

**ATTACHMENT  
TO  
ARTICLES OF INCORPORATION FOR A NONPROFIT CORPORATION  
OF  
HORIZONS K-8 SCHOOL INC.**

Article I  
Definitions

The following terms used in these Articles of Incorporation have the corresponding meanings set forth below:

Act: The Colorado Revised Nonprofit Corporation Act, or any successor provision.

Board of Directors: The board of directors of the Corporation.

Charter Contract: The Charter School Contract entered into by and between the Corporation, as successor in interest to Horizons K-8 Alternative Charter School, and the District, dated May 8, 1997, and renewals and amendments of the contract.

Concordance: Concordance is a discussion and decision-making system whereby each member has an equal opportunity to voice opinions or concerns, offer alternative solutions, and then agree or disagree with any proposed course of action. If a member disagrees with a proposal, that member is encouraged to offer an alternative course of action. Concordance is reached when all members, who have not recused themselves, agree unanimously to support taking the proposed course of action.

Corporation: Horizons K-8 School Inc., a Colorado nonprofit corporation.

District: Boulder Valley School District RE-2.

District Budget: The budget setting forth the proposed expenditures of money received from the District, and expressly excluding any money raised for the school and considered the Supplemental Budget.

Financial Policies: The policies approved by the Board of Directors relating to modification and execution of the Supplemental Budget and District Budget, including policies relating to fund-raising, use of one-time financial donations, creation of a balanced budget, allocation of budget reserve funds, and provisions ensuring that all of the Corporation's funds are expended in a manner consistent with the

purposes of the Corporation and the provisions of § 501(c)(3) of the Internal Revenue Code.

<u>Horizons:</u>	Horizons K-8 School.
<u>Horizons Belief Statement:</u>	The member approved statement of guiding beliefs concerning education of students, as stated in the Horizons School Handbook.
<u>Horizons Communication Agreements:</u>	The member approved agreements that Horizons Faculty, Staff, parents and students are expected to honor in communications with one another, as stated in the Horizons School Handbook.
<u>Horizons Expectations:</u>	The member approved statement of expectations for Faculty, Staff, parents and students, as stated in the Horizons Handbook.
<u>Horizons Mission Statement:</u>	The mission statement in the school's original charter application to the District, and any member approved modifications thereto, as stated in the Horizons School Handbook.
<u>Horizons School Handbook:</u>	The Horizons K-8 School Handbook issued to parents of students and to Faculty and Staff upon employment that includes the Belief and Mission Statements, Horizons Communications Agreements, Faculty, parent and student expectations, and other information related to the Corporation, as updated from time to time.
<u>Internal Revenue Code:</u>	The Internal Revenue Code of 1986, as amended from time to time, and the corresponding provisions of any subsequent revenue laws.
<u>Parent Chair of the Board:</u>	Shall have the meaning given to such term in the bylaws of Horizons.
<u>Supplemental Budget:</u>	The budget setting forth the proposed expenditure of money raised by the school from donations, fundraising activities, and collection of fees, and expressly excluding any money provided to the Corporation or Horizons by the District.

## Article II Purposes

The Corporation is organized and shall be operated exclusively for public, charitable, or educational purposes as described in, and contemplated by, § 501(c)(3) of the Internal Revenue Code. In furtherance of such purposes the Corporation may promote, establish, conduct, and maintain activities on its own behalf or it may contribute to or otherwise assist other corporations, organizations, and institutions carrying on such activities.

Article III  
Powers & Limitations

In furtherance of the preceding objects and purposes and subject to the restrictions set forth below, the Corporation shall have and may exercise all of the rights, powers, privileges, and immunities now or subsequently conferred upon nonprofit corporations organized under the laws of the State of Colorado and may do everything necessary or convenient for the accomplishment of any of the corporate purposes, either alone or in connection with other organizations, entities or individuals, and either as principal or agent, subject to such limitations as are or may be prescribed by law.

