decisions are made by a majority vote. I will respect, and even encourage, the right of other board members to express and have opinions and ideas that differ from my own. Once the board makes a decision, I will be in unity with the board, supporting such decision, and being an advocate for the position of the board.*

8. *The last stop, not the first, will be the board. I agree to follow the chain of command and the Matthew 18 principle --- and insist that others do so. While the board is eager to listen to its constituents and staff, each inquiry is to be referred to the person who can properly and expeditiously address the issue. If issues brought to my attention are a board concern, I will notify the board chair for inclusion of such items on a board meeting agenda.*

9. *I will confine my board action to policy making, strategy, planning, and appraisal, and I will help to frame policies and plans only after the board has appropriately consulted those who will be affected by them and hear and discuss facts about such actions.*

10. *It is not the board's responsibility to administer the school. I will carry out my responsibility, together with my fellow board members, to see that the school has clearly articulated purpose, strategies, and outcome objectives, is evaluated relative to achieving such, and has necessary plans to improve performance year over year.*

11. *Understanding that the board has a responsibility to promptly address individual board member or constituency issues that hinder the board's effectiveness, I will respectfully raise such issues as I am aware of them.*

12. *The board chair or specifically authorized designee will be the official spokesperson for the board.*

13. *Board meetings are for decision-making, action and votes. Board discussions should be appropriately concise and pertinent to the issue, while being collaborative.*

14. *Surprises to the board or the Head of School will be the exception. I agree to ask the board chair or the Head of School to place an item on the agenda instead of bringing it up unexpectedly at the meeting. If I, as a Board member, need more information or have questions regarding an upcoming topic, I will notify either the Head of School or the Board chair prior to the meeting.*

15. *I will support and protect school personnel in proper performance of their duties. I agree not to discuss specific school personnel in board meetings other than at times invited by the Board chair and/or Head of School.*

16. *I will hold confidential all matters pertaining to the school which, if disclosed, might needlessly injure individuals or the school. In all other matters, I will use good judgment and only disseminate information which I know to be true, which is available for public knowledge, and is helpful for those to whom I disclose such information.*

Signature _____ *Date* _____

Section 2 – General Powers and Responsibilities

The Penn Christian Academy School Board will oversee the continuing operation of this educational ministry and generally oversee the business affairs of the school in compliance with these bylaws and the policy manual. The responsibilities of the Board will include, but not be limited to: making policy; hiring, evaluating and encouraging the Head of School; appointing and inducting Board members; engaging in financial development activities; ensuring financial solvency; promoting Christian education in the community; and praying for the life and ministry of Penn Christian Academy. The school board will be self-perpetuating.

Section 3 – Number and Tenure of Board Members

1. The number of Board members shall be at least seven (7) and may be increased by application and appointment of additional members to a maximum of twelve (12). Each Board member shall serve on the board for a term of three years, unless such service is terminated by resignation or dismissal.

2. Any Board member may, if he/she chooses, serve a second successive three-year term, subject to the nomination and election process set forth in this document. Further, having served a second term on the Board, the Board member shall step down from service for at least one full year before being, again, eligible for nomination and election to the Board. The board chair's tenure, however, may be extended for one year by a unanimous vote of the entire Board of Directors.

3. Terms of service for Board members are staggered to allow for depth of experience and a natural mentoring effect upon newer members.

4. The Board shall strive to stagger the terms of service on the Board in such manner that no more than one-third (1/3) of the full Board will complete its term of service in any given academic year.

5. The Head of School shall serve as an additional non-voting Board Member providing reports, insight and council as needed. No other full-time salaried employee shall serve on the Board, but may be asked to give reports, as necessary. The Board shall not meet without the Head of School, except when discussing his/her annual performance review.

Section 4 – New Board Member Nominating Process

1. At any time throughout the year, interested or nominated parties may fill out a Board candidate application. Potential candidates may secure an application from the school office themselves or they may be sent an application by the office based on a recommendation. The Board Secretary will keep a file of potential candidates until a point in time when

a position is open. The Board Development Committee will interview candidates from among the applicants.

