

STEAMBOAT SPRINGS EDUCATION FUND BOARD  
Monthly Public Meeting  
December 4, 2013; 5:30 PM  
Human Service Center Board Room  
Agenda

1. 5:30 Call to Order
2. 5:31 Public Comment

In order to assure public awareness of and involvement in the activities of the Steamboat Springs Education Fund, this portion of the Board meeting is available to the public to discuss any item related to the Fund. The maximum time allowed for the discussion of any single subject will be three minutes. If more time is required, the topic may be placed on the agenda of a future Education Fund Board meeting.

3. 5:34 Board and Commission Member Reports
4. 5:40 Board and Commission Vacancies (Action Item)
  - Chuck Mitchell (At Large Board Member through 6/30/2015)
  - Cristina Magill (Commission Member through 6/30/2015)
5. 5:43 Appoint new Vice President (Action Item)
6. 5:45 Approve Meeting Minutes November 6, 2013 (Action Item)
7. 5:46 Financial Report – Linda Thomas
8. 5:50 Set Reserve for 2014-2015 Budget Year (Action Item)
9. 6:00 2nd Readings – Grant Commission (Action Item)
  - a) Innovation Gifts – \$50,000 from Reserve Funds
  - b) Community Group Gifts – \$75,000 as part of 2014-2015 Budget
10. 6:15 Revised Bylaws – Governance Committee (Action Item)
11. 6:25 Other Business
12. 6:30 Adjourn

**Next Meeting: January 8, 2014**

Community Outreach Plan-Communications Committee  
Policy/Procedure Review-Governance Committee  
Accountability Reports-Grant Commission  
Audit Report-Finance Committee  
IRS Form 990-Finance Committee



## BOARD & COMMISSION APPLICATION FORM

Name: Charles B (Chuck) Mitchell

Mailing Address: POBOX 773783

Steamboat Springs, Co 80477

Phone Number(s): 970.870.1624 h 303.483.3592 m

Email: Mitchellcb@bv.com

Approximately how long have you lived in the community? Most of the last 20 years, with several spells away for work.

Do you reside in the Steamboat Springs RE-2 School District? Yes

On which of the SSEF bodies would you be willing to serve?

- Education Fund Board  
 Grant Commission

Why do you want to serve on the Education Fund Board or Grant Commission?

As a parent of 3 young children and a committed member of the community, I would like to add my energy and perspective to improving the already great Routt County Schools

What expertise would you bring to the Board or Grant Commission?

I bring extensive business experience as an engineering and construction PM /executive who has broad international experience (and was fortunate enough to be in the ski and resort industry before jumping to construction.)

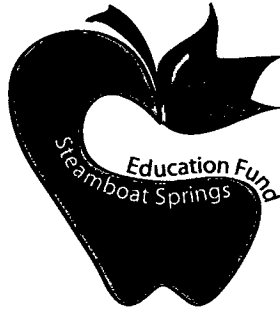
What other organizations/associations are you involved in?

First United Methodist Church of SBS and several industry related organizations

What is your current or former profession?

Vice President and Project Director for Black & Veatch, an employee owned, Global Engineering and Construction company.

Please send completed application to: [educationfundboard@gmail.com](mailto:educationfundboard@gmail.com)



## BOARD & COMMISSION APPLICATION FORM

Name: Cristina Magill

Mailing Address: 1769 Brome Drive, Steamboat Springs, CO 80487

Phone Number(s): (970)(970)46-9273

Email: cristinavicinelli@yahoo.com

Approximately how long have you lived in the community? 14 years

Do you reside in the Steamboat Springs RE-2 School District? Yes

Why do you want to serve on the Education Fund Board or Grant Commission?

I strive to enrich the education of our children and look to create the best possible environment in which they can learn. I look to make a difference in the future of our children.

What expertise would you bring to the Board or Grant Commission?

I was the PIC president at Soda Creek for the past 2 years, and vice president the year prior. I am also the mother of three children in the Steamboat public school system. Additionally, I have served on the Challenge Fund committee for the past two years. I have a good understanding of the school budget from SAC meetings and attending school board meetings and reviewing minutes.

What other organizations/associations are you involved in?

Soda Creek PIC, School Accountability Committee, World Languages Committee, Challenge Fund for Steamboat Elementary Schools, DAC

What is your current or former profession?

For eight years I worked at Sotheby's International Auction House as the assistant vice president of Latin American Art. I then worked for 6 months in Sotheby's startup online auction division. When I moved to Steamboat I worked in the marketing department at Steamboat Ski & Resort Corporation for five years before I left to raise my three children. As I raise my children, I volunteer my time with on-going community efforts.

Please send completed application to: [educationfundboard@gmail.com](mailto:educationfundboard@gmail.com)

Steamboat Springs Education Fund Board  
November 6, 2013; 5:30 PM  
Human Service Center Board Room

Education Fund Board directors present included Kristi Brown, Dean Massey, Roger Good, Jason Lacey, Jay O'Hare and Kristin Wilson. Also present was Brad Meeks (SSDS Superintendent), Linda Thomas (EFB Accountant), Glen Airoidi (Prospective Grant Commissioner and EFB Representative) and Chuck Mitchell (prospective EFB Director). Denise Brazier, Ski Town Executive Service, LLC, recorded the meeting and prepared the minutes.

**Call to Order:**

Kristi Brown called the Steamboat Springs Education Fund Board meeting to order at 5:35 PM. Agenda items will be out of order as a quorum was not yet established.