Notwithstanding any other provision of these Articles of Incorporation, the powers of the Corporation are restricted as follows:

(a) The Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on (i) by an organization exempt from federal income taxation under § 501(c)(3) of the Internal Revenue Code or (ii) by an organization the contributions to which are deductible under §§ 170, 642, 2055, or 2522 of the Internal Revenue Code.

(b) No solicitation of contributions to the Corporation shall be made, and no gift, bequest, or devise to the Corporation shall be accepted, upon any condition or limitation that in the opinion of the Corporation may cause the Corporation to lose its federal income tax exemption.

Article IV  
Private Inurement

No part of the income or principal of the Corporation shall inure to the benefit of, or be distributed to, any director or officer of the Corporation or any other private individual, except as permitted by § 501(c)(3) of the Internal Revenue Code.

Article V  
Political Activities

No substantial part of the Corporation's activities shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene in (including the publication or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

This Article shall not prohibit engagement in political activity by the directors of the Corporation, the employees of the Corporation, or the members of the Advisory Board in their capacity as individuals; provided that no such activity shall occur as part of their affiliation with the Corporation.

Article VI  
Private Foundation Status

Notwithstanding any other provision of these Articles of Incorporation, if at any time or times the Corporation is a private foundation within the meaning of § 509 of the Internal Revenue Code, then during such time or times:

(a) The Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject the Corporation to tax under § 4942 of the Internal Revenue Code;

(b) The Corporation shall not engage in any act of self-dealing, as defined in § 4941 of the Internal Revenue Code;

(c) The Corporation shall not retain any excess business holdings, as defined in § 4943(c) of the Internal Revenue Code;

(d) The Corporation shall not make any investments in such manner as to subject the Corporation to tax under § 4944 of the Internal Revenue Code; and

(e) The Corporation shall not make any taxable expenditures as defined in § 4945(d) of the Internal Revenue Code.

Article VII  
Dissolution

Upon any liquidation, dissolution, or winding up of the Corporation, the Board of Directors shall, after paying or adequately providing for the payment of all the obligations and liabilities of the Corporation, dispose of all the assets owned by the Corporation by transferring such assets exclusively to or for the benefit of an organization organized and operated exclusively for public, charitable, or educational purposes as described in, and contemplated by, § 501(c)(3) of the Internal Revenue Code. If no such transfer can be made to such organization, then such assets will be transferred to or for the benefit of the federal government, or to a state or local government, for a public purpose. Any of such assets not so disposed of shall be disposed of by the District Court for Boulder County, Colorado, exclusively for such exempt purposes or to such organization or organizations which are organized and operated exclusively for such exempt purposes, as such Court shall determine.

Article VIII  
Directors

Except as reserved to the members pursuant to the Act or delegated to the members pursuant to Article IX hereof, the corporate powers and management of the Corporation shall be vested in and exercised by a Board of Directors. The number of directors, their classifications, if any, their terms of office and the manner of their election or appointment shall be as provided from time to time in the bylaws of the Corporation. The names of the initial directors are:

John McCluskey (Principal)  
Danny Conroy (Parent Chair)  
Jim Freund (Faculty Vice Chair)  
Rosemary McKnight (Parent Vice Chair)  
Laurie Braunstein (Parent)  
Beth Coleman (Faculty)  
Cheri Felix (Parent)  
Kevin Holst (Parent)  
Nichole Houser (Faculty)  
Liz Meador (Faculty)  
Ron Wawrzynek (Treasurer)  
Nel Woller (Faculty)

Article IX  
Members; Delegation of Authority

(a) The Corporation shall have a single class of voting members. Horizons faculty, staff, and parents/legal guardians (referred to herein as parents) of students enrolled in the Horizons K-8 School are members of the Corporation. The tenure, terms of membership, rights, limitations and obligations of the members shall be as set forth in this Article IX and as provided from time to time in the bylaws of the corporation. The Corporation shall have no capital stock.

