

2012

Country Montessori School of Poway Governing Board Handbook

The Nonprofit Institute, University of San Diego

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Country Montessori School of Poway

Governing Board Handbook



**“Country Montessori is dedicated to nurturing a
child’s innate love of learning.”**

-- Country Montessori School

April 4, 2012

Dear Board Member:

Thank you for volunteering your time, energy and skills as a new member of the Country Montessori School (CMS) Board of Directors.

Over 20 years ago, parents like you recognized an opportunity to develop and build a not-for-profit Montessori school. These parents, in collaboration with a group of certified Montessori teachers, believed that together they could create an exceptional environment that developed the “whole child.” This Montessori concept emphasizes, not only excellence in academics, but in social responsibility, spirituality, independence, confidence and overall physical health.

CMS is dedicated to growing and evolving to meet these requirements for our children as well as the needs of our parents and entire community. We’re confident that with your leadership we can achieve and exceed these goals.

The Board of Directors plays a critical role in this mission. This board is responsible for “setting the agenda and priorities”¹ at CMS. It has the ability to identify the most vital problems and opportunities that we should pursue. *It is a commitment that can impact the lives of our children.*

Enclosed, you will find your board manual with the following sections:

Section I: About Us

- Reviews history, mission, programs and the Montessori philosophy.

Section II: Responsibilities of Governance

- Defines legal and basic responsibilities of a board member
- Provides valuable information about types of non-profit board governance
- Statement of Commitment – Please sign and return to Adela Corrales, Head of School

Section III: Board Organization

- Organizational chart and contact information
- Board of Directors and committee assignments and descriptions
- Meeting expectations

Section IV: Financials

- Financial Statements (Balance Sheet and Profit & Loss Statement)
- Recent 990 IRS Report

Section V: Policies, Procedures and Legal Documents

- Articles of Incorporation, By-Laws, IRS determination letter
- Insurance Policies
- Conflict of Interest, Whistle Blower, Document Retention Policies

If you have any questions, please do not hesitate to contact us. We look forward to working with you at CMS.

Best regards,

Uma Seshan, Board President

Adela Corrales, Head of School

¹ Chait, R., Ryan, W., Taylor, B. (2005). *Governance as Leadership*. Hoboken, New Jersey: John Wiley & Sons, Inc.



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About Us



“The child is both a hope and a promise for mankind”

-Dr. Maria Montessori

Founding History

Country Montessori School was founded in May 1989 by an inspired group of parents and dedicated Montessori Directresses. A Board of Directors and Board-appointed Head of School operate the school. An incorporated non-profit school, CMS adheres to the traditional Montessori philosophy and is affiliated with the American Montessori Society. The primary and elementary directresses develop the curriculum based on the methods of Dr. Maria Montessori.



As an extension of our founding philosophy, parents are strongly encouraged to be involved in the school's community as active board members and volunteers in those areas in which they have expertise. We believe parent participation is vital to the success of your children's education.

Mission Statement

Country Montessori School (CMS) is committed to maintaining its leadership in Montessori education. Our mission as educators and parents is to foster independent, confident, academically prepared, and socially responsible citizens, who will be lifelong learners and problem solvers. We will grow and evolve to meet the needs of our children, parents and community.



“Plainly, the environment must be a living one, directed by a higher intelligence, arranged by an adult who is prepared for his mission.”

-- Dr. Maria Montessori

County Montessori School Philosophy

Country Montessori School allows children to develop freely within a prepared environment. Our classrooms possess a certain order and provide the opportunity for children to develop at his or her own speed, according to his or her own capacities. This helps them acquire inner guidance and an understanding of themselves and the world around them.

Montessori education fosters the natural curiosity and wonder of children to create a lifelong love of learning. The method moves the child from concrete experiences in the primary classrooms to abstract concepts in the elementary classrooms.

Students at Country Montessori School receive an education that focuses on the development of the whole child; intellectual, physical, social, emotional, and spiritual. The child's natural sense of wonder, exploration, discovery, independence, and concentration are nurtured in the classroom.

Montessori education is characterized as:



- A learning environment that is prepared
- Child-centered and responsive
- Learning activity that is spontaneous, dynamic, and self-directed
- Hands on experience with materials
- Intrinsic motivation and freedom within limits
- Mixed age grouping that stresses cooperation and collaboration in a community setting.

Montessori Philosophy



The Montessori education system originated in 1907 by the Italian physician Dr. Maria Montessori (1870-1952). She was born into a well-respected family and was expected to grow up to fulfill the traditional role of the Italian woman. Instead, she pursued an advanced degree at the University of Rome and became the first woman physician to graduate in Italy.

Her interests drew her to work with children, initially those who were disadvantaged and had special needs. Dr. Montessori's Casa dei Bambini or House of Children, was a radical departure from traditional schools and gained immediate worldwide recognition for the Montessori system.

The Montessori environment was tailored to children's needs, with adults whose profound respect for the spiritual child and pedagogical techniques resembled guidance more than direct teaching. It emphasized an atmosphere of freedom within limits. Disadvantaged children flourished in their development of independence, self-discipline, social grace and cognitive accomplishment.

Profile of Programs

The Primary Program (3-6 year olds)



This is the foundation of the Montessori method. The primary curriculum emphasizes development of psycho motor and perceptual skills as well as social and cognitive abilities. The environment aims to instill a sense of order and independence and also to combine coordination of movement with concentration. The curriculum is individualized and sequential. Starting at the primary level, children are presented lessons in sensorial, math, language arts, geography, history, zoology, botany, and practical life. The child's mastery and security in each of these areas builds the foundation for a successful transition into the Elementary programs.

Elementary Program (6-12 year olds)

Montessori techniques are used, along with incorporating workbooks and an integrated reading series. The elementary curriculum is highly individualized, allowing for acceleration or reinforcement when appropriate. Study in the elementary level is research-oriented. The elementary program is supplemented with activities such as the CMS Science Fair and



Poetry Festival, supervised computer-based research and field trips that reflect the current lesson plans. The school provides a pragmatic balance between cosmic education (which relates all areas of the human experience encouraging creative exploration) and skill mastery in the areas of reading, writing, and math. Testing is administered in different forms, either individually or as a group in those subject areas as a means of assessing mastery of basic facts.

Before and After Child Care Program

Free time and play in small group activities; home-like environment, where child has unstructured play after a day of schoolwork.

What is Governance?



“Governance is the process of giving fiduciary, strategic and generative leadership to a nonprofit organization by a legally constituted board of directors. The board then, is a group of people, who together oversee and advance the organizations’ cause for the common good on behalf of our community.”

– Liz Shear, M.A.

The Legal Responsibilities of Nonprofit Boards

Under well-established principles of nonprofit corporation law, a board member must meet certain standards of conduct and attention in carrying out his or her responsibilities to the organization. Several states have statutes adopting some variation of these duties, which would be used in court to determine whether a board member acted improperly. These standards are usually described as the duty of care, the duty of loyalty and the duty of obedience.

Duty of Care

The duty of care describes the level of competence that is expected of a board member, and is commonly expressed as the duty of "care that an ordinarily prudent person would exercise in a like position and under similar circumstances." This means that a board member owes the duty to exercise reasonable care when he or she makes a decision as a steward of the organization.

Duty of Loyalty

The duty of loyalty is a standard of faithfulness; a board member must give undivided allegiance when making decisions affecting the organization. This means that a board member can never use information obtained as a member for personal gain, but must act in the best interests of the organization.

Duty of Obedience

The duty of obedience requires board members to be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. A basis for this rule lies in the public's trust that the organization will manage donated funds to fulfill the organization's mission.

Ten Basic Responsibilities of Nonprofit Boards

1. **Determine mission and purpose.** It is the board's responsibility to create and review a statement of mission and purpose that articulates the organization's goals, means, and primary constituents served.
2. **Select the chief executive.** Boards must reach consensus on the chief executive's responsibilities and undertake a careful search to find the most qualified individual for the position.
3. **Support and evaluate the chief executive.** The board should ensure that the chief executive has the moral and professional support he or she needs to further the goals of the organization.
4. **Ensure effective planning.** Boards must actively participate in an overall planning process and assist in implementing and monitoring the plan's goals.
5. **Monitor, and strengthen programs and services.** The board's responsibility is to determine which programs are consistent with the organization's mission and monitor their effectiveness.
6. **Ensure adequate financial resources.** One of the board's foremost responsibilities is to secure adequate resources for the organization to fulfill its mission.
7. **Protect assets and provide proper financial oversight.** The board must assist in developing the annual budget and ensuring that proper financial controls are in place.
8. **Build a competent board.** All boards have a responsibility to articulate prerequisites for candidates, orient new members, and periodically and comprehensively evaluate their own performance.
9. **Ensure legal and ethical integrity.** The board is ultimately responsible for adherence to legal standards and ethical norms.
10. **Enhance the organization's public standing.** The board should clearly articulate the organization's mission, accomplishments, and goals to the public and garner support from the community.

Richard T. Ingram, [*Ten Basic Responsibilities of Nonprofit Boards, Second Edition*](#) (BoardSource 2009).

Types of Governance



There are three types or modes of governance, that when practiced together, can lead a Board of Directors to govern in an efficient, well thought-out and intentional process.

The modes of governance allow boards to achieve the following:

1. Understand the importance of their legal responsibilities as directors
2. Engage in the mission and purpose of the organization
3. Appreciate the relevance in their volunteer work
4. Comprehend and value the job they signed up for as directors

Below is a definition of each mode of governance and sample questions of how a Board could begin utilizing these modes by asking simple questions to begin a thought process.

