

**CONSENT BY THE BISHOP OF SPOKANE AND THE PASTORS OF  
ST. AUGUSTINE PARISH, OUR LADY OF LOURDES PARISH,  
AND SACRED HEART PARISH,  
TO INCORPORATE  
CATALDO CATHOLIC SCHOOL**

The undersigned, being the Catholic Bishop of Spokane (the “Bishop”) and the Pastors (each, a “Pastor”) of St. Augustine Parish - Spokane, Sacred Heart Parish - Spokane and The Cathedral of Our Lady of Lourdes - Spokane, each a Parish in the Diocese of Spokane (collectively, the “Parishes”), acting by unanimous written consent, hereby adopt the following resolutions and hereby consent to the taking of the actions set forth herein:

**RECITALS**

**WHEREAS**, Cataldo Catholic School is a combined ministry of the Parishes;

**WHEREAS**, the Bishop and the Pastors have the authority to and act together as Bishop and as Board of Governors in directing the operation of Cataldo Catholic School;

**WHEREAS**, the Bishop and the Pastors desire to incorporate Cataldo Catholic School as a separate legal entity and establish as a separate juridical person under Canon law;

**WHEREAS**, the Pastors have empowered an interim board to consider the issue of incorporation of Cataldo Catholic School and make specific recommendations to the Bishop and Pastors for their action with regard to Articles of Incorporation and Bylaws setting forth the governing structure of Cataldo Catholic School;

**WHEREAS**, the Interim Board has recommended to the Bishop and the Pastors that they approve the Articles of Incorporation in the form attached hereto as Exhibit A (the “Articles of Incorporation”) and the Bylaws in the form attached hereto as Exhibit B (the “Bylaws”);

**NOW, THEREFORE**, in consideration of these recitals, the undersigned hereby unanimously resolve as follows:

**RESOLUTIONS**

**RESOLVED**, that the Articles of Incorporation in the form attached hereto as Exhibit A are hereby authorized, ratified and approved;

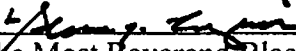
**RESOLVED FURTHER**, that the Bylaws in the form attached hereto as Exhibit B are hereby authorized, ratified and approved;

**RESOLVED FURTHER**, that either the Bishop or any of the Pastors is specifically hereby authorized and directed to take such action as may be necessary, appropriate or convenient to promptly carry out the incorporation of Cataldo Catholic School as a separate legal entity under Washington law and a separate juridical person under Canon law, including but not limited to executing and delivering for filing with the Washington Secretary of State the Articles of Incorporation in the form attached hereto as Exhibit A.

The execution of this Consent, which may be accomplished in counterparts, shall constitute the joint action by the Bishop and the Pastors with regard to the matters set forth herein.

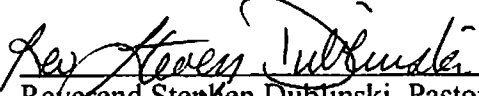
DATED this 5 day of September, 2010.

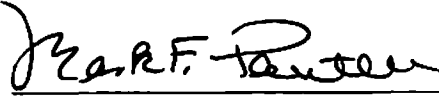
**BISHOP:**

  
\_\_\_\_\_  
The Most Reverend Blase J. Cupich  
Catholic Bishop of Spokane

**PASTORS:**

  
\_\_\_\_\_  
Reverend Robert McNeese, Pastor of  
St. Augustine Parish

  
\_\_\_\_\_  
Reverend Stephen Dublinski, Pastor of  
Our Lady of Lourdes Parish

  
\_\_\_\_\_  
Reverend Mark Pautler, Pastor of  
Sacred Heart Parish

**ARTICLES OF INCORPORATION  
OF  
CATALDO CATHOLIC SCHOOL**

**A WASHINGTON NONPROFIT CORPORATION**

The undersigned, acting as incorporators under the Washington Nonprofit Corporation Act (Revised Code of Washington 24.03) (hereinafter the "Nonprofit Act"), hereby adopt and execute the following Articles of Incorporation:

1. **NAME.** The name of this Nonprofit Corporation is Cataldo Catholic School.
2. **DURATION.** The duration of this Corporation is perpetual.
3. **PURPOSE.** The purpose for which this Corporation is organized is to possess and exercise in general all powers conferred upon nonprofit Corporations by Washington law, including those set forth in the Nonprofit Act as amended from time to time, in strict conformity with and subject to the laws and disciplines of the Roman Catholic Church. This Corporation is organized exclusively for charitable, religious and educational purposes in general and in particular, this Corporation is organized to give civil legal status to a Roman Catholic School as identified by the Code of Canon Law benefiting the religious missions of St. Augustine Catholic Parish – Spokane, Sacred Heart Catholic Parish – Spokane and The Cathedral of our Lady of Lourdes – Spokane, all in Spokane, Washington, always doing so in conformity with the tenets, laws, regulations and polity of the Roman Catholic Church. Notwithstanding any other provision in these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a Corporation exempt from federal income tax under §501(c)(3) of the Internal Revenue Code as it now exists or as hereafter amended or the corresponding section of any future federal tax code ("Tax Code"), or (b) by a Corporation, contributions to which are deductible under §170(c)(2) of the Tax Code.
4. **POWERS.** This Corporation shall have all the power to do all lawful acts or things necessary, appropriate or desirable to carry out and in furtherance of its purposes described in Article 3, which are consistent with the Nonprofit Act, Section 501(c)(3) of the Tax Code, and the laws, disciplines, tenets and polity of the Roman Catholic Church.
5. **BOARD OF DIRECTORS.** The Board of Directors shall consist of a minimum of seven (7), but not more than eleven (11) Directors, the membership of which shall be determined in accordance with the terms of the Bylaws of the Corporation.
6. **LIABILITY OF DIRECTORS.** No director shall be liable personally to the Corporation for monetary damages for conduct as a director, provided, however that the personal liability of a director shall not be limited for acts or omissions which involve intentional misconduct, a knowing violation of law, or any transaction from which the director personally will receive a benefit in money, property or services to which the director is not entitled legally.

7. INDEMNIFICATION OF DIRECTORS AND OFFICERS. The private property of the officers and directors of this Corporation shall not be subject to the payment of corporate debts to any extent whatsoever. Nor shall the officers and directors pay any dues or assessments. This Corporation shall indemnify any and all persons who may serve or who have served at any time as directors or officers of the Corporation, their respective heirs, administrators, successors and assigns, against any and all expenses and liabilities, including counsel fees reasonably incurred by or imposed upon him/her, in connection with any proceeding to which he/she may be made a party, or in which he/she may become involved by reason of his or her acting within the scope of authority as a director or officer of this Corporation or any settlement thereof, whether or not he/she is a director or officer at the time such expenses are incurred, except in such cases in which the director or officer is judged guilty of willful and knowing misfeasance, malfeasance or nonfeasance in the performance of his or her duties. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which said director or officer may be entitled.

8. NO MEMBERS. This Corporation shall have no members.

9. BYLAWS. The Board of Directors is authorized to make, alter, amend, or repeal the Bylaws of this Corporation consistent with the Nonprofit Act, Section 501(c)(3) of the Tax Code, the laws, disciplines, tenets and polity of the Roman Catholic Church and upon the approval of the Catholic Bishop of Spokane.

10. EARNINGS and LIMITATIONS. This Corporation shall have no capital stock and no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its parishioners, directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 3 above. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision in these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a Corporation exempt from federal income tax under §501(c)(3) of the Tax Code, or the corresponding section of any future federal tax code, or (b) by a Corporation, contributions to which are deductible under §170(c)(2) of the Tax Code, or the corresponding section of any future federal tax code.