2. Each January the board chair shall appoint a Board Development Committee to be approved by two-thirds vote of the full board. Upon establishment of a committee, the Board Secretary shall turn over the file of potential candidates to the committee. Board members may recommend individuals as candidates at any time throughout the process. All candidates must have a completed application in place before consideration.

3. The charge of the Board Development Committee shall be to identify and conduct a preliminary evaluation of potential membership. Such evaluation will be guided by the qualifications for Board members as they are set forth in these Bylaws.

4. Between January and the Board meeting in April, the Board Development Committee will interview potential candidates. At least two committee members shall be present during the interview. The objective of the preliminary interviews will be to establish each candidate's interest in pursuing board service. While conducting the interview, the candidate must express his/her understanding and agreement to the qualifications and commitments. The Board Development Committee will move all qualifying candidates forward for the full board interview process.

5. The Board Development Committee, at its regular meeting in April, shall formally submit qualifying candidates to the whole Board. Subsequent to this meeting, and at least one week prior to the May board meeting, Board candidates shall be interviewed by at least two-thirds (2/3) of the full Board. This may be done at one or more special meetings, convened for this purpose.

Section 5 – Election of New Board Members

1. Voting to appoint nominees to the board shall take place at the regular May meeting.

2. In the event of a vacancy on the Board occurring outside of the regular timeline, a replacement member shall be interviewed using the process described herein, without regard to the dates and timetables.

3. The election of candidates to the Penn Christian Academy Board, requires the vote of at least two-thirds (2/3) of the full board to constitute a quorum.

4. A Board opening does not necessitate electing someone, if there are no clearly qualified and committed candidates.

5. It is in the best interest of Penn Christian Academy to view the nominating process as a way of helping to develop the good will of all candidates. This is accomplished by timely and personal contacts from the board chair.

Section 6 – Duties of the Board

1. Board Members shall, individually and corporately, pray faithfully for the leadership, administration, faculty, staff, parents, and children. They should also pray for the protection and atmosphere of the school as the corporation seeks to glorify God in all relationships and situations.

2. The primary function of the Board is to set policy, not to administrate the school. The daily administration is the work of the Head of School. The Head of School functions within the boundaries of the Board policies.

3. The second most significant duty of the Board is to hire and annually evaluate the Head of School. The Board does not hire or evaluate any other employee.

4. The Board shall oversee the general financial operation of the school, to include the approval of annual budgets and the initiation of annual audits or reviews. Further, all financial policies, including those that deal with delinquent accounts will emerge from the Board.

5. The Board shall have the authority to borrow money in the name of Penn Christian Academy, but all measures will be taken to operate within a balance budget. All debt for operations and capital projects will be avoided.

6. The Board's authority is corporate. Individual Board Members have authority to act only when the Board is convened in regular or special session. There shall be only one line of communication that will flow from the Board, through the Chair, to the Head of School who is charged with the responsibility for properly conveying the decisions and actions of the Board to faculty, staff, students and parents, as appropriate. All communication outside of that flow is inappropriate and unreliable.

7. The Board shall appoint a committee for the evaluation of the Head of School to be coordinated by the Vice Chair. This committee shall perform its evaluation by the end of May. A report of this evaluation will be presented to the full board in executive session for review and discussion in June.

8. The Board shall be directly involved in all capital funding efforts and annual giving campaigns. Each Board Member is expected to contribute

financially to the ministry of Penn Christian Academy to the level that they are able.

Section 7 – Officers, Election and Tenure of Officers

1. The officers of the School shall be Chair, Vice-Chair, Secretary, and Chief Financial Officer (CFO). These four officers constitute the Executive Committee of the Board.
    A. Chair: The Chair shall preside at all Penn Christian Academy Board meetings and perform such other duties as approved by the Board. The Chair shall be the Head of School's point of contact with the Board when the Board is not in session.
    B. Vice-Chair: The Vice-Chair shall perform the duties of the Chair in the latter's absence, disability or refusal to act. When so acting, the Vice-Chair shall have all powers of and be subject to all restrictions upon the Chair.
    C. Secretary: The Secretary shall record the minutes of any and all meetings of the Board. Further, the Secretary shall have custody of the Board records and shall conduct necessary correspondence and perform other duties associated with the office.
    D. Chief Financial Officer (CFO): The CFO is entrusted with the supervision of the operating funds of Penn Christian Acdemy. The CFO shall be responsible for arranging annual independent audits or reviews of all accounts. The independent accounting firm must be approved by the Board.