1. Type I – Fiduciary Mode

- a. “Ensure that organization’s assets are conserved and optimized to promote the organization’s mission” (Chait, Ryan, Taylor, 2005, pg. 35).

2. Type II – Strategic Mode

- a. Develop and monitor a thought-out plan that includes short and long-term goals, dedicated to efforts and initiatives that fulfill and promote the organization’s mission.

3. Type II – Generative Mode

- a. The ability to frame the problem or origin of a problem before solving and implementing a solution.
- b. From the “genesis” – the origin or mode of the formation of something

Chait, R., Ryan, W., Taylor, B. (2005). *Governance as Leadership*. Hoboken, New Jersey: John Wiley & Sons.

Questions to Ask in Each Mode

Fiduciary Mode

1. Can we afford it?
2. What's the opportunity cost?
3. Is the budget balanced?
4. How much money do we need to raise?
5. Are we treating staff fairly and respectfully?
6. What's the case for raising the money?
7. Do facilities meet state and federal safety codes?

Strategic Mode

1. Do we want to grow? What does growth look like?
2. How do we see our enrollment in 3,5,7 years?
3. Is there a potential for CMS not to exist over the next 7 years?
4. What impact will student testing have on the school?
5. How do you recruit new students?
6. How can we engage the community?
7. What are our long-term goals for making facility improvements?
8. How can we raise funds to improve our school?

Generative Mode

1. Does current facility meet the needs of our children and foster an environment that educates the whole child (emotional, physical, spiritual and intellectual)?
2. Why do we not have adequate resources to make facility improvements?
3. Why do we have a difficult time involving outside community members at CMS?
4. Is implementing a proactive recruiting plan for new students realistic and necessary?
5. If CMS grows in size, would the growth have an impact on the quality of education? Would it be consistent with CMS' mission statement?

Country Montessori School Board Commitment Form

I, _____, understand that as a member of the Board of Directors of Country Montessori School (CMS), I have a legal and ethical responsibility to ensure that the organization does the best work possible in pursuit of its goals. I believe in the purpose and the mission of the organization, and I will act responsibly and prudently as its steward.

As part of my responsibilities as a board member:

1. I will commit to an initial three-year term of service.
2. I will regularly attend and prepare for board meetings, understanding that missing more than four meeting in a fiscal year may be grounds for dismissal.
3. I will lead and/or actively participate in at least one board committee.
4. I will actively participate in supporting CMS fundraising activities when possible.
5. I will respect the confidentiality of board discussions.
6. I will act in the best interest of the organization, and excuse myself from discussions and votes where I have a conflict of interest.
7. I will work in good faith with staff and other board members as partners toward achievement of our goals.

In return, CMS will be responsible to me in the following ways:

1. I will receive, in a timely fashion, financial reports, meeting agendas, minutes, and other information necessary for me to make informed decisions at meetings.
2. Opportunities will be offered to me to discuss with the Board Chair and the Head of School the organization's programs, goals, activities, and status; additionally, I can request such opportunities.
3. Board members and staff will respond in a straightforward fashion to questions I have that I feel are necessary to carry out my fiscal, legal and moral responsibilities to this organization. Board members and staff will work in good faith with me towards achievement of our goals.
4. If CMS does not fulfill its commitments to me, I can call on the Board Chair to discuss these responsibilities.

Signed: _____
CMS Board Member

Date: _____

Signed: _____
CMS Board Chair

Date: _____

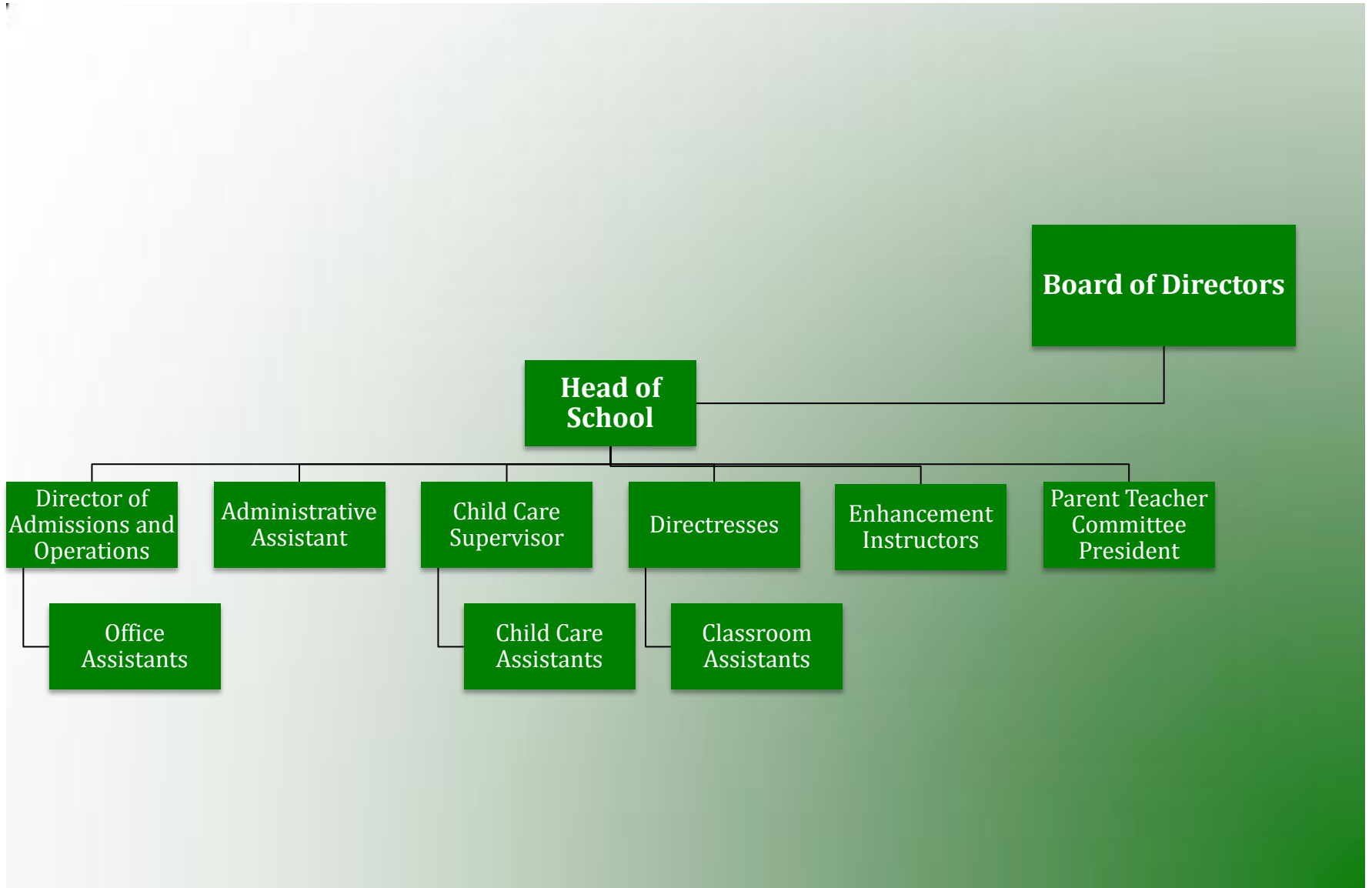
BOARD ORGANIZATION



“By modeling adult working relationships based on respect and openness, we also help children to grow and mature in their relationships with others.”

-- Dr. Maria Montessori

Organizational Chart



Country Montessori School 2011-2012 Board Roster

Ann Margaret Beck

Board Member

[Redacted]

Occupation: CMS Teacher

Phone: [Redacted]

Cell: [Redacted]

Patrick Duggan

Board Member

[Redacted]

Occupation: Attorney

Phone: [Redacted]

Cell: [Redacted]

Vicki Rehkopf

Board Member

[Redacted]

Occupation: Teacher

Cell: [Redacted]

Lance Bell

Board Member

[Redacted]

Occupation: HR Leader

Cell: [Redacted]

Erika Dukes

Board Member

[Redacted]

Occupation: CMS Teacher

Cell: [Redacted]

Uma Seshan

President

[Redacted]

Occupation: Consultant

Phone: [Redacted]

Cell: [Redacted]

Jennifer Bennington

Board Member

[Redacted]

Occupation: Parent

Cell: [Redacted]

Cory FitzGerald

Board Member

[Redacted]

Occupation: Attorney

Cell: [Redacted]

Sam Wakil

Secretary

[Redacted]

Occupation: Self-employed

Cell: [Redacted]

Brandon Black

Treasurer

[Redacted]

Occupation: CEO

Cell: [Redacted]

Caryl Hillard

Vice President

[Redacted]

Occupation: HR

Phone: [Redacted]

Cell: [Redacted]

Haibo Zhu

Board Member

[Redacted]

Occupation: Engineer

Phone: [Redacted]

Cell: [Redacted]

Adela Corrales

Board Member

[Redacted]

Occupation: Head of School

Cell: [Redacted]

Tammy Nickel

Board Member

[Redacted]

Occupation: Parent

Cell: [Redacted]



COUNTRY MONTESSORI SCHOOL of Poway

Authenticity & Tradition since 1989

Board Member Job Descriptions

President

- Presides at all meetings of the board
- Member of the executive Committee
- Emphasizes and supports board's role in strategic planning and fiduciary responsibility
- Discusses issues confronting the organization with head of school and other executive committee members, as appropriate
- Helps guide and mediate board actions with respect to organizational priorities and governance concerns
- With the head of school, recommends creation and composition of the board committees; along with recommendation of committee chair
- Assists, along with head of school, in the recruitment for board and committee members
- Annually evaluates the performance of the head of school and recommends his/her salary for consideration
- Acts as an ambassador for the organization