11. REGISTERED OFFICE/AGENT. The address of the original registered office is 455 West 18<sup>th</sup> Avenue, Spokane, Washington, 99203. The name of the initial registered agent at that address is Stephanie Johnson. The written consent of such person to serve as registered agent is attached hereto.

12. DISSOLUTION. Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provisions for the payment of the liabilities of the Corporation, dispose of all its assets by distributing the same in accordance with all applicable provisions of the Nonprofit Act and the Canon Law of the Roman Catholic Church to one or more organizations organized and operated exclusively for charitable, educational or religious

purposes of the Roman Catholic Church as shall at that time qualify as exempt organizations under §501(c)(3) of the Tax Code, or the corresponding section of any future federal tax code. Any assets not so disposed of shall be disposed of by the Superior Court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as the Court shall determine, which are organized and operated exclusively for such purposes.

13. AMENDMENT. This Corporation reserves the right to amend, alter, change, or repeal any provision contained in these Articles of Incorporation by the affirmative vote of the Directors provided that such amendments, alterations, changes and/or repeals are consistent with the Nonprofit Act, Section 501(c)(3) of the Tax Code, the laws, disciplines, tenets and polity of the Roman Catholic Church and upon the approval of the Catholic Bishop of Spokane.

14. THE NAMES AND ADDRESSES OF THE INCORPORATORS ARE:

Reverend Robert McNeese  
428 West 19<sup>th</sup> Avenue  
Spokane, WA 99203

Reverend Stephen Dublinski  
1115 West Riverside Avenue  
Spokane, WA 99201

Reverend Mark Pautler  
219 East Rockwood Blvd.  
Spokane, WA 99202

IN WITNESS WHEREOF, the undersigned incorporators have executed these Articles of Incorporation.

DATED November 5, 2010.

By Robert J. McNeese  
Reverend Robert McNeese

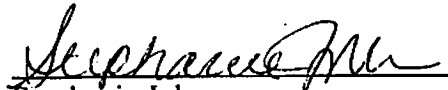
By Rev Stephen Dublinski  
Reverend Stephen Dublinski

By Mark F. Pautler  
Reverend Mark Pautler

**CONSENT TO APPOINTMENT OF REGISTERED AGENT**

I, Stephanie Johnson, hereby consent to serve as registered agent, in the State of Washington, for Cataldo Catholic School. I understand that as agent for the Corporation, it will be my responsibility to accept service of process in the name of the Corporation; to forward all mail and license renewals to the appropriate officer of the Corporation; and to immediately notify the Office of the Secretary of State of my resignation or any changes in the address of the registered office of the Corporation for which I am agent.

DATED: Nov. 5, 2010.

  
Stephanie Johnson  
Registered Agent

**BYLAWS OF**  
**CATALDO CATHOLIC SCHOOL**  
**A WASHINGTON NON-PROFIT CORPORATION**

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**BYLAWS OF**  
**CATALDO CATHOLIC SCHOOL**  
**A WASHINGTON NON-PROFIT CORPORATION**

**MISSION STATEMENT**

*Cataldo Catholic School's mission is to provide for the spiritual, intellectual, social and physical growth of all students. The staff is dedicated to the vocation of providing a quality educational experience for all students. The school is an integral part of the ministry of the Catholic Church, in partnership with St. Augustine, Sacred Heart and Our Lady of Lourdes parishes. As a community, parents, staff, and pastors collaborate to develop and implement a program that enables students to integrate Catholic faith and values throughout their lives.*

**INTRODUCTION**

Cataldo Catholic School is a Catholic elementary school (Pre-K through Grade 8) established in 2010 as a Washington non-profit corporation and erected as a public juridic person by the Bishop of Spokane ("Cataldo").