2. At the regular Board meeting in June, the Board shall elect officers for the following year from among its members. The term of office shall be one year with eligibility for re-election. The term of officers begins July 1. Election shall be by simple majority vote of the members present, with at least two-thirds (2/3) of the full Board voting. This paragraph does not withstand provisions contained in Section 13 of this Article.

Section 8 – Head of School

1. The Head of School is responsible to conscientiously maintain an open line of communication between the various members of the school community and the Board; conveying their concerns, ideas, or questions to the Board in a timely and forthright manner. Where there is no policy mandates, the Head of School is free to act upon the basis of his/her good judgment.

2. Individual Board members may not give directives to the Head of School or to the school's faculty or staff. Board members do not have direct authority in the school. Their authority is confined strictly to the legislative powers of their office.

Section 9 – Resignation/Dismissal of Board Members

1. After prayerful consideration, any board member may resign from office. He/She shall tender a letter of resignation to the board chair, stating the reasons for the decision. Such letter of resignation should be personally delivered or mailed to the home address of the Chair at least two weeks before the next regular Board meeting.

2. Any board member may be removed (dismissed) from the Board for conduct inconsistent with the Lifestyle and/or Leadership statement, or for excessive absence from regular and special meetings of the Board or whenever such removal (in the judgment of the Board) would be in the best interest of the school body. Removal shall require two-thirds (2/3) vote of the full Board and the term shall end immediately upon such vote.

3. In view of the serious, disciplinary nature of a Board Member's involuntary removal from office, every effort shall be made, by all parties concerned, to show Christian compassion and forbearance. Corrective measures and actions designed to promote genuine repentance and personal restoration shall be applied. Dismissal from the Board shall be a matter of "last resort." Any unpleasantness surrounding such action shall be dealt with quickly and taking into account the dignity and personal privacy of the individual in question.

Section 10 – Board Vacancies

Any vacancy on the Board, occurring for whatever reason, may be filled by appointment of the Board, with such appointment being decided by the majority vote of the Board Members present. All appointees must have completed the board application process. The Board Member appointed shall hold office for the unexpired portion of his predecessor's term. Further, in the event the member who has left the Board was an officer, another member shall be designated (by majority resolution of the Board) to assume the responsibilities of the vacated office.

Section 11 - Meetings

1. Regular meetings of the full Board shall convene at least quarterly. The Board shall observe ~~an~~ open ~~session~~ board meetings as determined by the Board~~and closed session at Board meetings~~. Members of the entire school community may attend ~~the~~ open ~~portion of the~~ meetings. However, permission must be granted in advance, to be placed on the agenda to speak. Matters of personnel, voting, and financial issues of a sensitive nature shall be reserved for ~~the~~ closed ~~session~~meetings.

2. The Executive Committee, made up of the Board Officers and the Head of School, shall meet between meetings, as necessary, to review the finances.

3. Special meetings of the Board may be called at the request of the board chair. Prior written notice of the special meeting, including date, time, place of meeting and a summary agenda for this meeting shall be personally delivered, mailed, or e-mailed to each Board Member's home or e-mail address in advance of the meeting. When appropriate, parents may also be notified of the special meeting.

4. In consultation with the Head of School, the agenda for regular meetings of the Board shall be prepared by the Chair and in the Chair's absence, prepared by the Vice-Chair.

Section 12 – Committees

1. The School Board shall operate using a standing and ad-hoc committee system. Each committee shall have the responsibility to review and make recommendations in its assigned area for consideration and action by the full Board.