Vice-President

- Member of the executive committee
- Performs president's responsibilities when the he/she cannot be available
- Acts as an ambassador for the organization
- Carry out special assignments as requested by the president

Secretary

- Member of the executive committee
- Responsible for keeping records of board actions
- Makes certain that minutes are recorded for all board meetings
- Ensures minutes are distributed to members shortly after each meeting
- Distributes copies of board agenda prior to meeting
- Assumes responsibilities of the president in the absence of the board president and vice-president

Treasurer

- Member of the executive committee
- Delivers financial report at each meeting
- Manages finances of the organization
- Administrates fiscal matters of the organization
- Provides annual budget to the board for members' for approval
- Ensures development and board review of financial policies and procedures
- Chair of the finance and/or audit committee
- Assists the head of school and chief financial consultant in preparing the annual budget
- Reviews the annual audit and answers board member questions
- Assumes responsibilities of the president in the absence of the board president, vice-president and secretary

Member, Board of Directors

- Accepts legal responsibility and authority for success and growth of the organization

- Annually approves the performance review of the head of school and ratifies his/her compensation
- Annually reviews and approves financial budget
- Approves major policies
- Approves major actions of the organization, such as tuition increases, capital expenditures
- Annually reviews the performance of the board and take steps to improve its performance

Current Committee Descriptions and Members

Executive Committee

- Comprised of board officers: President, Vice-President, Secretary and Treasurer
- Has power and authority of the Board of Director in between scheduled board meetings

Finance Committee

- To review financial statements prepared by financial consultant to review any inconsistencies, help develop appropriate procedures for budget preparations and general oversight of fiduciary performance
- To report to the board any financial irregularities, concerns, opportunities
- To recommend financial guidelines to the board (such as to establish a reserve fund or to obtain a line of credit for a specified amount)
- To work with staff to design financial reports and ensure the reports are accurate and timely
- To recommend selection of the auditor and work with the auditor, unless there is a separate audit committee
- To advise the head of school on financial priorities and information systems
- Oversee any major financial decision considered by the board, such refinancing property, leases, investment opportunities etc.

Current members:

- Brandon Black
- Uma Seshan
- Tammy Nickel
- Adela Corrales

Site Committee

- Work with staff to evaluate the functionality and safety of existing buildings and location of property
- Review a new lease with the assistance of the finance committee
- Evaluate feasibility of remodeling existing structures
- Obtain a minimum of three bids for any possible construction work

Current members:

- Patrick Duggan
- Sam Wakil
- Adela Corrales

Staff Management and Development

- Drafting and/or revising personnel policies for board approval
- Reviewing job descriptions
- Establishing a salary structure with management
- Annually reviewing staff salaries
- Reviewing the benefits package

Current members:

- Caryl Hillard
- Adela Corrales

Community Outreach

- Partner with neighboring adult retirement community to cultivate a relationship between the children at CMS and residents of the senior community
- Develop Honduras pen-pal and recycling program that promotes cultural education and world citizenship

Current members:

- Tammy Nickel
- Adela Corrales

Montessori Information Systems (IT) Committee

- Examine standards and protocol of the school's computer systems.
- Review bids to purchase new equipment
- Identify outside technology consultant to assist in upgrading and developing the IT systems

Current members:

- Haibo Zhu
- Adela Corrales
- Melissa Yee

Conduct of Meetings

- Meetings are held the 2nd Monday of every month.
- No meetings held in July and August
- Meetings start and end on time.
- Meetings are held in the teacher's lounge located in the Bumblebee's Classroom.
- All meetings include a printed agenda, which will be emailed to members at least 5 business days prior to the meeting.
- Meetings are generally informal.
- If an agenda item exceeds the time allotment, the board has the choice to postpone the remaining agenda topics in order to continue the discussion, table the current conversation until the next meeting or extend the meeting.

Suggestions for a standard board meeting and agenda:

- Begin on time and confirm that agenda was emailed five days before meeting
- Welcome and check-in – Are there any brief comments by the board members?
- Announcements
- Review agenda
- Consent items – these are items that do not require a discussion, but the board must pass or reject the items
- Presentations – Typically boards will include one educational presentation per board meeting that validate, encourage or provide guidance on a related topic or concept
- Review financials – treasurer gives financial report
- Discussion topics
- Governance education – board opportunity to practice generative governance (i.e. asking a question, group activity)
- Meeting evaluation
- Meeting adjournment

2012-2013 Board Calendar

- Monday, September 10, 2012
- Monday, October 8, 2012
- Monday, November 12, 2012
- Monday, December 10, 2012
- Monday, January 14, 2013
- Monday, February 11, 2013
- Monday, March 11, 2013
- Monday, April 8, 2013
- Monday, May 13, 2013
- Monday, June 10, 2013

Country Montessori School Board Meeting

10 January 2011

Attendees: Annemargaret Beck, Adela Corrales, Sam Wakil, Haibo Zho, Vicki Rehkopf, Juan Hernandez, Caryl Hilliard, Karin Osterberg, Uma Seshan, Jennifer Bennington, Jason King, Tammy Nickel.

Absent Members: Ted Slocomb, Patrick Duggan.

- Meeting called to order @ 6:38PM
- Motion to adopt minutes from 13 December 2010, all in favor, none oppose.
- No Parent address.

Administrator Report, Adela;

- Updated BOD on admission total 155 students and rising.
- Updated BOD on other school maintenance.

Institutional Advancement, Juan;

- Updated BOD on the survey results.
- Updated BOD on different avenues of exposure in regards to marketing the school.
- Members shared the idea of public relations and more community involvement to increase CMS name recognition and exposure.

Financial, Uma;

- Undated BOD on schools' financial state "on track" and ahead of budget.

PTC, Jennifer;

- Updated BOD on the vegetable garden project.
- Walk-a-thon.
- Looking for auction donations.
- Adding a reception to the spring fling event.

MIS, Haibo, Jason;

- ¹² Laptops have been set up.
- Updating the school website.

Community Outreach, Tammy;

- Updated BOD on the "SIPPS" program to start in February.

Site, Sam;

- Junk was hauled away.
- Garden fence built.
- No other updates.

14 March 2011

Attendees: Annemargaret Beck, Adela Corrales, Sam Wakil, Haibo Zho, Juan Hernandez, Caryl Hilliard, Uma Seshan, Jennifer Bennington, Jason King, Tammy Nickel, Ted Slocomb, Patrick Duggan, Karin Osterberg, Vicki Rehkopf.

- Meeting called to order @ 6:40PM
- Motion to adopt minutes from 31 January 2011 (February), all in favor, none oppose.
- No Parent address.

Administrator Report, Adela;

- Current enrollment at 159
- Next year's enrollment at 115 already committed.

Institutional Advancement, Juan;

- Marketing budget may be reduced to a very minimal amount based on next year projected enrollment.
- Some of the marketing budget can be used to promote the summer program and minimize loss.
- CMS is sponsoring the summer program concerts at the Lake.

Financial, Uma;

- School's income for end of Jan 2011 exceeded the budget.
- Cash flow year to date is also above budget.

PTC, Jennifer;

- Walkathon generated large sum
- Auction tickets are on sale.
- Baby sitting at auction night will be available at CMS for a small fee.

MIS, Haibo, Jason;

- Haibo to set up the 8 new lap tops tomorrow (Tuesday). Including printer and network set up.
- Jason updated the BOD on the progress of the IT plan for the school especially the UE classrooms.

Community Outreach, Tammy;

- SIPP program was launched last week.

Site, Sam, Patrick;

- Concrete was completed in north eating area under the tables. And other small areas as well.
- Total project came considerably under budget.

25 April 2011

Attendees: Annemargaret Beck, Adela Corrales, Haibo Zho, Juan Hernandez, Caryl Hilliard, Uma Seshan, Jason King, Tammy Nickel, Ted Slocomb, Patrick Duggan, Vicki Rehkopf.

Absent: Sam Wakil, Jennifer Bennington, Karin Osterberg

- Meeting called to order @ 6:39PM
- Passed minutes from March meeting
- No Parent address

Administrator Report: Adela

- Current enrollment at 155
- Next year's enrollment at 132 already committed with 6 pending
- Summer school applications coming
- Completed 50% of staff evaluations. Moral HIGH!

Institutional Advancement: Juan

- Brochures and summer program information being dropped off at children related places

Financial: Uma

- Meeting this Thursday to discuss budget

MIS: Haibo

- Haibo completed setup of 8 new laptops
- Transition almost complete
- Will need a staff member to manage program

Refinance: Tammy

- Following up with leads

Community Outreach: Tammy

- SIPP program is rolling along

Site: Patrick

- Generating ideas for leveling play area on boat playground.

Strategic Plan: Ted

- Working with Black family to create process

Action Item: Follow up with Sam regarding surveillance cameras on site

Meeting adjourned at 7:11 PM.