**Public Comment:**

There was no public comment.

Chuck Mitchell was present to observe as a prospective EFB Director. Chuck has 3 children in the elementary school system, works for Black and Veatch and wants to give back to the community. There was some concern about the amount of travel required from Chuck's employment and Chuck assured he can typically schedule his own time and doesn't foresee attendance to be a problem.

**Board and Commission Member Reports:**

Roger Good: Roger reported as he is now a school board member, he will formally resign at the December meeting after the election is certified.

Dean Massey: Dean reported at the last Grant Commission meeting, Stuart Handloff was chosen as chairperson, the commissioners approved the new application forms, Glen Airoidi was approved to be recommended to the EFB as a commissioner, the representatives to the EFB will be Dean Massey and that Glen Airoidi and Mike Loomis will share the 2<sup>nd</sup> representative position, an amount of \$ 50,000 was approved to be recommended for the Innovation Grant and an amount of \$ 75,000 was approved to be recommended for the Community Grant. A letter has been prepared to send to the districts identifying Dec. 11<sup>th</sup> as a deadline for Innovation Grant application. The letter also indicated that the Innovation Grant is not to be used as a substitute for technology. The Grant Commission chose to send the letter out prior to Innovation Grant approval to give teachers more time to prepare.

**Financial Report – Linda Thomas:**

Linda reported as of November 2, 2013 cash equaled \$1,113,817.44. The sales tax deposit of \$ 227,315 is increased from last year. An amount of \$2,454,509 is expected for 2013-2014 which will result in expected cash available for 2014/2015 an amount of \$3,089,706.

The financial audit is still under review. The auditor asked for additional information so the 990 tax return had to be extended to Feb. 18, 2014. As the auditor raised the fee 18%, Roger requested an RFB is sent out next year. Kristi noted a fraud assessment letter is included in the meeting packet.

There was no objection from the directors on moving forward with the action items.

**Board and Commission Vacancies:**

- **Glen Airoidi SBS Commission Term Expires June 30, 2015):**

*Roger made a motion and Jay seconded, to approve Glen Airoidi as a Grant Commission Member.*

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Steamboat Springs Education Fund Board Meeting

Vote:   6   Yes   0   No    The motion passed unanimously.

A quorum was established.

**Minutes:**

- **Approve Meeting Minutes from September 11, 2013 Regular Meeting**
- **Approve Meeting Minutes from October 2, 2013 Regular Meeting**
- **Approve Meeting Minutes from October 16, 2013 Special Meeting**

Roger made a motion and Jason seconded, to approve the meeting minutes listed above as presented.

Vote:   7   Yes   0   No    The motion passed unanimously.

**Rescissions:**

Rescissions totaling \$20,080.93 and are listed on the agenda and were approved by all 3 districts. The Grant Writer rescission was discussed. *Dean made a motion and Roger seconded to approve the rescissions as presented.*

Vote:   7   Yes   0   No    The motion passed unanimously

**Innovation Grant Ag Ed:**

- **South Routt High School Ag Ed Concurrent Enrollment**

This matching grant is up for approval to be extended to be spent next semester. *Jason made a motion and Jay seconded, to approve to extend the grant to next semester.*

Vote:   7   Yes   0   No    The motion passed unanimously.

**Financial Report:**

**a. Forecast Methodology:**

Roger proposed changing the forecast methodology using a 5% proposed increase to the budget as opposed to flat. Discussion ensued including the difference in the City's methodology, that the last 3 months forecast was low by 6.4% and the last 6 months 5.6%, that the City doesn't change the forecast but does change the operating budget based on actuals. Roger said forecasting is a tool, not a commitment to spend. *Roger made a motion and Dean seconded, to change the forecasting methodology to 5% for the remainder of this budget cycle.*

Vote:   7   Yes   0   No    The motion passed unanimously.

**1<sup>st</sup> Readings – Grant Commission:**

**a. Innovation Gifts: \$ 50,000 from the reserve fund:**

The Grant Commission felt the \$ 50,000 amount was more in line with what was allocated in the past. The commission discussed the weaknesses in the timing of the budget cycle. A straw vote indicated unanimous approval for the \$ 50,000.

**b. Community Grants : \$ 75,000**

The Community Grants have historically been granted a total of \$ 70,000. The Grant Commission discussed how to avoid grants to the Community Groups becoming entitlements. An amount of \$ 75,000 leaves room for other groups to participate. Roger would not agree to more than a 5% increase to the amount allocated in the past as the forecasting has been increased to 5% which would indicate an amount of \$73,400. Glen said the 5% perspective should be brought back to the commission and the community groups should be encouraged to participate.

**Other Business:**

Roger would like to ask the school board if it was appropriate to have one member from the school board as an EFB representative as opposed to two but would like to get the feeling of the EFB beforehand. The

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Steamboat Springs Education Fund Board Meeting

reason is the existing school board spends a lot of time at axillary meetings and it may not make sense for them to participate on a board where they can't vote. The consensus of the board was in agreement and gave Roger permission to bring the issue before the school board.

**Process discussion items:**

The "Issue Outline" is attached to these minutes. Substantive Issues for Discussion included:

1. **What are the standards and criteria against which each gift is to be analyzed and decisions made?**
2. **What is the appropriate level and depth of inquiry for the Commission as it deliberates and makes a decision?**

The EFB discussed whether or not the commission should rely on the experts in the education system. Opinions included the EFB is the guardian of the funds, due diligence within the district should be taken into account, the requests need to be vetted to assure the requests are the right choice for the community and the mission of the EFB, the grants need to make sense to the commissioners and the commissioners need to be convinced the requests are appropriate and each grant needs to be measured on its own merit.