2. The Board shall establish such standing committees, as it deems necessary to fulfill its responsibilities. Each standing committee shall have no fewer than two School Board members appointed by the board chairperson. One of the Board members shall be the Chair of the committee. Non-Board members may be appointed to serve on standing committees upon vote of the School Board.

3. The School Board may from time to time establish ad-hoc committees made up of Board members or other interested individuals to deal with specific issues in the school. Upon completion of its assigned task, such ad-hoc committees shall be dissolved. A Board member shall be Chair of the ad-hoc committee.

4. A Pastoral advisory committee may be established to facilitate positive relationships between the school community and local churches. This will be considered an ad-hoc committee and may be dissolved and reestablished, as the situation necessitates. The Board, in cooperation with the Head of School shall solicit and appoint pastors who are vested or have an interest in Penn Christian Academy. The Pastoral Advisory Committee will be chaired by a Board member.

Section 13 – Quorum

Unless otherwise provided, fifty percent (50%) of the Board's membership, rounded to the next highest number, shall constitute a quorum for the transaction of business. Recognizing that no formal vote may be taken in the absence of a quorum, informal discussion and reporting may occur.

Section 14 – Manner of Acting
The act of simple majority vote of the members, wherein a quorum is present at the meeting, shall be the act of the Board, unless such act requires a greater number of votes as demanded by law or by these Bylaws.

Section 15 – Emergency Action
In an emergency, the Chair shall poll a quorum of the Board, electronically or by phone, to secure authorization for a given course of action. The Chair must keep record of such poll.

Section 16 – Compensation and Reimbursement to Members
Members of the Board shall receive no compensation for their services. The CFO may authorize the reimbursement of expenses incurred by any Board Members in the performance of official business for the School or the Board.

Section 17 – Open Meetings
The Board may choose to conduct special meetings to communicate important issues/decisions to Penn Christian Academy families or to conduct "town hall" meetings to take questions. ~~Such meeting(s) would be in addition to the regular open session of the monthly Board meeting.~~

ARTICLE VI – Staff

1. All members of the school's administration, faculty and staff must declare their unconditional agreement with Article II, Statement of Faith, of these Bylaws; they must be members or regular attendees of a church whose doctrine agrees with Article II, must be scripturally sound in their teaching, and must lead exemplary lives.

2. The faculty and staff shall be appointed by the Head of School. Each staff member shall subscribe, without reservation, to the Lifestyle Statement, Vision, Mission, Core Values and Philosophy of Education of Penn Christian Academy and shall be Christian role models in the School and community at large.

3. Faculty and staff responsibilities are to be defined in job descriptions approved by the Head of School.

ARTICLE VII – Amendments

1. Portions of these Bylaws may be amended by two-thirds (2/3) majority vote of the full Board, provided thirty (30) days prior written notice shall have been sent to each member, stating both the specific language of and the reason(s) and intent of the desired change.

2. The Board shall notify the entire school community of any proposed amendment to the Bylaws thirty (30) days before the scheduled Board meeting. The school community will be notified of any changes made to the Bylaws within two (2) weeks after the vote. No change shall take effect less than thirty (30) days from the vote.

3. The Irrevocable Dedication (Article X) cannot and shall not be subject to amendment, whether by addition to, deletion from or any other form of alteration.

ARTICLE VIII – MISCELLANEOUS

Section 1 - Account Books, Minutes, etc.
The School Board shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and committees. All books and records of the school may be inspected by any Board member for any proper purpose at any reasonable time.

Section 2 - Designated Contributions
Penn Christian Academy may accept any designated contribution, grant, bequest or devise consistent with its general tax-exempt purposes, as set forth in the Articles of Incorporation. As so limited, donor designated contributions will be accepted for special funds, purposes or uses, and such designations generally will be honored. However, Penn Christian Academy shall reserve all right, title and interest in and-to-and control of such contributions, as well as full discretion as to the ultimate expenditure or distribution thereof in connection with any special fund, purpose or use. Further, Penn Christian Academy shall retain sufficient control over all donated funds (including designated contributions) to assure that such funds will be used to carry out Penn Christian Academy's tax-exempt purposes.