9 May 2011

Attendees: Annemargaret Beck, Adela Corrales, Juan Hernandez, Uma Seshan, Tammy Nickel, Ted Slocomb, Vicki Rehkopf. Karin Osterberg, Sam Wakil and Jennifer Bennington

Absent: Patrick Duggan, Caryl Hilliard and Haibo Zho,

- Meeting called to order @ 6:45 p.m.
- Passed minutes from April meeting
- No Parent address

Administrator Report: Adela

- Current enrollment at 156
- Next year's enrollment at 121 with forecast of 137 committed
- Ladybugs @ 14
- Bumblebees @ 24 w/3 pending
- Dragonflies @ 21 w/3 pending
- Lower Elementary @ 49 w/1 pending
- Upper Elementary @ 13 w/5 pending
- Summer school applications coming

Institutional Advancement: Juan

- Melissa handling google doc accounts
- Transition continuing with internet based system
- Checking into MAPS support with windows base or file/user system

PTC: Jennifer

- Officers elected for 2011-2012 school year
- Reception being held after Spring Fling Show
- Auction grossed \$21k; netted \$13k.

Site Improvement: Sam

- Working on bid for carpet in Ladybugs class
- Patrick working on bids for stage floor

Financial: Uma

- Presented budget for 2011-2012 school year
 - Motion approved for current fiscal year budget expenses through June 30, 2011
 - Motion approved for 2011-2012 school year budget

Action Item: Final survey going to be through "Survey Monkey"

Meeting adjourned at 7:34 p.m.

13 June 2011

Attendees: Annemargaret Beck, Adela Corrales, Juan Hernandez, Caryl Hilliard, Ted Slocomb, Vicki Rehkopf, Karin Osterberg, Haibo Zho, Sam Wakil and Jennifer Bennington

Absent: Patrick Duggan, Uma Seshan and Tammy Nickel

- Meeting called to order @ 6:47 p.m.
- Motion to approve May minutes, all in favor none oppose.
- Sam Wakil addressed the board regarding a simple matter was to be shared with administrator and not the BOD.

Administrator Report: Adela

- Current enrollment at 156
- Next year's enrollment at 133 with additional 14 committed and pending.
- Summer school enrollment is high.
- Teacher's work agreements completed.

Institutional Advancement: Juan

- Some survey questionnaires return with positive feedback.
- Brief update regarding marketing for next school year.

PTC: Jennifer

- PTC budget for next year is pending
- Some PTC positions are vacant, and may need new members.

Financial: Ted

- School in strong financial standing.

Meeting adjourned at 7:09 p.m.

Next meeting on 11 July 2011 @6:30pm.

12 September 2011

Attendees: Annemargaret Beck, Adela Corrales, Juan Hernandez, Uma Seshan, Tammy Nickel, Vicki Rehkopf, Karin Osterberg, Sam Wakil, Brandon Black, Erika Dukes, Jennifer Bennington and Haibo Zho

Absent: Patrick Duggan and Caryl Hilliard

- Meeting called to order @ 6:37 p.m.
- Minutes were passed electronically for June Meeting

Administrator Report: Adela

- Creating more options for quiet space in LE
- Parent Orientation adjusted to morning. Went well.
- Parent Ed Nights are this Weds/Thurs
- Annual inspection... GREAT!
- Current enrollment at 157 (Primary @ 89, LE @ 50, UE @ 18)
- Annual Meeting/Ice Cream Social this Saturday

Institutional Advancement: Juan

- "Write reviews!"

PTC: Jennifer

- Auction Chair and Fundraising Chair positions are open
- CMS apparel available
- Carnival plans underway- Baron's handling food. UE students want to be more involved. They voted to do a booth.
- Auction Date is 5/5/11. First meeting is 9/16/11

MIS: Haibo

- Working power down of Lynux and Microsoft
- Quickbooks will be handled by Sally
- Working on getting Microsoft 2010 Office

Community Outreach: Tammy

- Slideshow available to show CMS impact from donating \$500 through recycling bottles and cans to Honduras sister school.
- Recycle Rally kickoff at Annual Meeting

Financial: Uma

- \$211k profit on budget of \$80k
- Balance sheet healthy
- Paul is getting ready to present to Bank of West

Adela introduces Brandon Black

Action Item: Exploring Financials and plans for site improvement.

- Meeting adjourned at 8:10 p.m.
- Next meeting October 10, 2011

10 October 2011

Attendees: Annemargaret Beck, Adela Corrales, Uma Seshan, Tammy Nickel, Vicki Rehkopf, Sam Wakil, Erika Dukes, Jennifer Bennington, Haibo Zho and Caryl Hilliard

Absent: Patrick Duggan and Brandon Black

- Meeting called to order @ 6:36 p.m.
- Minutes passed for September 2011 meeting
- Executive Committee positions approved as follows:
- Uma Seshan, President; Brandon Black, Financial; Caryl Hilliard, Vice President and Sam Wakil, Secretary

Administrator Report: Adela

- Had two Parent Ed Nights. Very Successful!
- Stage is useable for Music Class
- Current enrollment at 155 (Primary @ 87, LE @ 50, UE @ 19)
- 5th Level interest calls for 6th level discussion to occur for November

Financial: Uma

- YTD budget has funds going toward reserves

PTC: Jennifer

- Auction Chair filled by Anna DeCapite. Seeking partnerships to offset costs
- Halloween Carnival on October 29th. Volunteers still wanted

MIS: Haibo

- Office switched to pcs

Site Improvement: Sam

- NTR
- Adela noted Secret Garden cleared of all weeds

Community Outreach: Tammy

- Recycle Rally will have email update this week. Group cluster gets a Honduras Party!
- Correspondence with Honduras school starting

Staff Management and Development: Caryl

- NTR

Vision and Strategic Plan

Action Item: Lance collecting data for comparisons for matrix

- Vision and strategic planning meeting set for Thursday, October 20 at 6pm-8pm
- Next standard board meeting on Monday, November 12, 2011 at 6:30pm
- Meeting adjourned 7:43 p.m.



Country Montessori School BOD Meeting minutes for

14 November 2011

Attendees: Annemargaret Beck, Adela Corrales, Caryl Hilliard, Vicki Rehkopf, Haibo Zho, Sam Wakil, Tammy Nickel, Brandon Black, Uma Seshan and Erika Dukes.

Absent: Patrick Duggan, Jennifer Bennington, Corey Fitzgerald.

- Meeting called to order @ 6:35 p.m.
- Motion to approve October minutes, all in favor none oppose.

Administrator Report: Adela

- Current enrollment at 155
- A decision was made not extend to the 6th grade level for next school year due to lack of interest from families.
- CMS passed California State Child Care Licensing inspection.
- Parent teacher conferences took place.
- Three CMS teachers attended the MAPS test training.

Financial: Uma,

- YTD finances are better than expected due to high enrollment.
- CMS considering refinancing, waiting on reply from California Bank and Trust.

PTC:

- Halloween carnival was a huge success.
- Auction meeting and planning is under way.

MIS: Haibo,

- A new IT service provider was hired to maintain the IT system on campus, on call basis.

Community Outreach: Tammy,

- Recycling program is generating good funds.
- SIPP program is progressing and experiencing success for students on both sides.

Action item,

- Production meeting and mission/ values timeline assignments for the assigned groups.

Meeting adjourned @ 7:02 pm.

Next meeting scheduled on 12 December 2011 @ 6:30 pm.

Country Montessori School BOD Meeting minutes for 12 December 2011

Attendees: Annemargaret Beck, Adela Corrales, Jennifer Bennington, Corey Fitzgerald, Vicki Rehkopf, Haibo Zho, Sam Wakil, Tammy Nickel, Brandon Black, Uma Seshan and Erika Dukes.

Absent: Patrick Duggan, Caryl Hilliard, Lance Bell.

- Meeting called to order @ 6:39 p.m.
- Motion to approve November minutes, all in favor none oppose.

Administrator Report: Adela

- Current enrollment at 156
- Assistant replacement in bumble bees.
- USD non-profit symposium.

PTC: Jennifer,

- Auction venue changed locations. It will take place at Stone Ridge Country Club.

Community Outreach: Tammy,

- Recycling program is growing and generating good funds.

Financial: Uma,

- Refinancing option with California Bank & Trust.
- Motion to approve moving forward with refinancing options for school property. All in favor none oppose.

Action item; schedule vision/ strategy meeting in January 2012.

Meeting adjourned at 8:13 pm.

Next Board meeting is on 9 January 2012

CMS MEMBER PROXY NOTICE (This is NOT a ballot)

If unable to attend the Ice Cream Social/Annual Meeting, please give this form to another CMS family who will be in attendance to vote on behalf of you.

Student/s Name _____

Check all that apply:

____ PROXY: We will not be able to attend the 2011-2012 Annual Meeting/Elections and have asked _____
(Must be a family of CMS, not a teacher or the Administrator) to vote in our place.

____ Nomination: I nominate _____ as a CMS Board of Directors member.

SIGNATURE

DATE

PRINT NAME

CMS MEMBER PROXY NOTICE (This is NOT a ballot)

If unable to attend the Ice Cream Social/Annual Meeting, please give this form to another CMS family who will be in attendance to vote on behalf of you.

Student/s Name _____

Check all that apply:

____ PROXY: We will not be able to attend the 2011-2012 Annual Meeting/Elections and have asked _____
(Must be a family of CMS, not a teacher or the Administrator) to vote in our place.

____ Nomination: I nominate _____ as a CMS Board of Directors member.

SIGNATURE

DATE

PRINT NAME

Call for CMS Board Member Applications!

The CMS Board of Directors Annual Meeting and Elections will take place at the Ice Cream Social on Saturday, September 17 at 3:00 pm at the school. CMS is a non-profit entity and parents are considered 'members' with voting rights regarding Board elections and amendments to the school bylaws. All members are encouraged to attend the Annual meeting as a quorum (25%), is required to elect new board members. During the Annual Meeting, the children will be supervised on the playground and served ice cream by our Upper Elementary students.