3. **What level of deference should be given to the district's prioritization?**

Regarding district prioritization, the commission was in general agreement that prioritization is preferred to have an understanding of what the district believes is important but can still refer to the mission statement and student achievement. Glen said the grant commissioners needs to discuss equitability as last year some were uncomfortable that the allocations were not equitable among the outer districts and to discuss if the commissions should be given a range.

**Other Business:**

The next EFB meeting will be December 4, 2013. Included on the agenda will be bylaw review, communication committee, 2<sup>nd</sup> readings, board vacancy, IRS form 990 and the audit.

**Adjourn:**

*Jason made a motion and Kristin seconded to adjourn the meeting.*

*Vote: \_\_\_7 Yes\_\_\_ \_\_\_0 No\_\_\_ The motion passed unanimously.*

The Education Fund Board meeting adjourned at 6:58 pm.

Attachments:

November 6, 2013 EFB Agenda

Glen Airolidi Application Form

Meeting Minutes Sept. 11, Oct. 2 and Oct. 16, 2013

Sorocco letter request extension of Innovation funds for the High School Ag. Ed. Enrollment Cert.

Financial Report dated November 2, 2013

Letter to Rubin Brown regarding fraudulent activity

Letter from Rubin Brown regarding services provided

Letter from Michael J. Holloran, LLC regarding fraudulent activity

Forecast Accuracy

Issue Outline

IRS form 8879-EO

**STEAMBOAT SPRINGS EDUCATION FUND**  
**FINANCIAL REPORT**  
**November 29, 2013**

**Current Cash Position:**

November 2, 2013 Cash / CD's	\$1,113,817.44
Sales Tax Deposit	219,800.28
Receipt of Overpayment on Prior Year Grant	1,014.00
Earnings	-
Grants Paid	(30,000.00)
Other Expense	(1,053.60)
<b>November 29, 2013 Cash / CD's</b>	<b><u>\$1,303,578.12</u></b>
Cash on hand 1 yr ago	<u>\$1,426,475.80</u>
Change in Past Year	<u><u>(\$122,897.68)</u></u>

**Projections for the Fiscal Year Based on Forecast:**

<i>Forecasted Sales Tax Deposits Remaining through June 2014 (see next page)</i>	\$1,574,506.50
<i>Current Cash/CD's (see above)</i>	<u>1,303,578.12</u>
<i>Forecasted Cash Available for Fiscal Year</i>	<u>\$2,878,084.62</u>
<i>Total Approved / Not Yet Incurred Grants (see below)</i>	<u>(\$2,463,381.55)</u>
<b><i>Forecasted Cash @ June 30, 2014</i></b>	<b><u><u>\$ 414,703.07</u></u></b>

If we adjust our ongoing forecast to the 6 month error rate (see page 3), then forecasted cash at 6/30/14 would be: **\$505,543.34**

**Total Approved/Not Yet Incurred Grants:**

Current Year Grant Authorization (including Admin Expenses)	\$ 2,552,000.00
Current Year Grants Incurred	(92,470.25)
Current Year Admin Expenses Incurred	\$ (7,398.20)
Outstanding Liabilities (accrual basis)	<u>\$ 2,452,131.55</u>
Prior Year Grant Authorization (incl'dg Admin Expenses & after Rescissions)	\$ 2,551,197.00
Prior Year Grants Incurred	(2,509,947.00)
Prior Year Admin Expenses Incurred	(30,000.00)
Outstanding Liabilities (accrual basis)	<u>\$ 11,250.00</u>
<b>Total Approved/Not Yet Incurred Grants</b>	<b><u><u>\$ 2,463,381.55</u></u></b>

Possible Rescissions:

Prior Year

\$ 11,250.00



# STEAMBOAT SPRINGS EDUCATION FUND

## FINANCIAL REPORT

### November 29, 2013

**Forecasted Revenue:**

	(forecast under prior year budget)		(forecast under prior year budget)					
	May 2013 (July)	Jun (Aug)	Jul (Sept)	Aug (Oct)	Sep (Nov)	Oct (Dec)	Nov (Jan)	
<b>Sales Tax Revenues (net of collection fee):</b>								
For Collection Month (Deposited Month)								
<i>PRIOR YEAR Actuals</i>	\$ 137,936	\$ 188,018	\$ 211,522	\$ 194,435	\$ 186,654	\$ 137,983	\$ 134,542	
Forecast Change (see assumptions below)	0%	0%	0%	0%	5%	5%	5%	
Monthly Tax Revenue Forecast	\$ 137,936	\$ 188,018	\$ 211,522	\$ 194,435	\$ 195,987	\$ 144,882	\$ 141,269	
<b>CURRENT YEAR Actuals</b>	\$ 136,089	\$ 193,012	\$ 211,909	\$ 227,315	\$ 219,800			
Variance to Forecast	-1.3%	2.7%	0.2%	16.9%	12.2%			
<b>Revised Forecast</b>	<b>\$136,089</b>	<b>\$193,012</b>	<b>\$211,909</b>	<b>\$227,315</b>	<b>\$219,800</b>	<b>\$144,882</b>	<b>\$141,269</b>	