At this time, the pastors of Cataldo's member parishes, St. Augustine, Sacred Heart and Our Lady of Lourdes (the "Parishes"), establish a Board of Directors with limited jurisdiction. The Board will consist of people committed to and knowledgeable about the ministry of Catholic school education. The governance structure is established to guide the orderly interaction of people so that rights are respected and responsibilities fulfilled, and to produce a positive effect that improves education. (*A Primer on Educational Governance in the Catholic Church*, p.49)

In the Declaration, *Gravissimum educationis* (1965), the Fathers of the Second Vatican Council presented the vision and purpose of the Catholic school:

The Catholic school pursues cultural goals and the natural development of youth to the same degree as any other school. What makes the Catholic school distinctive is its attempt to generate a community climate in the school that is permeated by the Gospel spirit of freedom and love. It tries to guide the adolescents in such a way that personality development goes hand in hand in with the development of the "new creature" that each one of us has become through baptism. It tries to relate all of human culture to the good news of salvation so that the light of faith will illumine everything that the student will gradually come to learn about the world, about life and about the human person. (GE 8)

The Board of Directors is first and foremost charged with fostering the identity of Cataldo as a Catholic school. This responsibility is supported by local policies of the Diocese of Spokane:

The unique intention and direction of Catholic schools is best preserved and fostered by devout and knowledgeable Catholic leaders. (*Diocese of Spokane, Catholic Schools, Policies and Regulations n. 8110.1*).

The governance exercised by the Board concerns the school community aptly described in *The Religious Dimension of Education in a Catholic School – Guidelines for Reflection and Renewal* (Congregation for Catholic Education, 1988, hereinafter, “*Guidelines*”).

Everyone directly involved in the school is a part of the school community: teachers, directors, administrative and auxiliary staff. Parents are central figures, since they are the natural and irreplaceable agents in the education of their children (n. 32). Partnership between a Catholic school and the families of the students must continue and be strengthened: not simply to be able to deal with academic problems that may arise, but rather so that the educational goals of the school can be achieved....It is not a question of convenience, but a partnership based on faith. Catholic tradition teaches that God has bestowed on the family its own specific and unique educational mission (n. 42). The first and primary educators of children are their parents (n. 43).

The Board exercises governance in a spirit of collaboration.

The more the members of the educational community develop a real willingness to collaborate among themselves, the more fruitful their work will be. Achieving the educational aims of the school should be an equal priority for teachers, students and families alike, each one according to his or her own role, always in the Gospel spirit of freedom and love. Therefore, channels of communication should be open among all those concerned with the school. Frequent meetings will help to make this possible, and a willingness to discuss common problems candidly will enrich this communication (*Guidelines*, n. 39).

Finally, the *National Directory for Catechesis* (2005) provides an apt summary of what we do at Cataldo, and why we do it:

The Catholic school affords a particularly favorable setting for Catechesis with its daily opportunity for proclaiming and living the Gospel message; for learning and appreciating the teachings of our Church; for acquiring a deep understanding, reverence and love of the Liturgy; for building community; for prayer; for proper formation of conscience; for the development of virtue; and for participating in Christian service. In addition, Catholic schools strive to relate all of the sciences to salvation and sanctification. Students are shown how Jesus illumines all of life. (p. 233)

We commit ourselves to make Cataldo the best school it can be in fulfillment of this mission.

## **GENERAL PRINCIPLES**

The following principles provide the framework according to which the bylaws of Cataldo have been established and how the Board functions to facilitate the Mission of Cataldo Catholic School.

- The Board shall function with “limited jurisdiction.” The Board does not function as an autonomous and ultimate authority in all matters. Its authority is subject to the Church’s Code of Canon Law and other legislation of the Universal Church and of the United States Conference of Catholic Bishops with respect to the mission of Catholic schools. Furthermore the Board operates under the authority of the Catholic Bishop of Spokane and the policies of the Diocese of Spokane concerning Catholic schools. It is noted, however, that in these policies references to “pastor” will be interpreted as meaning “the Board” of Cataldo unless the former is evident from the text or context. The Board is subject to the laws of the State of Washington concerning non-profit corporations; and the competence of the Board is determined by the constitution and bylaws under which Cataldo is incorporated. The Board exercises the limited or local jurisdiction over the school that was formerly the responsibility of the Board of Governors, i.e., the pastors of the Parishes.
- The Board must respect the distinction between policy and administrative decisions. The Board does not manage the day-to-day affairs of the School, which is the responsibility of the Principal.
- The Board operates with transparency and accountability to the school community and the Parishes.