Being a CMS Board Member is a privileged and legal position of responsibility and an opportunity to participate in the strategic plans of the school including expansion.

The CMS Board is composed of a minimum of 11 members and no more than 17 members including 2 community members and the Head of School.

Interested Candidates

Please submit the following information to the office by e-mail to Adelac@countrymontessori.org or hard copy by Monday, September 12, 2011.

NO EXCEPTIONS.

1. Name and brief biography including education and work experience.
2. Reasons why you want to serve on the CMS Board of Directors.
3. What do you hope to personally gain from serving as a CMS Board member?
4. The signed Board of Directors Commitment form. (See attached.)

Candidate information will be distributed to our families before Saturday, September 17, 2011. Candidates will be asked to briefly speak at the Annual Meeting to articulate their interest in becoming a CMS Board member. Voting occurs at the meeting by written ballot. The votes are tallied after the Annual Meeting and all candidates will receive a call regarding the results. Families will be notified in writing of the new Board of Directors for the 2011-2012 fiscal year.

If you have any questions, please contact Uma Sheshan, CMS Board of Directors Trustee, at uma.seshan@yahoo.com.

September 15, 2011

RE: 2011- 12 CMS Board Elections and The PTC Ice Cream Social

Dear CMS Parent:

We are delighted to attach the candidate information representing two highly qualified, interested parents.

We must have a quorum (one-fourth of our families). Please plan on attending or sign a proxy in which you designated a current CMS family who you are certain will be in attendance.

The annual meeting will be brief. The highlight of the afternoon is our Ice Cream Social. This is a great opportunity for new families to meet other new and “established” families. So claim your family name tag and cool off with an ice cream treat! We look forward to seeing you on Saturday.

Best regards,
CMS Board of Directors

ATTACHMENT G BOARD SELF ASSESSMENT⁷

Please indicate whether you agree with the following statements about the performance of your organization's Board of Directors.

- 1 Strongly Disagree
- 2 Disagree
- 3 Neutral or unsure
- 4 Agree
- 5 Strongly Agree

Board Functions

The Board ...

Reviews its Mission and Vision regularly	1	2	3	4	5
Has a vision for the future of the organization and the impact it should have in the community.	1	2	3	4	5
Provides a significant source of leadership for the organization.	1	2	3	4	5
Engages in long range/strategic planning to guide the future direction of the organization.	1	2	3	4	5
Focuses its energy primarily on issues of strategic, long-term importance to the organization.	1	2	3	4	5
Effectively monitors the organization's progress in achieving its mission and key program priorities	1	2	3	4	5
Understands the resources (financial and otherwise) needed to carry out the organization's mission / programs	1	2	3	4	5
Engages in planning to guide the development of resources needed to support the organization's mission	1	2	3	4	5
Actively participates in resource development (i.e. fundraising)	1	2	3	4	5
Maintains awareness of the financial status of the organization	1	2	3	4	5
Enacts policies needed to support organizational operations (Board and Staff) and mitigate risk	1	2	3	4	5
Supervises & Supports Executive Director / CEO	1	2	3	4	5

⁷ (c) 2007 Standards for Excellence Institute. Permission granted for use by members of the Institute.

Assess board operations and performance	1	2	3	4	5
Understands the difference between governing and managing (e.g. clearly distinguishes between board-level and staff-level responsibilities)	1	2	3	4	5

- 1 Strongly Disagree
- 2 Disagree
- 3 Neutral or unsure
- 4 Agree
- 5 Strongly Agree

Board Operations

Board meetings start and end on time	1	2	3	4	5
Board minutes fairly and accurately represent actual board meetings	1	2	3	4	5
There are clearly understood procedures for raising, discussing, and voting on issues	1	2	3	4	5
Member expertise is effectively tapped to support organizational governance	1	2	3	4	5
Members are adequately prepared to address meeting agenda items	1	2	3	4	5

Board Composition

Board Size is appropriate to meet board's needs	1	2	3	4	5
Board Committees have clear charters based on the Board's needs	1	2	3	4	5
Board and committee chairs are the right leaders for their positions	1	2	3	4	5
Board composition is representative and appropriate to the organization and its mission	1	2	3	4	5
Board has an effective process for identifying, cultivating and	1	2	3	4	5

integrating new members

Board has an effective process for identifying, cultivating and integrating leaders to fill officer positions

1 2 3 4 5

Board work is meaningful, fun, and challenging and connects Board members to the mission of the organization

1 2 3 4 5

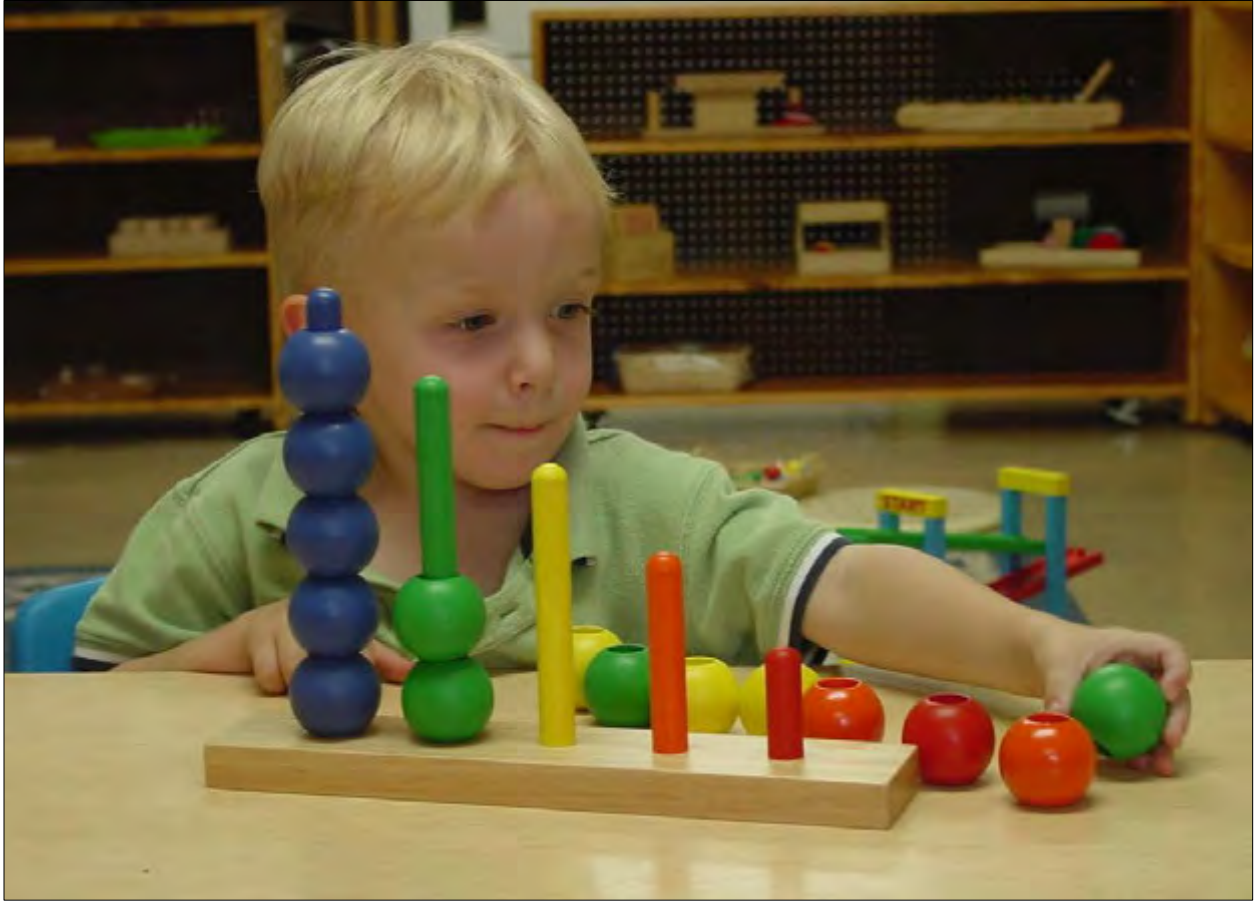
Individual Board Member Personal Assessment

Please indicate whether you agree with the following statements about your individual performance as a board member of [organization name].

- 1 Strongly Disagree
- 2 Disagree
- 3 Neutral or unsure
- 4 Agree
- 5 Strongly Agree

I am knowledgeable about the mission, goals and programs of the organization.	1	2	3	4	5
I identify and refer potential board nominees to the Board Development/Nominating Committee.	1	2	3	4	5
I promote the organization in the course of professional or personal interactions.	1	2	3	4	5
I participate in, or provide input into, the annual review of the Executive Director.	1	2	3	4	5
I provide feedback to staff and Board to improve [organization name].	1	2	3	4	5
I regularly attend board meetings.	1	2	3	4	5
I actively support and promote the mission and goals of [organization name].	1	2	3	4	5
I understand the organization's financial status, including the results of the most recent audit and the year-to-date performance under the current budget.	1	2	3	4	5
I understand what is expected of me as a board member.	1	2	3	4	5
I serve on and participate in the activities of at least one committee.	1	2	3	4	5
I am aware of the current terms of the Executive Director's compensation package, including salary and benefits.	1	2	3	4	5
I actively participate in board discussions and deliberations.	1	2	3	4	5
I understand what progress [organization name] has made over the past year toward achieving its mission.	1	2	3	4	5
I actively participate in fundraising for [organization name]	1	2	3	4	5

FINANCIALS



**“Growth is not merely a harmonious increase in size,
but a transformation.”**

-- Dr. Maria Montessori

Return of Organization Exempt From Income Tax

2010

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2010 calendar year, or tax year beginning 7/01, 2010, and ending 6/30, 2011

B Check if applicable: Address change, Name change, Initial return, Terminated, Amended return, Application pending. Country Montessori School of Poway, 12642 Monte Vista Road, Poway, CA 92064. D Employer Identification Number 33-0363869. E Telephone number 858-673-1756. G Gross receipts \$ 1,381,114.