Section 3 - Conflicts of Interest
If any person who is a School Board member or officer is aware that Penn Christian Academy may or is about to enter into any business transaction directly or indirectly with himself or herself, any member of such person's family, or any entity in which he or she has any legal, equitable or fiduciary interest or position, including, without limitation, as a director, officer, shareholder, partner, beneficiary or trustee, such person shall (a) immediately inform those charged with approving the transaction on behalf of Penn Christian Academy of such person's interest or position, (b) aid the persons charged with making the decision by disclosing any material facts within such person's knowledge that bear on the advisability of such transaction from the standpoint of Penn Christian Academy, and (c) not be entitled to vote on the decision to enter into such transaction. Voting on such transaction shall be conducted as follows:

A. Discussion of the matter with the interested director or officer, shall be held by the School Board with such person present to provide information and answer any questions.
B. The interested director or officer shall withdraw from the meeting.
C. Discussion of the matter outside of the presence of the interested director or officer shall be held by the Board.
D. The remaining members of the Board shall vote. Such voting shall be by written ballot. Such ballots shall not reflect the name or identity of the person voting.
E. A majority vote of the Board shall be required for approval of the transaction.

Section 4 - Conveyances and Encumbrances
Property of Penn Christian Academy may be assigned, conveyed or encumbered by such officers as may be authorized to do so by the School Board, and such authorized persons shall have power to execute and deliver any and all instruments of assignment, conveyance and encumbrance; however, the sale, exchange, lease or other disposition of all or substantially all of the property and assets of Penn Christian Academy shall be authorized only in the manner prescribed by applicable statute.

Section 6 - Loans to Directors and Officers Prohibited
No loans shall be made by Penn Christian Academy to any of its Board members or officers. Any Board member or officer who assents to or participates in the making of any such loan shall be liable to Penn Christian Academy for the amount of such loan until it is repaid.

Section 7 - References to Internal Revenue Code
All references in these Bylaws to provisions of the Code are to the provisions of the Internal Revenue Code of 1986, as amended, and shall include the corresponding provisions of any subsequent federal tax laws.

Section 8 – Severability
The invalidity of any provision of these Bylaws shall not affect the other provisions hereof, and in such event these Bylaws shall be construed in all respects as if such invalid provision were omitted.

ARTICLE IX - INDEMNIFICATION

Section 1 – Definitions: For Purposes of this Article
A. The terms "director or officer" shall include a person who, while serving as a School Board member or officer of Penn Christian Academy, is or was serving at the request of Penn Christian Academy as a director, officer, partner, member, manager, trustee, employee, fiduciary or agent of another foreign or domestic corporation, nonprofit organization or other person or employee benefit plan. The term "director or officer" shall also include the estate or

personal representative of a director or officer, unless the context otherwise requires.

B. The term "proceeding" shall mean any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, whether formal or informal, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding.
C. The term "party" includes an individual who is, was, or is threatened to be made a named defendant or respondent in a proceeding.
D. The term "liability" shall mean any obligation to pay a judgment, settlement, penalty, fine or reasonable expense incurred with respect to a proceeding.
E. The term "official capacity" shall mean the office of director of Penn Christian Academy, and, when used with respect to a person other than a director, shall mean the office in Penn Christian Academy held by the officer or the employment, fiduciary or agency relationship undertaken by the employee or agent on behalf of Penn Christian Academy, but in neither case shall include service for any foreign or domestic corporation or for any other person, or other enterprise.