## **ARTICLE I. CORPORATE EXISTENCE**

**1.1 Name.** The name of this Corporation shall be CATALDO CATHOLIC SCHOOL (hereinafter referred to as "Cataldo").

**1.2 Civil and Canonical Status.** Cataldo has been civilly incorporated as a non-profit corporation under Washington State law. It has been canonically erected as a public juridic person by the Catholic Bishop of Spokane and recognized by him as a Catholic school, in accord with canon 803 of the Code of Canon Law (available at [www.vatican.va/archive](http://www.vatican.va/archive)). The constitution and bylaws are the same as the canonical statutes of Cataldo as a public juridic person. In accord with canons 117 and 314, the Catholic Bishop of Spokane has the right to approve the constitution and bylaws of Cataldo Catholic School and their amendment.

## **ARTICLE II. BOARD OF DIRECTORS**

**2.1 Purpose and Functions.** The Board of Directors (hereinafter referred to as the "Board") of Cataldo is vested with limited jurisdiction. Board decisions are final and binding in matters over which it exercises jurisdiction.

The Board has responsibilities in the following areas:

- Oversight of financial operations and legal affairs including, but not limited to, long-term financial planning, annual operating budgets, monthly and annual financial reports and the borrowing of monies.
- Development of Cataldo policies including, but not limited to those policies consistent with Cataldo's Articles of Incorporation, these Bylaws and applicable civil or canon laws and policies of the Diocese of Spokane.
- Operation and oversight of Cataldo's physical plant and its maintenance. It should be noted that as of the date of incorporation, all buildings used by Cataldo belong to St. Augustine Parish. Cataldo uses these buildings under a long-term lease. All capital improvements regardless of the funding source must be coordinated with and approved by the Pastor of St. Augustine.
- Development and oversight of marketing and development programs including, but not limited to, comprehensive institutional advancement/development planning for Cataldo designed to attract human and financial resources in areas of student enrollment and retention, alumni affairs, public relations, marketing, etc.
- Development and implementation of strategic and tactical planning programs.
- Development and implementation of effective communications programs involving the Cataldo community of parents, students, alumni, the Parishes, faculty, staff and administration.

### **2.2 Relationship with Other Ecclesiastical Structures and Groups**

**2.2.1 Diocese of Spokane.** As a Catholic school of the Diocese of Spokane, Cataldo is subject to the oversight and vigilance of the Catholic Bishop of Spokane, which is normally exercised by the Superintendent of Catholic Schools and stated in diocesan policies governing Catholic Schools available on the website of the Diocese of Spokane.

A member of the Board will normally be present at the Diocesan School Advisory Council meetings.

**2.2.2 Parishes and Pastors.** The Parishes are partners in the mission of Cataldo, and support Cataldo as part of the Parishes' responsibility to provide Catholic education for their families. The Parishes will promote the School as the favored institution for parents desiring to entrust their children to a Catholic school. The Parishes will render financial support to Cataldo according to policies determined at the parochial level. Each pastor is *ex officio* a member of the Board of Directors, although only one of them is designated to sit on the Board as a voting Director.

The Board shall keep the Cataldo community mindful of Cataldo's relationship with the Parishes, and the importance of the participation of Cataldo's families in the Parishes.

**2.2.3 Other Organizations.** As a coordinating and unifying structure, every non-student organization or association connected with Cataldo's educational programs is subordinate to the Board.

**2.2.4 Faculty.** The relationship between the Board and Cataldo's faculty shall be characterized by mutual support, good communication and cooperation. The Principal represents the faculty to the Board. From time to time, faculty and administrative staff may be invited to share information with the Board on matters concerning Cataldo.