	Dec (Feb)	Jan (Mar)	Feb (Apr)	Mar (May)	Apr (Jun)	N/A	Totals	
<b>Sales Tax Revenues (net of collection fee):</b>								
For Collection Month (Deposited Month)								
<i>PRIOR YEAR Actuals</i>	\$ 285,218	\$ 254,005	\$ 251,138	\$ 300,151	\$ 136,493		\$ 2,418,095	
Forecast Change (see assumptions below)	5%	5%	5%	5%	5%			
Monthly Tax Revenue Forecast	\$ 299,479	\$ 266,705	\$ 263,695	\$ 315,159	\$ 143,318	\$ -	\$ 2,502,404	
<b>CURRENT YEAR Actuals</b>								\$ 988,126
Variance to Forecast								
<b>Revised Forecast</b>	<b>\$299,479</b>	<b>\$266,705</b>	<b>\$263,695</b>	<b>\$315,159</b>	<b>\$143,318</b>	<b>\$0</b>	<b>\$ 2,562,632</b>	

**Assumptions**

- 1.) Sales tax revenue will be the same as prior year through November 6, 2013. Board voted to forecast 5% increase

Total Forecasted Sales Tax Revenues for FY	\$2,562,632
Current Year Actuals Year-To-Date	(988,126)
Forecasted Sales Tax Revenues Remaining FY	\$1,574,507

at November 6, 2013 meeting for remainder of fiscal year.

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**STEAMBOAT SPRINGS EDUCATION FUND**  
**FINANCIAL REPORT**  
**November 29, 2013**

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**Forecast Accuracy:**

Prior 3 months forecast	\$	601,944
Prior 3 months actuals	\$	659,024
<b>Forecast is too low by</b>		<b>9.5%</b>
Prior 6 months forecast	\$	1,063,274
Prior 6 months actuals	\$	1,124,619
<b>Forecast is too low by</b>		<b>5.8%</b>

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**COMMENTS:**

The May and June 2014 sales tax revenues that will be deposited in July and August 2014 have been removed from the forecast revenue calculations in order to more properly represent the expected cash position at June 30, 2014.

See Reserve Analysis page for accrual analysis of expected reserve balance.

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**STEAMBOAT SPRINGS EDUCATION FUND  
FINANCIAL REPORT - RESERVE ANALYSIS  
FISCAL YEAR ENDING JUNE 30, 2014**

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**Reserve Analysis:**

June 30, 2013 Adjusted Reserve Balance to Actual (FY Accrual)	\$ 712,606
Prior Year Rescissions	20,081
Subtotal	\$ 732,687
Actual Sales Tax Deposits Received YTD (FY Accrual)	659,024
Remaining Forecasted Sales Tax Deposits (FY Accrual)	1,903,608
Expected Funds Available	\$ 3,295,319
Actual Grants Paid for FY (non-admin)	(92,470)
Grants Remaining to be Paid for FY (non-admin)	(2,429,530)
Admin Expenses paid for FY	(7,398)
Admin Grant Remaining to be Paid for FY	(22,602)
<b>June 30, 2014 Expected Reserve Balance (FY Accrual)</b>	<b>\$ 743,319</b>
Reserve Balance June 30, 2013	\$ 712,606
Change Expected During the Year	\$ 30,713

*(Excludes current year earnings in the analysis).*

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# Steamboat Springs Education Fund

## 2014-2015 Budget Discussion

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2013-2014 Budget Cycle Grants\* \$2,552,000

\*(includes admin, Grant Writer and all grants)

2014-2015 Budget Cycle Grants\* ?

\*(includes admin, Grant Writer, and all grants)

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June 30, 2014 Expected Reserve Balance (as per 11/29/13 report) \$ 743,319

2014-2015 Total Cash Expected 2,562,632

July 1, 2014 - June 30, 2015 Expected Cash Available \$3,305,951

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### Already Designated Funds:

2014-2015 Grants to Districts \$0

2014-2015 Community Group Allocations \$0

2014-2015 Administrative Expenses \$0

June 30, 2015 Expected Reserve Balance \$3,305,951

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revised forecast figure for current year - assumes flat for next year

**PROPOSED CHANGES TO BYLAWS OF  
STEAMBOAT SPRINGS EDUCATION FUND BOARD**

The Governance Committee is charged annually with proposing recommended changes to the Bylaws. Based on my review, the following are changes that I think the Board should consider:

- 1) Article III, Paragraph G. reads as follows:

**G. Quorum.** Seven Voting Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such number is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

My concern with this paragraph is two-fold. First, we have had some issues with obtaining a quorum at meetings and this section currently requires more than a majority to attend based on an 11 member Board. Secondly, since this requires a certain number of directors (7) to attend, this could be more problematic if we ever have less than 11 Board members serving it could be even more difficult to obtain quorum.

I would propose that we revise this Paragraph to read as follows:

“A majority of the Voting Directors then serving shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such number is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.”

- 2) Article IV, Paragraph E. has a typographical error. This Paragraph discusses the duties of the President. In the third sentence, it reads, in relevant part: “He or she may sign, with the Secretary or any other proper officer of the SSEF thereunto authorized by the Board of Directors, deeds, mortgages, **contacts**, or other instruments...”

The word “contacts” was obviously meant to read “contracts” and therefore I propose we amend this word accordingly.

- 3) Article XI currently reads as follows:

**ARTICLE XI  
AMENDMENTS**

These Bylaws may not be altered, amended or repealed or new Bylaws adopted unless a minimum of nine (9) directors vote affirmatively for such alteration, amendment, adoption or repeal.