F Name and address of principal officer: Same As C Above. H(a) Is this a group return for affiliates? Yes No. H(b) Are all affiliates included? Yes No.

I Tax-exempt status: X 501(c)(3), 501(c) (), (insert no), 4947(a)(1) or 527.

J Website: www.countrymontessori.org. H(c) Group exemption number.

K Form of organization: X Corporation, Trust, Association, Other. L Year of Formation 1989. M State of legal domicile CA.

Part I Summary

1 Briefly describe the organization's mission or most significant activities: Country Montessori School is committed to maintaining its leadership in Montessori education. Our mission is to foster independent, confident, academically prepared, and socially responsible citizens, who will be lifelong learners and problem solvers. 2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets. 3 Number of voting members of the governing body (Part VI, line 1a) 3 12. 4 Number of independent voting members of the governing body (Part VI, line 1b) 4 10. 5 Total number of individuals employed in calendar year 2010 (Part V, line 2a) 5 29. 6 Total number of volunteers (estimate if necessary) 6 0. 7a Total unrelated business revenue from Part VIII, column (C), line 12 7a 0. 7b Net unrelated business taxable income from Form 990-T, line 34 7b 0.

Revenue table with columns: Revenue, Prior Year, Current Year. Rows 8-12: 8 Contributions and grants (Part VIII, line 1h) 1,610. 6,150. 9 Program service revenue (Part VIII, line 2g) 1,253,014. 1,323,499. 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 1,381. 1,268. 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 31,930. 32,067. 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 1,287,935. 1,362,984.

Expenses table with columns: Expenses, Prior Year, Current Year. Rows 13-19: 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3). 14 Benefits paid to or for members (Part IX, column (A), line 4). 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 897,635. 862,894. 16a Professional fundraising fees (Part IX, column (A), line 11e). 16b Total fundraising expenses (Part IX, column (D), line 25). 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) 306,299. 288,316. 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 1,203,934. 1,151,210. 19 Revenue less expenses Subtract line 18 from line 12 84,001. 211,774.

Net Assets or Fund Balances table with columns: Net Assets or Fund Balances, Beginning of Current Year, End of Year. Rows 20-22: 20 Total assets (Part X, line 16) 1,235,246. 1,426,873. 21 Total liabilities (Part X, line 26) 770,413. 750,266. 22 Net assets or fund balances Subtract line 21 from line 20 464,833. 676,607.

Part II Signature Block

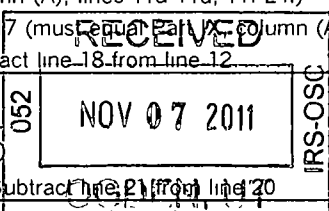
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here: Signature of officer: Uma Jeehan, Date: Oct 28 2011. Type or print name and title: President, BOB.

Paid Preparer Use Only: Print/Type preparer's name: John Gurrera, Preparer's signature: John Gurrera, Date: 9-27-11, Check self-employed: No, PTIN: P00468426, Firm's name: Gurrera & Associates, Firm's address: 5665 Oberlin Drive, Suite 200, San Diego, CA 92121, Firm's EIN: 91-2085612, Phone no: (858) 457-5581.

May the IRS discuss this return with the preparer shown above? (see instructions) X Yes No

SCANNED NOV 8 2010/



3

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission

Country Montessori School is committed to maintaining its leadership in Montessori education. Our mission is to foster independent, confident, academically prepared, and socially responsible citizens, who will be lifelong learners and problem solvers.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If 'Yes,' describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If 'Yes,' describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses \$ 1,044,930. including grants of \$) (Revenue \$)

Provides preschool and elementary school education as well as after school child care.

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► 1,044,930.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 Section 501(c)(3) organizations Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If 'Yes,' complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI	X	
b Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VII		X
c Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part IX		X
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If 'Yes,' complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E	X	
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If 'Yes,' complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part I (see instructions)		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20 a Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H		X
b If 'Yes' to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and III</i>		X
23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If 'Yes,' complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If 'Yes,' complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1 a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. 1 a 3		
1 b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. 1 b 0		
1 c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		X
2 a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 2 a 29		
2 b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3 b	If 'Yes,' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O		
4 a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? b If 'Yes,' enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		X
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5 c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?		
6 a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7 a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
7 b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?		
7 c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7 d	If 'Yes,' indicate the number of Forms 8282 filed during the year. 7 d		
7 e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7 f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7 g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7 h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9 a	Did the organization make any taxable distributions under section 4966?		
9 b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
10 a	Initiation fees and capital contributions included on Part VIII, line 12. 10 a		
10 b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. 10 b		
11	Section 501(c)(12) organizations. Enter		
11 a	Gross income from members or shareholders. 11 a		
11 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them). 11 b		
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? 12 a		
12 b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year. 12 b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13 a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O		
13 b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans. 13 b		
13 c	Enter the amount of reserves on hand. 13 c		
14 a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14 b	If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O		

Part VI Governance, Management and Disclosure For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

		Yes	No
1 a	Enter the number of voting members of the governing body at the end of the tax year		
1 b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7 a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7 b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8 a	The governing body?	X	
8 b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10 a	Does the organization have local chapters, branches, or affiliates?		X
10 b	If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11 a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? Describe in Schedule O the process, if any, used by the organization to review this Form 990 See Schedule O		X
12 a	Does the organization have a written conflict of interest policy? If 'No,' go to line 13		X
12 b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?		
12 c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done		
13	Does the organization have a written whistleblower policy?		X
14	Does the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15 a	The organization's CEO, Executive Director, or top management official		X
15 b	Other officers of key employees of the organization If 'Yes' to line 15a or 15b, describe the process in Schedule O (See instructions)		X
16 a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16 b	If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed None
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Schedule O
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization
Country Montessori School 12642 Monte Vista Rd. Poway, CA 92064 858-673-1756

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1 a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of 'key employee '
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W 2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099 MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) <u>Uma Seshan</u> Director	1	X					0.	0.	0.	
(2) <u>Adela Corrales</u> Director	40	X					50,243.	0.	0.	
(3) <u>Karin Osterberg</u> Director	1	X					0.	0.	0.	
(4) <u>Jennifer Bennington</u> Director	1	X					0.	0.	0.	
(5) <u>Ted Slocomb</u> Director	1	X					0.	0.	0.	
(6) <u>Tammy Nickel</u> Director	1	X					0.	0.	0.	
(7) <u>Haibo Zhu</u> Director	1	X					0.	0.	0.	
(8) <u>Caryl Hillard</u> Director	1	X					0.	0.	0.	
(9) <u>Ann Margaret Beck</u> Director	1	X					0.	0.	0.	
(10) <u>Sam Wakil</u> Director	1	X					0.	0.	0.	
(11) <u>Juan Hernandez</u> Director	1	X					0.	0.	0.	
(12) <u>Vicki Rehkoph</u> Director	40	X					55,143.	0.	0.	
(13) _____										
(14) _____										
(15) _____										
(16) _____										
(17) _____										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (cont)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Sch O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) -----										
(19) -----										
(20) -----										
(21) -----										
(22) -----										
(23) -----										
(24) -----										
(25) -----										
(26) -----										
(27) -----										
(28) -----										
(29) -----										
1 b Sub-total							105,386.	0.	0.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							105,386.	0.	0.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ▶ 0

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If 'Yes,' complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If 'Yes' complete Schedule J for such individual</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If 'Yes,' complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶ 0

Part VIII Statement of Revenue

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1 a Federated campaigns	1 a				
	b Membership dues	1 b				
	c Fundraising events	1 c				
	d Related organizations	1 d				
	e Government grants (contributions)	1 e				
	f All other contributions, gifts, grants, and similar amounts not included above	1 f 6,150.				
	g Noncash contributions included in lns 1a-1f: \$					
	h Total. Add lines 1a-1f		6,150.			
PROGRAM SERVICE REVENUE	Business Code					
	2 a Tuition		1,188,085.	1,188,085.		
	b Child care		81,896.	81,896.		
	c Materials & registration		48,292.	48,292.		
	d Other		5,226.	5,226.		
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		1,323,499.			
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		1,268.		1,268.	
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross Rents	(i) Real				
		(ii) Personal				
		b Less rental expenses				
		c Rental income or (loss)				
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less cost or other basis and sales expenses				
		c Gain or (loss)				
	d Net gain or (loss)					
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a 50,197.				
		b Less direct expenses	b 18,130.			
c Net income or (loss) from fundraising events			32,067.	32,067.		
9 a Gross income from gaming activities See Part IV, line 19	a					
	b Less direct expenses	b				
	c Net income or (loss) from gaming activities					
10 a Gross sales of inventory, less returns and allowances	a					
	b Less cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code				
11 a _____						
	b _____					
	c _____					
	d All other revenue					
	e Total. Add lines 11a-11d					
12 Total revenue. See instructions		1,362,984.	1,355,566.	0.	1,268.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	105,386.	105,386.	0.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages	671,825.	613,244.	58,581.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	22,582.	20,613.	1,969.	
10 Payroll taxes	63,101.	57,599.	5,502.	
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting	25,302.		25,302.	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	85,475.	85,475.		
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	16,730.	16,730.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	43,465.	43,465.		
23 Insurance	31,490.	31,490.		
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a Classroom expenses	32,096.	32,096.		
b Professional services	14,826.		14,826.	
c Copying	9,744.	9,744.		
d Miscellaneous	8,369.	8,369.		
e Bank and business fees	6,347.	6,347.		
f All other expenses	14,472.	14,372.	100.	
25 Total functional expenses Add lines 1 through 24f	1,151,210.	1,044,930.	106,280.	0.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A)		(B)	
		Beginning of year		End of year	
ASSETS	1	Cash – non-interest-bearing	84,583.	1	79,791.
	2	Savings and temporary cash investments	241,102.	2	472,370.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	11,738.	9	16,009.
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 1,493,653.		
	b	Less accumulated depreciation	10b 634,950.	897,823.	10c 858,703.
	11	Investments – publicly traded securities		11	
	12	Investments – other securities See Part IV, line 11		12	
	13	Investments – program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11		15	
16	Total assets Add lines 1 through 15 (must equal line 34)	1,235,246.	16	1,426,873.	
LIABILITIES	17	Accounts payable and accrued expenses	23,829.	17	15,364.
	18	Grants payable		18	
	19	Deferred revenue	136,423.	19	156,353.
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	610,161.	23	578,549.
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities Complete Part X of Schedule D		25	
	26	Total liabilities. Add lines 17 through 25	770,413.	26	750,266.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.				
	27	Unrestricted net assets	464,833.	27	671,607.
	28	Temporarily restricted net assets		28	5,000.
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	464,833.	33	676,607.
	34	Total liabilities and net assets/fund balances	1,235,246.	34	1,426,873.