**2.3 Membership.** The Board will be comprised of a minimum of seven (7) persons and a maximum of eleven (11) persons consisting of

- (i) one (1) Pastor of the Parishes as determined by the Pastors from time to time ("Pastor Director"); and
- (ii) up to ten (10) persons who are Catholics registered in a parish in the Diocese of Spokane and who have received a letter of recommendation from their Pastor to the Board ("Community Directors").

Additional Board membership requirements include:

- (i) Parishioners of the Parishes shall represent a majority of the Community Directors; and
- (ii) Each of the Parishes shall be represented by at least one (1) Community Director; and
- (iii) At least three (3) of the Community Directors shall be persons with no children currently enrolled at Cataldo; and
- (iv) The Superintendent of Schools for the Diocese of Spokane and the Pastors of the Parishes who are not the Pastor Director shall be *ex-officio*, non-voting members of the Board.

**2.4 Term.** The Community Directors serve three (3) year terms, staggered so that not more than one-third (1/3) of the Community Directors' terms end in any one (1) calendar year. Upon

initial formation, this will require that certain initial Community Directors have a one (1) year term and certain initial Community Directors have a two (2) year term. No Community Director shall serve more than two (2) consecutive terms. The term of the Pastor Director shall be indeterminate. The term of office shall begin July 1 of each year.

**2.5 Nomination and Appointment Process.** The Board shall appoint a Nominating Committee each year. The Vice President shall chair the Nominating Committee and the Board shall appoint four (4) additional members.

The duties of the Nominating Committee shall be to nominate Community Directors for appointment by the Board. The Nominating Committee shall nominate one (1) person for each Community Director position. In selecting nominees, the Nominating Committee shall follow Section 2.3 and general guidelines issued from time to time by the Board. The consent of the nominees proposed by the Nominating Committee and a written recommendation from the nominee's Pastor shall be obtained before forwarding nominations to the Secretary.

The report of the Nominating Committee shall be signed by the Vice-President and filed with the Secretary. The nominations shall be filed with the Secretary not later than May 1 of each year, and the Secretary shall publish such nominations in any reasonable manner.

Each nominee must be approved by a majority of the Nominating Committee and all nominees are subject to approval by the Board by May 31 of each year.

**2.6 Meetings.** The Board shall meet regularly on a schedule determined by the Board. Any Officer or two (2) or more Directors may call special meetings of the Board if notice is given to the other Directors at least two (2) days prior to the meeting.

A simple majority of the Directors shall constitute a quorum for the transaction of business. Each Director shall have one (1) vote, and may not vote by proxy. Decisions regarding policy and other matters of greater importance normally receive a first reading and are decided at a subsequent meeting. However, by consensus or majority vote the Directors may waive a second reading and proceed to a decision.

Board meetings shall be open to parents, guardians and members of the Cataldo community and the Parishes unless the President designates a meeting closed to all but Board members. The Board is at liberty to invite specified persons to meetings in accord with matters to be discussed. In the event someone outside the Board desires to address the Board, he or she must notify the President at least three (3) days prior to the meeting, including the nature of the topic to be addressed. The Board shall set aside time at each meeting for parents or parishioners to address the Board. The President will determine the appropriateness and time allocated for the address.

**2.7 Resignation and Removal of Directors.** A Director can resign upon notice to the other Directors. Any Director other than the Pastor Director may be removed by the majority vote of the Board. The Board, subject to the requirements of Section 2.3, may appoint the interim replacement for any Director between nomination cycles.

**2.8 Committees of the Board.** The Board may establish standing and temporary committees. Each committee may include at least one Director together with other individuals recommended by the Board. The Board appoints the committee's Chair or entrusts this

responsibility to the committee. The Board shall always have an Executive Committee, a Nominating Committee, a Finance Committee, and a Marketing and Development Committee.

The Executive Committee shall be chaired by the President and shall include the Pastor Director and up to two (2) other members of the Board as determined by the Board from time to time. The President shall call meetings of the Executive Committee.