I certainly understand the need to have more than a simple majority approve a change to the Bylaws because this would mean we are adopting a fairly significant change. However, I also have a concern with naming a set number of directors (9) because we could have a scenario in which we only have 9 directors, or possibly less and in that case we would not have the ability to amend the Bylaws.

My suggestion would be that we amend this language to list a certain super-majority percentage of directors needed to amend the Bylaws. I would suggest 2/3, but I am open to other ideas.

My proposed language to amend would read as follows:

“These Bylaws may not be altered, amended or repealed or new Bylaws adopted unless a minimum of two-thirds (2/3) of the directors then serving vote affirmatively for such alteration, amendment, adoption or repeal.”

4) Article III, Paragraph C, reads as follows:

- C. **Number, Tenure and Qualifications.** The number of directors of the SSEF : eleven (11) voting members and four (4) non-voting members. Each director shall remain in office until his or her successor shall have been appointed and qualified. Voting Directors shall be comprised of the following persons: eight (8) at-large members appointed by the Board of Directors; three (3) members from the Grant Commission as appointed by the Grant Commission (“Voting Directors”). Non-voting Directors shall be comprised of the following persons: two (2) members of the Board of Education of the Steamboat Springs School District; one (1) member of the Board of Education of the South Routt School District RE-3; and one (1) member of the Board of Education of the Hayden School District RE-1 (“Non-Voting Directors”).

I proposed we change the number of at-large members to nine (9) and members appointed to the Board by the Grant Commission to two (2).

The language in sentence 3 would read:

Voting Directors shall be comprised of the following persons: nine (9) at-large members appointed by the Board of Directors; two (2) members from the Grant Commission as appointed by the Grant Commission (“Voting Directors”).



**FIFTH**  
**AMENDED AND RESTATED**  
**STEAMBOAT SPRINGS EDUCATION FUND**  
**BYLAWS, A NON-PROFIT CORPORATION**

Deleted: IFTH

**ARTICLE I**  
**OFFICES**

- A. **Principal Office.** The principal office of the STEAMBOAT SPRINGS EDUCATION FUND, (the "SSEF"), in the State of Colorado shall be located at 325 Seventh Street, P.O. Box 774368, Steamboat Springs, Colorado 80477. The SSEF may have such other offices, either within or outside of the State of Colorado as the Board of Directors may designate, or as the business of the SSEF may require from time to time.
- B. **Registered Office.** The registered office of the SSEF, required by the Colorado Nonprofit Corporation Act to be maintained in the State of Colorado, may be, but need not be, identical with the principal office in the State Colorado, and the address of the registered office may be changed from time to time by the Board of Directors.

**ARTICLE II**  
**MEMBERS**

- A. **Members.** The SSEF shall not have members.

**ARTICLE III**  
**BOARD OF DIRECTORS**

- A. **General Powers.** The business and affairs of the SSEF shall be managed by its Board of Directors (the "Board" or "Board of Directors"). All corporate powers shall be exercised by or under the authority of, and the business and affairs of the SSEF managed under the direction of, the Board of Directors. In addition to the general powers listed in C.R.S. 7-32-102, the Board shall also have the power to perform the following listed items:
1. To direct that audits occur periodically and information, in a format decided by the Board, be delivered to the Board, annually, assessing the efficacy of gifts made by the SSEF prior to the development of the budget for the year following such gifts;
  2. To direct that assessments of the results achieved from SSEF occur on an annual basis and that such assessments be presented to the Board prior to the development of the budget for the SSEF;
  3. To budget for and to prioritize future gifts based upon the efficacy of the gifts and the results achieved;
  4. To provide funds for contingencies; and,
  5. To direct that a written public relations report, to be known as the "State of the Fund Report", be prepared annually communicating the efficacy of the gifts of the Board and results achieved.
- B. **Performance of Duties.** A director of the SSEF shall perform his or her duties as a director, including his or her duties as a member of any committee of the board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the SSEF, and with such judgment as an ordinarily prudent person in a like position would use under

similar circumstances. In performing his or her duties, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by persons and groups listed in paragraphs 1., 2., and 3. of this Section 3B; but he or she shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A person who so performs his or her duties shall not have any liability by reason of being, or having been, a director of the SSEF. Those persons and groups on whose information, opinions, reports, and statements a director is entitled to rely upon are:

1. One or more officers or employees of the SSEF whom the Director reasonably believes to be reliable and competent in the matters presented;
2. Counsel, public accountants, or other persons as to matters which the director reasonably believes to be within such persons professional or expert competence; or,
3. A committee or commission of the board upon which he or she does not serve, duly designated in accordance with the provision of the Articles of Incorporation or the Bylaws, as to matters within its designated authority, which committee the director reasonably believes to merit confidence.

**Number, Tenure and Qualifications.** The number of directors of the SSEF shall consist of eleven (11) voting members and four (4) non-voting members. Each director shall hold office until his or her successor shall have been appointed and qualified. Voting Directors shall be comprised of the following persons: nine (9) at-large members appointed by the Board of Directors; two (2) members from the Grant Commission as appointed by the Grant Commission ("Voting Directors"). Non-voting Directors shall be comprised of the following persons: two (2) members of the Board of Education of the Steamboat Springs School District RE-2; one (1) member of the Board of Education of the South Routt School District RE-3; and one (1) member of the Board of Education of the Hayden School District RE-1 ("Non-Voting Directors"). The Voting Directors and Non-Voting Directors are collectively referred to as directors. Additionally, the directors shall also satisfy the following criteria:

**Deleted:** Voting Directors shall be comprised of the following persons: eight (8) at-large members appointed by the Board of Directors; three (3) members from the Grant Commission as appointed by the Grant Commission ("Voting Directors").