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Form 990 (2010)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,362,984.
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,151,210.
3	Revenue less expenses Subtract line 2 from line 1	3	211,774.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	464,833.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0.
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	676,607.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

1 Accounting method used to prepare the Form 990 Cash Accrual Other _____

If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

b Were the organization's financial statements audited by an independent accountant?

c If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?

If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O

d If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both

Separate basis Consolidated basis Both consolidated and separate basis

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

b If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b		X
2c		
3a		X
3b		

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SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization Country Montessori School of Poway	Employer identification number 33-0363869
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Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

- 1 A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)** Enter the hospital's name, city, and state _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II)
- 9 An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10 An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h
 - a Type I b Type II c Type III – Functionally integrated d Type III – Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
11 g (i)		
11 g (ii)		
11 g (iii)		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include 'unusual grants')						
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support. Add lines 7 through 10						

12 Gross receipts from related activities, etc (see instructions) 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)) 14 %

15 Public support percentage from 2009 Schedule A, Part II, line 14 15 %

16a **33-1/3% support test – 2010.** If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization. ▶

b **33-1/3% support test – 2009.** If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization. ▶

17a **10%-facts-and-circumstances test – 2010.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and **stop here.** Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶

b **10%-facts-and-circumstances test – 2009.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and **stop here.** Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ▶

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions and membership fees received (Do not include any 'unusual grants')						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lns 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a 33-1/3% support tests – 2010. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33-1/3% support tests – 2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization

Employer identification number

Country Montessori School of Poway

33-0363869

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

(ii) Assets included in Form 990, Part X ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

b Assets included in Form 990, Part X ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table

	Amount
1 c	
1 d	
1 e	
1 f	

- c Beginning balance
- d Additions during the year
- e Distributions during the year
- f Ending balance

2 a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If 'Yes,' explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1 a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶ _____ %
- b Permanent endowment ▶ _____ %
- c Term endowment ▶ _____ %

3 a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land		617,024.		617,024.
b Buildings		695,088.	517,384.	177,704.
c Leasehold improvements				
d Equipment		99,299.	60,707.	38,592.
e Other		82,242.	56,859.	25,383.
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				858,703.

Part VII Investments—Other Securities. See Form 990, Part X, line 12. N/A

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990 Part X, column (B) line 12) ▶		

Part VIII Investments—Program Related. (See Form 990, Part X, line 13) N/A

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13) ▶		

Part IX Other Assets. (See Form 990, Part X, line 15) N/A

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B), line 15) ▶	

Part X Other Liabilities. (See Form 990, Part X, line 25)

(a) Description of liability	(b) Amount
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25) ▶	

2. FIN 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740)

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements N/A

1	Total revenue (Form 990, Part VIII, column (A), line 12)	
2	Total expenses (Form 990, Part IX, column (A), line 25)	
3	Excess or (deficit) for the year Subtract line 2 from line 1	
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net) Add lines 4 through 8	
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return N/A

1	Total revenue, gains, and other support per audited financial statements		1
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d		2e
3	Subtract line 2e from line 1		3
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b		4c
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)		5

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return N/A

1	Total expenses and losses per audited financial statements		1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d		2e
3	Subtract line 2e from line 1		3
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b		4c
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)		5

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

SCHEDULE E
(Form 990 or 990-EZ)

Schools

OMB No 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organization answered 'Yes' to Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.
- ▶ Attach to Form 990 or Form 990-EZ.

Name of the organization

Country Montessori School of Poway

Employer identification number

33-0363869

Part I

	YES	NO
1 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	X	
2 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	X	
3 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it had no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe. If 'No,' please explain. If you need more space, use Part II. <u>Policy is stated in the school's general information brochure, parents' handbook and application for admission.</u>	X	
4 Does the organization maintain the following?		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		X
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain. If you need more space, use Part II	X	
5 Does the organization discriminate by race in any way with respect to		
a Students' rights or privileges?		X
b Admissions policies?		X
c Employment of faculty or administrative staff?		X
d Scholarships or other financial assistance?		X
e Educational policies?		X
f Use of facilities?		X
g Athletic programs?		X
h Other extracurricular activities? If you answered 'Yes' to any of the above, please explain. If you need more space, use Part II		X
6a Does the organization receive any financial aid or assistance from a governmental agency?		X
b Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either line 6a or line 6b, explain on Part II		X
7 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If 'No,' explain on Part II	X	

Part II Fundraising Events. Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6a. List events with gross receipts greater than \$5,000.

REVENUE		(a) Event #1 Auction, pizza (event type)	(b) Event #2 _____ (event type)	(c) Other events _____ (total number)	(d) Total events (add column (a) through column (c))	
	1	Gross receipts	50,197.			50,197.
2	Less Charitable contributions					
3	Gross income (line 1 minus line 2)	50,197.			50,197.	
DIRECT EXPENSES	4	Cash prizes				
	5	Noncash prizes				
	6	Rent/facility costs				
	7	Food and beverages				
	8	Entertainment				
	9	Other direct expenses	18,130.			18,130.
	10	Direct expense summary Add lines 4- through 9 in column (d)				18,130.
11	Net income summary Combine line 3, column (d), and line 10				32,067.	

Part III Gaming. Complete if the organization answered 'Yes' to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

REVENUE		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add column (a) through column (c))
	1	Gross revenue			
DIRECT EXPENSES	2	Cash prizes			
	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No
7	Direct expense summary. Add lines 2 through 5 in column (d)				
8	Net gaming income summary Combine lines 1, column (d) and line 7				

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? Yes No

b If 'No,' explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No

b If 'Yes,' explain _____

11 Does the organization operate gaming activities with nonmembers? Yes No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No

13 Indicate the percentage of gaming activity operated in

a The organization's facility	13a	%
b An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

15a Does the organization have a contact with a third party from whom the organization receives gaming revenue? Yes No

b If 'Yes,' enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____

c If 'Yes,' enter name and address of the third party

Name ▶ _____

Address ▶ _____

16 Gaming manager information

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

Director/officer Employee Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No 1545-0047

2010

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

**Open to Public
Inspection**

Name of the organization

Employer identification number

Country Montessori School of Poway

33-0363869

Form 990, Part VI, Line 11b - Form 990 Review Process

Reviewed by President of the Board.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

The School's 990 is available from Guidestar.org and other governing documents are
available upon request.

POLICIES, PROCEDURES, AND LEGAL DOCUMENTS



“To let the child do as he likes when he has not yet developed any powers of control is to betray the idea of freedom.”

-- Dr. Maria Montessori



State of California
Secretary of State

I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 6 page(s) was prepared by and in this office from the record on file, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

DEC 11 2006

BRUCE McPHERSON
Secretary of State

1561795

FILED
In the office of the Secretary of State
of the State of California

JUN 26 1983

ARTICLES OF INCORPORATION
OF
COUNTRY MONTESSORI SCHOOL OF POWAY

March Fong Eu
MARCH FONG EU, Secretary of State

I

The name of this corporation is Country Montessori School of Poway.

II

A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation law for charitable purposes.

B. The specific purpose of this corporation is to provide primary and elementary education and day care.

III

The name and address in the state of California of this corporation's initial agent for service of process: Margaret Y. Jorgensen, 12642 Monte Vista Road, Poway, California 92064.

IV

A. This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

B. Notwithstanding any other provision of these articles, this corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code or (b) by a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

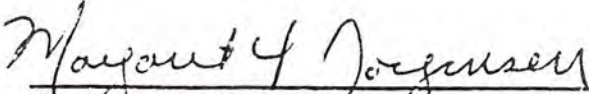
C. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in any political campaign (including the publishing or distribution of statements) on behalf of or in opposition to any candidate for public office.