Section 2 - General Provisions

Penn Christian Academy may indemnify any person who is or was a party or is threatened to be made a party to any proceeding by reason of the fact that such person is or was a director or officer of Penn Christian Academy, against expenses (including attorney's fees), liability, judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such proceeding if such person (a) acted in good faith, (b) reasonably believed, in the case of conduct in an official capacity with Penn Christian Academy, that the conduct was in the best interests of Penn Christian Academy, and, in all other cases, that the conduct was at least not opposed to the best interests of Penn Christian Academy, and (c) with respect to any criminal proceeding, had no reasonable cause to believe that the conduct was unlawful. However, no person shall be entitled to indemnification under this Section 2 either (a) in connection with a proceeding brought by or in the right of Penn Christian Academy in which the director or officer was adjudged liable to Penn Christian Academy, or (b) in connection with any other proceeding charging improper personal benefit to the director or officer, whether or not involving action in that person's official capacity, in which the officer or director is ultimately adjudged liable on the basis that the director or officer improperly received personal benefit. Indemnification under this Section 2 in connection with a proceeding brought by or in the right of Penn Christian Academy shall be limited to reasonable expenses incurred in connection with the proceeding. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contender or its equivalent shall not of itself be determinative that the person did not meet the standard of conduct set forth in this Section 2.

Section 3 - Successful Defense on the Merits: Expenses
To the extent that a director or officer of Penn Christian Academy has been wholly successful on the merits in defense of any proceeding to which he was a party, such person shall be indemnified against reasonable expenses (including attorney's fees) actually and reasonably incurred in connection with such proceeding.

Section 4 - Determination of Right to Indemnification
Any indemnification under Section 2 (unless ordered by a court) shall be made by Penn Christian Academy only as authorized in each specific case upon a determination that indemnification of the director or officer is permissible under the circumstances because such person met the applicable standard of conduct set forth in Section 2. Such determination shall be made by Penn Christian Academy's School Board (a) by a majority vote of a quorum of disinterested directors who at the time of the vote are not, were not, and are not threatened to be made parties to the proceeding, or (b) if such a quorum cannot be obtained, by the vote of a majority of the members of the executive committee of the Board, provided that committee shall consist of two (2) or more directors who are not parties to the proceeding (directors who are parties to the proceeding may participate in the designation of directors to serve on such committee), or (c) if such a quorum of the School Board cannot be obtained or there is no executive committee, or even if such a quorum is obtained or the executive committee exists, but such quorum or committee so directs, then by independent legal counsel selected by the Board in accordance with the preceding procedures. Authorization of indemnification and evaluation as to the reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that, if the determination that indemnification is permissible is made by independent legal counsel, authorization of indemnification and evaluation of legal expenses shall be made by the body that selected such counsel.

Section 5 - Other Employees and Agents
Penn Christian Academy shall indemnify such other employees and agents of Penn Christian Academy to the same extent and in the same manner as is provided above in Section 2 with respect to directors and officers, by adopting a resolution by a majority of the members of the School Board specifically identifying by name or by position the employees or agents entitled to indemnification.

ARTICLE X– Irrevocable Dedication: (Dissolution)

Penn Christian Academy is organized and operated exclusively for the purpose of being a private, Christian (religious), educational institution, within the meaning of Section 501c(3) of the Internal Revenue Code. No part of the net earnings of the school shall inure to the benefit of, or be distributable to its members, directors, officers or other private persons, except that the school shall be authorized and empowered to pay reasonable compensation for services rendered and to make

payments and distributions in furtherance of the purposes of the school. In the event of dissolution of Penn Christian Academy, the School Board shall, after paying or making provision for the payment of all corporate liabilities and for the disposition of any property committed to charitable purposes as may be required by Court Order, transfer and convey the remaining assets to such charitable organization or organizations as the School Board shall determine to be similar to Penn Christian Academy's character and purpose, and which has/have established its/their tax exempt status under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future Internal Revenue law).

ARTICLE XI – Nondiscrimination Policy

Penn Christian Academy admits students of any race, color, national or ethnic origin to all the rights, privileges, programs and activities generally accorded or made available to students at the school. The school does not discriminate on the basis of race, color, nationality and ethnic origin in administration of its educational policies, admissions policies, scholarship, athletic and other school administered programs.

Penn Christian Academy does not discriminate in employment, or the terms or conditions of employment on the basis of sex, race, color, national or ethnic origin, age or disability. As a religious educational institution, Penn Christian Academy is permitted statutorily and constitutionally to, and does, discriminate on the basis of religion.