1. All Voting Directors, at the time of his or her appointment and during their term as a member, shall be a resident of the Steamboat Springs School District RE-2. Residence, for purposes of this subsection, shall be determined in accordance with C.R.S. § 1-2-102.
2. Each director shall demonstrate expertise necessary for the fulfillment of the purposes of the SSEF.

The term of each at-large director shall be two years.

The President or the Vice President shall preside at all meetings of the Board of Directors.

**D. Regular Meetings.** The Board of Directors shall provide, by resolution, the time and place within Steamboat Springs, Colorado, for the holding of regular, monthly meetings without other notice than such resolution and shall provide for a regular annual meeting of the Directors.

**E. Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, within the State of Colorado, as the place for holding any special meeting of the Board of Directors called by them.

F. **Notice.** Written notice of any special meeting of directors shall be given as follows:

By regular mail to each director, at least three (3) days prior to the meeting, at his or her business address; or,

By personal delivery, telegram or electronic mail at least forty eight (48) hours prior to the meeting to an business address, residence address or email address on file with the Secretary of each director. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. If notice is given by email, such notice shall be deemed to be delivered when sent to the member as shown on a copy of such email. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or these Bylaws.

G. **Quorum.** A majority of the Voting Directors then serving shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such number is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

**Deleted:** Seven Voting Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such number is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

H. **Minimum Voting Requirements.** Except as otherwise required by law or by the Articles of Incorporation, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

All meetings of the board of directors shall be governed by the procedural rules set forth in the most recent edition of Roberts' *Rules of Order*.

I. **Informal Action by Directors.** Any action required or permitted to be taken by the Board of Directors or by a committee thereof at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors or all of the committee members entitled to vote with respect to the subject matter thereof.

J. **Participation by Electronic Means.** Any members of the Board of Directors or any committee designated by such Board may participate in a meeting of the Board of Directors or committee by means of telephone conference or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

K. **Vacancies.** Any vacancy occurring in the Board of Directors created by the departure of an At-Large Voting Director, shall be filled by appointment by the Board, after considering the qualifications of any applicants received after notification of such vacancy. A director appointed to fill a vacancy shall serve for the unexpired term of his or her predecessor in office. The departing Voting Director shall be permitted to vote in the selection of the person to fill the vacancy created by the departing member.

L. **Resignation.** Any director of the SSEF may resign at any time by giving written notice to the President or the Secretary of the SSEF. The resignation of any director shall take effect upon receipt of

notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

M. **Removal.** Any director or directors of the Colorado Nonprofit Corporation may be removed at any time, with or without cause, in the manner provided in the Colorado Nonprofit Corporation Act. It shall be sufficient cause for removal of a director if such director no longer serves as a member of the SSBOE.

N. **Committees.** By resolution adopted by a majority of the Board of Directors, the Voting Directors may designate two or more directors to constitute a committee, any of which shall have such authority in the management of the SSEF as the Board of Directors shall designate and as shall be prescribed by the Colorado Nonprofit Corporation Act.

O. **Compensation.** Directors as such shall not receive any compensation for their services as a Director; but nothing herein shall preclude any director from serving the SSEF in any other capacity and receiving compensation therefore.

P. **Presumption of Assent.** A director of the SSEF who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the SSEF immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

#### ARTICLE IV OFFICERS

A. **Number.** The officers of the SSEF shall be President, Vice President, Secretary and Treasurer. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary. Non-Voting Directors may not be an officer of the Board of Directors.

B. **Election and Term of Office.** The President, Vice President, Secretary and Treasurer of the SSEF shall be elected at an annual meeting of the Board of Directors.

If the elections of officers are not held at such meetings, such elections shall be held as soon thereafter as practicable. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided.

C. **Removal.** Any officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the SSEF will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

D. **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

E. **President.** The President shall be the chief executive officer of the SSEF and, subject to the

control of the Board of Directors, shall, in general, supervise and control all of the business and affairs of the SSEF. He or she shall, when present, preside at all meetings of the Board of Directors. He or she may sign, with the Secretary or any other proper officer of the SSEF thereunto authorized by the Board of Directors, deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the SSEF, or shall be required by law to be otherwise signed or executed; and, in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

- F. **Vice President.** The Vice President (or in the event there be more than one vice president, the vice presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall, in the absence of the President or in the event of his or her death or inability or refusal to act, perform all duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.
- G. **Secretary.** The Secretary shall: (a) supervise the keeping of the minutes of the proceedings of the members and of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the SSEF and see that the seal of the SSEF is affixed to all documents the execution of which on behalf of the SSEF under its seal is duly authorized; and, (d) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.
- H. **Treasurer.** The Treasurer shall: (a) supervise the charge and custody of all funds and securities of the SSEF; (b) supervise the receipt of monies due and payable to the SSEF from any source whatsoever, and supervise the deposit all such monies in the name of the SSEF in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of ARTICLE V of these Bylaws; and, (c) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.
- I. **Assistant Secretaries and Assistant Treasurers.** The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.
- J. **Bonds.** If the Board of Directors by resolution shall so require, any officer or agent of the SSEF shall give bond to the SSEF in such amount and with such surety as the Board of Directors may deem sufficient, conditioned upon the faithful performance of their respective duties and offices.
- K. **Salaries.** The officers shall serve without salary.
- L. **Loans to Officers.** No loans shall be made by the SSEF to any officer or director of the SSEF.