A duly qualified Director selected by the Board shall chair the Finance Committee.

## **2.9 Rules of Order.**

**2.9.1 Consensus Decision Making.** Decisions of the Board on matters of greater importance should result from a process of consensus rather than from majority vote. A consensus is reached on the question if the general preference of the group is clear to all (including those who have another preference). Consensus does not necessarily reflect unanimity. By its nature, reaching consensus may require more time and thoughtful, prayerful discernment rather than the efficiency of a majority vote. When consensus is not achieved, the President will determine whether to reconsider the issue at another time or submit it to a vote. A resolution by the Board whether by consensus or majority vote is recorded, promulgated and implemented as a decision of the Board.

**2.9.2 Action without a Meeting.** Any action that may be undertaken at a meeting of the Board or Committee may be transacted without a meeting if all members of the Board or a Committee provide their consent to such action in writing.

**2.9.3 Attendance by Communications Equipment.** The Directors may participate in a meeting by means of communications equipment that enables all participants to hear one another simultaneously. A Director who participates by means of communications equipment is deemed to be present at the meeting.

**2.10 Compensation of Directors.** No person shall be compensated for service on the Board with due regard for reimbursement by Cataldo of out-of-pocket expenses approved by the Board.

**2.11 Conflicts of Interest.** Any Director or Committee Member having an interest in a contract or other transaction (including academic or student affairs) coming before the Board or Committee shall give full disclosure of this interest to the Board prior to the Board or Committee acting on the contract or transaction. Without participation of the interested Director or Committee Member, the Board shall determine whether a conflict of interest exists or can be reasonably construed to exist. If the Board determines that a conflict exists, the member shall not participate in the discussions or deliberations of the contract or transaction, vote on it, or use personal influence in his or her favor.

For purposes of this Section 2.11, a person shall be deemed to have an interest in a contract or other transaction if he or she is contracting or dealing, either directly or indirectly, with Cataldo; or is a director, partner, officer or spouse of a director, partner or officer; or has a significant financial or influential interest in, the entity contracting or dealing with Cataldo.

## **ARTICLE III. OFFICERS OF THE CORPORATION AND BOARD OF DIRECTORS**

**3.1 Officers.** This Corporation shall have the following officers: President, Vice-President and Secretary. These officers shall be appointed by the Board from its members and shall have such duties and rights as their respective offices imply and as provided by these Bylaws.

**3.2 Appointment of Officers.** With the exception of President, the Board shall appoint the Officers by July 31 of each year. All nominated candidates shall be appointed by acclamation of the Board, and the Secretary shall publish the names of appointed officers in any reasonable manner. Upon completion of the President's term of office, the Vice-President shall automatically become President.

**3.3 President.** The President shall

- Call and preside at all regular and special meetings of the Board;
- Provide leadership and direction for the Board;
- Enforce the Articles of Incorporation, Bylaws and policies of the Board; and
- Perform any and all duties incident to the office of President.

**3.4 Vice-President.** The Vice-President shall

- Assist the President and assume the duties of the President in the President's absence;
- Chair the Nominating Committee for appointment Board members.
- Succeed the President upon completion of his/her term.

**3.5 Secretary.** The Secretary shall

- Keep the minutes of the meetings of Board of Directors
- Make a report thereof at such time as shall be required by the Board and shall perform such other duties as may be required from time to time by the Board

## **ARTICLE IV. THE PRINCIPAL**

**4.1 Appointed by Board.** The Board appoints the Principal. The Principal serves as a leader of the Cataldo faith community, integrating the philosophy, goals and objectives of the Board and the Diocese of Spokane, especially in the faith formation and on-going development of students and faculty. The Principal is accountable directly to the Board. The Board determines the Principal's job description for the local situation consistent with the Principal's job description provided by the Superintendent of Catholic Schools. The Board annually evaluates the job performance through a process facilitated by the Superintendent of Catholic Schools. The Principal is contracted on a yearly basis, and the Board has the ultimate contractual and canonical responsibility to offer or not offer a new contract each year to the Principal. The contract between Cataldo and the Principal may be terminated prior to the end of the school year by either party for the reasons specified in the contract.