(b) In addition to any matters requiring approval of the members under the Act, the members of the Corporation shall be required to approve each of the following matters as provided in this Article IX:

- i. Modifications and amendments to Horizons Belief and Mission Statements, Horizons Communications Agreements, and Horizons Expectations;
- ii. Annual school goals;
- iii. Fundraising policies and activities;
- iv. The annual Supplemental Budget, and any modifications, in accordance with the Financial Policies (for the avoidance of doubt, the District Budget shall be approved only by the Board of Directors);
- v. The renewal of the Charter Contract, and any amendments thereto;
- vi. Approving open enrollment policies;
- vii. Electing members of the Board of Directors in the manner established in the Corporation's bylaws; and
- viii. Any other matters which the Board of Directors may delegate to the members from time to time.

(c) Except as provided by the Act, any decision or approval to be made or given by the members will be made by Concordance. If Concordance cannot be reached on any matter requiring the approval of the members under the Act, then the determination will be made by majority vote as provided in the Corporation's bylaws. If Concordance cannot be reached on any matter requiring the approval of the members under this Article IX, then the matter may be referred to the Board of Directors for decision as provided herein. The Principal and the Parent Chair of the Board shall determine when Concordance cannot be reached. If Concordance is not reached at the member meeting at which a proposal is considered, the Principal and Parent Chair of the Board will determine whether to continue member consideration of the proposal at one or more subsequent member meetings, or to refer the matter to the Board of Directors for decision. The Board of Directors may take action on or consider any such matter referred to the Board of Directors for approval, and the final decision of the Board of Directors will be binding on the members with respect to any such matter.

#### Article X Indemnification

(a) The Corporation shall indemnify a person who is wholly successful, on the merits or otherwise, in the defense of any proceeding to which the person was a party because the person is or was a director of the Corporation, against reasonable expenses incurred by the person in connection with the proceeding.

(b) The Corporation shall indemnify or advance expenses of litigation to its directors, officers, employees and agents as provided in the bylaws.

#### Article XI Liability of Directors

(a) No director shall be personally liable to the Corporation for monetary damages for any breach of fiduciary duty as a director, except that no director's liability to the Corporation for monetary damages shall be eliminated or limited on account of any of the following: (i) any breach of the director's duty of loyalty to the Corporation; (ii) any acts or omissions of the director not in good faith or that involve intentional misconduct or a knowing violation of law; (iii) the director's assent to or participation in a loan by the Corporation to any director or officer of the Corporation; or (iv) any transaction in which the director received improper personal benefit. Nothing herein will be construed to deprive any director of the right to all defenses ordinarily available to a director nor will anything herein be construed to deprive any director of any right for contribution from any other director or other person.

(b) If the Act hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the Corporation, in addition to the limitation on personal liability provided herein, shall be further eliminated or limited to the fullest extent permitted by the Act. Any repeal or modification of this Article shall be prospective only and shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

Article XII  
Nondiscriminatory Policy

The Corporation shall make its services, facilities, and programs available to all persons regardless of race, color, creed, national origin, sex, or handicap, and the Corporation shall not in any way discriminate against any person on the basis of age, race, color, creed, national origin, gender, sexual orientation, marital status, military status or disability.

Article XIII  
Bylaws

The initial bylaws of the Corporation shall be as adopted by the Board of Directors. Except to the extent limited by the Act, the Board of Directors shall have power to alter, amend or repeal the bylaws from time to time in force and adopt new bylaws, all of which shall be approved in accordance with the provisions of the existing bylaws that address action taken by the Board of Directors. The bylaws of the Corporation may contain any provisions for the managing and regulating of the affairs of the Corporation that are not inconsistent with law or these Articles of Incorporation, as these Articles may from time to time be amended. However, no bylaw shall have the effect of giving any director or officer of the Corporation or any other individual any proprietary interest in the Corporation's property, whether during the term of the Corporation's existence or as an incident to its dissolution.

Article XIV  
Amendments

The Board of Directors or the Members may propose amendments to these Articles of Incorporation in accordance with the provisions of the Act. Any such amendment shall be approved by Concordance as set forth in Article IX(c) of these Articles of Incorporation. If Concordance cannot be reached with respect to any such amendment, then the amendment shall be referred to the Board of Directors for decision pursuant to Article IX(c) of these Articles of Incorporation.