**ARTICLE V**  
**CONTRACTS, LOANS, CHECKS, DEPOSITS,**  
**DISBURSEMENTS AND ALLOCATION OF MONIES**

- A. **Contracts.** The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the SSEF, and such authority may be general or confined to specific instances.
- B. **Loans.** No loans shall be contracted on behalf of the SSEF and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.
- C. **Checks, Drafts, Etc.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the SSEF shall be signed by such officer or officers, agent or agents of the SSEF and in such manner as shall from time to time be determined by resolution of the Board of Directors.
- D. **Deposits.** All funds of the SSEF not otherwise employed shall be deposited from time to time to the credit of the SSEF in such banks, trust companies or other depositories as the Board of Directors may select.
- E. **Gifts.** The Board of Directors may accept on behalf of the SSEF any contribution, gift, bequest or devise for the general purposes of or for any special purposes of the SSEF.
- F. **Disbursements.** No disbursements may be made by the Corporation, except for the payment of administrative expenses, without the approval for disbursement of the STEAMBOAT SPRINGS EDUCATION FUND GRANT COMMISSION, (the "Commission") as defined in ARTICLE XII, below. Such recommendation may be made at a meeting of the Commission and duly authorized by the minutes of such meeting prepared in accordance with the requirements of ARTICLE XII.
- G. **Funding Allocation.** Funds will be allocated to the Steamboat Springs School District RE-2 for educational purposes. The SSEF Board of Directors is authorized to share, at its sole discretion, some of the proceeds from the ½ cent sales tax with the South Routt School District RE-3, and the Hayden School District RE-1 for educational purposes.
- H. **Allocation of Receipts.** All monies received by the SSEF shall be utilized by the SSEF to pay approved administrative expenses and to fund requests from the Commission as the Board may, in its discretion, decide.
- I. On or before May 15th of each year, the Board of Directors shall prepare and furnish a budget for the expenditure of the funds available or to be available to the SSEF during the twelve month period beginning July 1. Such budget shall allocate some or all of the funds available to the requests for expenditures of the Commission.

## ARTICLE VI NONDISCRIMINATION

The officers, directors, committee members, employees and persons served by this SSEF shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin and sexual orientation.

**ARTICLE VII  
BOOKS AND RECORDS**

The SSEF shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors and committees having any of the authority of the Board of Directors. At the end of each fiscal year, the Board of Directors shall have an audit performed of the books and records of the SSEF for the prior fiscal year.

**ARTICLE VIII  
FISCAL YEAR**

The fiscal year of the SSEF shall end on the last day of June in each calendar year.

**ARTICLE IX  
CORPORATE SEAL**

The Board of Directors may provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Corporation and the state of incorporation and the words "CORPORATE SEAL."

**ARTICLE X  
WAIVER OF NOTICE**

Whenever any notice is required to be given under the provisions of these Bylaws or under the provisions of the Articles of Incorporation or under the provisions of the Colorado Nonprofit Corporation Act, or otherwise, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the event or other circumstance requiring such notice, shall be deemed equivalent to the giving of such notice.

**ARTICLE XI  
AMENDMENTS**

These Bylaws may not be altered, amended or repealed or new Bylaws adopted unless a minimum of two-thirds (2/3) of the directors then serving vote affirmatively for such alteration, amendment, adoption or repeal.

**Deleted:** These Bylaws may not be altered, amended or repealed or new Bylaws adopted unless a minimum of nine (9) directors vote affirmatively for such alteration, amendment, adoption or repeal.

**ARTICLE XII  
GRANT COMMISSION**

A. **Appointment.** The Board will designate ~~eleven (11)~~ members to the Grant Commission, referred to hereafter as "Commission". The designation of the members of such Commission and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof of any responsibility imposed by law. The term of each Commission member shall be two years.

**Deleted:** thirteen (13)

The Board shall select the members of each Commission based upon the following qualifications:

**Deleted:** Beginning July 1, 2012, the number of designated Grant Commission members will be reduced to eleven (11) by not replacing Commission members terms which are expiring.

1. Eleven (11) members shall, at the time of his or her appointment and during their term as

a member, be residents of the Steamboat Springs School District RE-2, one (1) may be a resident of the South Routt School District RE-3, and one (1) may be a resident of the Hayden School District RE-1. If a Director is not available from the Hayden School District RE-1 or South Routt School District RE-3, then that position may be filled by a resident of the Steamboat Springs School District. Residence, for purposes of this subsection, shall be determined in accordance with C.R.S. § 1-2-102. On July 1, 2012, the number of Commission members residing in Steamboat Springs RE-2 will be reduced to nine (9) as a result of the expiration of terms, as described above, while South Routt RE-1 and Hayden RE-3 will continue to each have one representative.