The Principal attends meetings of the Board unless excused by or is notified by the Board not to attend a particular meeting.

**4.2 Operational Responsibilities.** The daily administration of Cataldo is the responsibility of the Principal while the Board provides direction through its policies. Prior to taking action on issues of greater importance (e.g. eliminating or combining of classes, the termination of a teacher during the teacher's contracted term of employment, etc.), the Principal shall seek the advice of the President and/or the Board including making a request to the President to call a special meeting of the Board to consider such issues of greater importance. The Principal shall obtain the Board's approval prior to creating, eliminating or modifying professional and support positions.

**4.3 Educational Responsibilities.** It is the responsibility of the Principal to supervise the educational programs of Cataldo in accord with the curriculum for Catholic schools of the Diocese of Spokane, and to follow the counsel of the Board to ensure the highest quality education possible. The Principal shall initiate recommendations to the Board concerning educational goals and objectives that respond to the long-range needs and ideals of Cataldo as expressed by the Board.

**4.4 Reporting Responsibilities.** The Principal shall be responsible for taking information to the Board including, but not limited to, enrollment and financial reports, Diocesan policies, procedures and plans and other information necessary to the operations of Cataldo. In order to fulfill these reporting responsibilities, the Principal may request the President call a special meeting of the Board.

#### **ARTICLE V. INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS**

The Corporation shall indemnify its Board, Officers, directors, employees and agents to the greatest extent permitted by law. The Corporation shall have the power to purchase, procure and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation against liability asserted against such person and incurred by such person in any such capacity or arising out of any status as such, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Article VI.

#### **ARTICLE VI. GENERAL PROVISIONS**

**6.1 Assets of Corporation.** All monies from whatever source received for the benefit of the corporation shall be deposited in bank accounts in the name of the corporation and proper books of accounts shall be kept of all monies or properties received and disbursements made. Any restrictions placed by donors on any monies or assets received by the corporation shall be properly documented and accounted for. All monies, real property, personal property and other assets received by the corporation shall be kept and managed in accordance with applicable provisions of the Canon Law of the Roman Catholic Church and the statutes and accounting guidelines promulgated from time to time by the Diocese of Spokane.

**6.2 Withdrawals of Funds.** The withdrawal of funds from the bank accounts of the corporation shall be authorized on the signatures of the individuals approved by the Board from time to time.

6.3 **Books of Accounts.** All books of accounts and the minute books of meetings shall be kept in a Cataldo office in a secure and safe manner.

**ARTICLE VII. AMENDMENT OF BYLAWS**

These Bylaws may be amended by resolution adopted by the Board. Amendments must be approved by the Catholic Bishop of Spokane and must be consistent with the Code of Canon Law of the Roman Catholic Church and the policies, procedures, rules and statutes of the Catholic Diocese of Spokane.

**ARTICLE VIII. REGISTERED OFFICES**

8.1 **Registered Office and Agent.** The registered office of the Corporation shall be located in the state of Washington at such place as may be fixed from time to time by the Board upon filing of such notices as may be required by law. The registered agent shall have an address identical with such registered office.

8.2 **Additional Offices.** The corporation may have other offices within the State of Washington at such place or places as the Board may from time to time determine.

The foregoing Bylaws, as above recorded, were adopted in the meeting of the pastors of the Parishes by unanimous consent, such meeting having been held on the 5 day of Nov., 2010.

By Robert J. McNeese  
Reverend Robert McNeese

By Reverend Stephen Dublinski  
Reverend Stephen Dublinski

By Mark E. Pautler  
Reverend Mark Pautler

Approved by:

By: Brase J. Cupich  
The Most Reverend Brase J. Cupich  
Catholic Bishop of Spokane