2. Each member shall demonstrate the expertise necessary for the fulfillment of the purposes of the Commission.

- B. **Purpose and Composition of the Grant Commission.** The Commission shall consider and recommend expenditures to the Steamboat Springs Education Fund Board of Directors to fund the maintenance and improvement of excellence in educational programs, capital and technology. Funding should complement and enhance regular district funding.
- C. **Authority.** The Commission shall have the authority to review proposals for the expenditure of monies and to recommend to the Board the expenditure of the monies of the SSEF.
- D. **Tenure of Members.** The term of each member of the Commission shall be two years.
- E. **Meetings.** Regular meetings of the Commission shall be held monthly at such time and places as the Commission may fix from time to time by resolution. Special meetings of the Commission may be called by any member thereof upon not less than three day's notice stating the place, date and hour of the meeting, which notice may be written, oral, or by email to an email address registered with the Secretary. If notice is mailed, shall be deemed to be delivered when deposited in the United States mail addressed to the member of the Commission at the address on file with the Secretary. If notice is given by email, such notice shall be deemed to be delivered when sent to the member as shown on a copy of such email. The attendance of a member at any meeting shall constitute a waiver of notice of such meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any member of the Commission may waive notice of any meeting and no notice of any meeting need be given to any member thereof who attends in person. With the exception of a special meeting, the notice of a meeting of the Commission need not state the business proposed to be transacted at the meeting.
- F. **Quorum.** A majority of voting members of the Commission shall constitute a quorum for the transaction of business at any meeting and action of the Commission must be authorized by the affirmative vote of a majority of the members present at a meeting at which a quorum is present.
- G. **Informal Action by Commission.** Any action required or permitted to be taken by a Commission at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.
- H. **Vacancies.** Any vacancy occurring in the Commission shall be filled by a resolution adopted by the Board of Directors after considering the qualifications of any applicants received after notification of such vacancy. A member appointed to fill a vacancy shall serve for the unexpired



term of his or her predecessor in office.

- I. **Resignations and Removal.** Any member of the Commission may be removed at any time with or without cause by resolution adopted by a majority of the Board. Any member of the Commission may resign from the Commission at any time by giving written notice to the President or Secretary of the SSEF, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- J. **Procedure.** The Commission shall elect a presiding officer from its members and may fix its own rules of procedure which shall not be inconsistent with these Bylaws. It shall keep regular minutes of its proceedings and report the same to the Board of Directors for its information at the meeting thereof held next after the proceedings shall have been taken.

### ARTICLE XIII EXECUTIVE COMMITTEES

- A. **Appointment.** The Board of Directors, by resolution adopted by a majority of the full Board, may designate members to such Executive Committees as the Board of Directors may decide. The designation of the members of such Committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.
- B. **Purpose of Committee.** The Board of Directors may specify such purposes for any Executive Committees as it may decide.
- C. **Authority.** The Executive Committee shall have the authority as may be granted to it by the Board of Directors.
- D. **Tenure of Members.** The term of each member of each Executive Committee shall be two years.
- E. **Meetings.** Regular meetings of the Executive Committee shall be held annually at such time and places as the Executive Committee may fix from time to time by resolution. Special meetings of the Executive Committee may be called by any member thereof upon not less than three day's notice stating the place, date and hour of the meeting, which notice may be written or oral, and if mailed, shall be deemed to be delivered when deposited in the United States mail addressed to the member of an Executive Committee at his or her address on file with the Secretary. Any member of an Executive Committee may waive notice of any meeting and no notice of any meeting need be given to any member thereof who attends in person. The notice of a meeting of an Executive Committee need not state the business proposed to be transacted at the meeting.
- F. **Quorum.** A majority of the members of an Executive Committee shall constitute a quorum for the transaction of business at any meeting thereof, and action of an Executive Committee must be authorized by the affirmative vote of a majority of the members present at a meeting at which a quorum is present.
- G. **Informal Action by Executive Committee.** Any action required or permitted to be taken by an Executive Committee at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the

subject matter thereof.

- H. **Vacancies.** Any vacancy in the Executive Committee shall be filled by a resolution adopted by the Board of Directors after considering the qualifications of any applicants received after notification of such vacancy.
- I. **Resignations and Removal.** Any member of an Executive Committee may be removed at any time with or without cause by resolution adopted by a majority of the Board of Directors. Any member of an Executive Committee may resign from the Executive Committee at any time by giving written notice to the President or Secretary of the SSEF, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- J. **Procedure.** Each Executive Committee shall elect a presiding officer from its members and may fix its own rules of procedure which shall not be inconsistent with these Bylaws. It shall keep regular minutes of its proceedings and report the same to the Board of Directors for its information at the meeting thereof held next after the proceedings shall have been taken.
- K. **Other Committees.** Other committees not having and exercising the authority of the Board of Directors in the management of the SSEF may be appointed in such manner as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. The President of the SSEF shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the SSEF shall be served by such removal.

**ARTICLE XIV  
INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Each director, officer and employee of this Corporation, whether or not then in office, and his or her personal representatives shall be indemnified by the Corporation, in accordance with C.R.S. 7-129-102, against all liability, costs and expenses, including counsel fees, actually and necessarily incurred by or imposed on him or her in connection with the defense of any action, suit or proceeding in which he or she may be involved or may be made a party by reason of his being or having been such director or officer, except in relation to matters as to which he or she was adjudged liable to the Corporation as reflected in C.R.S. 7-129-102 (4). The foregoing right of indemnification shall not be exclusive of any other rights to which he may be entitled as a matter of law or by agreement, Bylaw, vote of Members or otherwise.

**CERTIFICATE**

I hereby certify that the foregoing Fourth Amended and Restated Bylaws, consisting of Ten (10) pages, including this page, constitute the Fourth Amended and Restated Bylaws of Steamboat Springs Education Fund, adopted by the Board of Directors of the SSEF as of this fourth day of December, 2013.

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Secretary

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