V

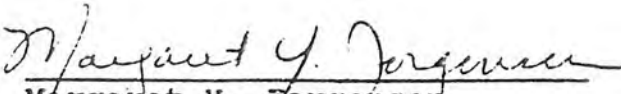
The property of this corporation is irrevocably dedicated to charitable purposes, and no part of the net income or assets of this corporation shall ever inure to the

benefit of any director, officer, or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provisions for payment, of all debts and liabilities of this corporation shall be distributed to one or more non-profit funds, foundations or corporation which are organized and operated exclusively for charitable purposes and which have established their tax exempt status under Section 502(c)(3) of the Internal Revenue Code. The identity and number of, and respective to be distributed to, such organizations shall be determined by the Board of Directors in its sole discretion.

Dated: June 26, 1989


Margaret Y. Jorgensen,
Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.


Margaret Y. Jorgensen,
Incorporator

A437574

Sub-V 1561795

FILED 8
In the office of the Secretary of State
of the State of California

SEP 15 1993

AGREEMENT OF MERGER

March Fong Eu
MARCH FONG EU Secretary of State

This agreement of merger is entered into between Country Montessori School of Poway, a California corporation (herein "Surviving Corporation") and Country Montessori, Inc., a California corporation (herein "Merging Corporation").

1. Merging Corporation shall be merged into Surviving Corporation.
2. Each outstanding share of Merging Corporation shall be converted to one membership of Surviving Corporation.
3. The outstanding memberships of Surviving Corporation shall remain outstanding and are not affected by the merger.
4. Merging Corporation shall from time to time, as and when requested by Surviving Corporation, execute and deliver all such documents and instruments and take all such action necessary or desirable to evidence or carry out this merger.
5. The effect of this merger and the effective date of the merger are as prescribed by law.

IN WITNESS THEREOF the parties have executed this Agreement.

COUNTRY MONTESSORI SCHOOL OF POWAY

By *Jeanne Sapp*
Jeanne Sapp, President

By *Pam Keyser*
Pam Keyser, Secretary

COUNTRY MONTESSORI, INC.

By *Jeanne Sapp*
Jeanne Sapp, President

By *Pam Keyser*
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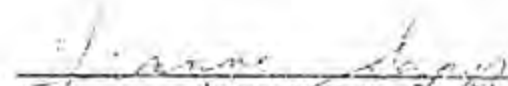
CERTIFICATE OF APPROVAL
OF
AGREEMENT OF MERGER

Jeanne Sapp and Pam Keyser certify that:

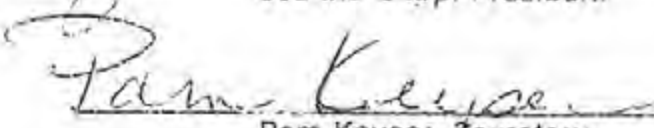
1. They are the president and secretary, respectively, of Country Montessori School of Poway, a California corporation,
2. The Agreement of Merger in the form attached was duly approved by the board of directors of the corporation.
3. The membership approval was by the holders of 100% of the outstanding memberships of the corporation.
4. There is only one class of memberships and the number of memberships outstanding is 56.

We further declare under penalty and perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: February 11, 1993



Jeanne Sapp, President



Pam Keyser, Secretary

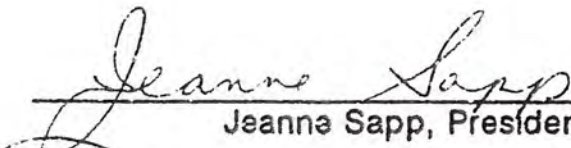
**CERTIFICATE OF APPROVAL
OF
AGREEMENT OF MERGER**

Jeanne Sapp and Pam Keyser certify that:

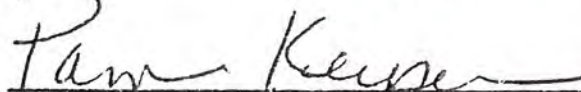
1. They are the president and secretary, respectively, of Country Montessori, Inc., a California corporation.
2. The Agreement of Merger in the form attached was duly approved by the board of directors and shareholders of the corporation.
3. The shareholder approval was by holders of 100% of the outstanding shares of the corporation.
4. There is only one class of shares and the number of shares outstanding is 80.

We further declare under penalty and perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: February 11, 1993



Jeanne Sapp, President



Pam Keyser, Secretary



AMENDED AND RESTATED BYLAWS
OF
COUNTRY MONTESSORI SCHOOL OF POWAY,
A California Nonprofit Public Benefit Corporation

Offices

1. The principal office of Country Montessori School of Poway, a California nonprofit public benefit corporation (hereinafter referred to as the "Corporation") shall be located at:

12642 Monte Vista Road, Poway, California 92064

The Corporation may also have offices at such other places as the Board of Directors (hereinafter sometimes referred to as "Board" or "Directors") shall appoint if the business of the Corporation so requires.

Purpose

2. This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law and is organized exclusively for charitable purposes within the meaning of Internal Revenue Code section 501(c)(3) or the corresponding provision of any future United States internal revenue law. Within the context of these general purposes, the Corporation's specific purpose shall be to operate a school in accordance with the theories and practices of the Montessori method. Notwithstanding any other provision in these articles, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that do not further the purpose of this Corporation, and the Corporation shall not carry on any other activities not permitted to be carried on by (a) a corporation exempt from federal income tax under Internal Revenue Code section 501(c)(3) or the corresponding provision of any future United States internal revenue law, or (b) a corporation, contributions to which are deductible under Internal Revenue Code section 170(c)(2) or the corresponding provision of any future United States internal revenue law.

3. (a) No substantial part of the activities of this Corporation shall consist of lobbying or carrying on propaganda, or otherwise attempting to influence legislation; and this Corporation shall not participate or intervene in any political campaign (including publishing or distributing statements) on behalf of any candidate for public office.

(b) All corporate property is irrevocably dedicated to the purposes set forth in section 2. No part of the net earnings of this Corporation shall inure to the benefit of any of its directors, trustees, officers, private shareholders or members, or to the benefit of any private person.

(c) On the winding up and dissolution of this Corporation, after paying or adequately providing for the debts, obligations and liabilities of the Corporation, the remaining assets of this Corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax-exempt status under Internal Revenue Code section 501(c)(3) or the corresponding provision of any future United States internal revenue law.

Construction

4. Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws.

Seal

5. The seal of the Corporation shall bear the name of the Corporation, the year of its creation, and the words "Corporate Seal."

Members

6.01 **Class.** This Corporation shall have one class of members. Members shall be comprised of the parents or legal guardians of students registered at the school operated by the Corporation. One membership unit shall be granted to one set of parents or legal guardians. There shall be no more than one membership unit per registered student, and parents or guardians shall have only one membership unit regardless of the number of students registered at the school.

6.02 **Rights of Membership.** Each membership unit shall have the right to vote, as set forth in section 6.15, on the election of directors, on the disposition of all or substantially all of the Corporation's assets, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the Corporation. In addition, those members shall have all rights afforded members under the California Nonprofit Public Benefit Corporation Law.

6.03 **Other Persons Associated with Corporation.** This Corporation may refer to persons of other classes or other persons or entities associated with it as "members," even though those persons or entities are not voting members as set forth in Section 6.01 of these Bylaws, but no such reference shall constitute anyone as a member within the meaning of Corporations Code section 5056 unless that person or entity shall have qualified for a voting membership under Section 6.01 of these Bylaws. References in these Bylaws to "members" shall mean members as defined in Corporations Code section 5056;

i.e., the members of the class(es) set forth in Section 6.01 of these Bylaws. By amendment of its articles of incorporation or of these Bylaws, the Corporation may grant some or all of the rights of a member of any class to any person or entity that does not have the right to vote on the matters specified in Section 6.02 of these Bylaws, but no such person or entity shall be a member within the meaning of Corporations Code section 5056.

6.04 Members' Dues, Fees, and Assessments. Any Members in good standing who shall be in arrears in the payment of any installment of registration fees, tuition, daycare and/or other fees or assessments more than thirty (30) days after the date due shall not be in good standing and shall not be entitled to vote as a Member.

6.05 Termination of Membership. A membership shall terminate on occurrence of any of the following events:

(a) Resignation of the member;

(b) When the student(s) whose parents or guardians hold the membership ceases to be registered at the school;

(c) Any event that renders the member ineligible for membership, or failure to satisfy membership qualifications; or

(d) Termination of membership under Section 6.07 of these Bylaws based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests. Such conduct shall include, but is not limited to, nonpayment of registration fees, tuition, daycare and/or other fees for a period of more than sixty (60) days after the date due.

6.06 Suspension of Membership. A member may be suspended, under Section 6.07 of these Bylaws, based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the Corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests. Such conduct shall include, but is not limited to, nonpayment of registration fees, tuition, daycare and/or other fees for a period of more than sixty (60) days after the date due. A person whose membership is suspended shall not be a member during the period of suspension.

6.07 Termination or Suspension of Membership. If grounds appear to exist for terminating or suspending a member under Sections 6.05 or 6.06 of these Bylaws, the following procedure shall be followed:

(a) The Board shall give the member at least 15 days' prior notice of the proposed suspension or termination and the reasons for the proposed suspension or termination.

Notice shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first-class or registered mail to the member's last address as shown on the Corporation's records.

(b) The member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed suspension or termination. The hearing shall be held, or the written statement considered, by the Board or by a committee or person authorized by the Board to determine whether the suspension or termination should occur.

(c) The Board, committee, or person shall decide whether the member should be suspended, expelled, or sanctioned in any way. The decision of the Board, committee, or person shall be final.

(d) Any action challenging an expulsion, suspension, or termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of the expulsion, suspension, or termination.

6.08 Transfer of Memberships. No membership or right arising from membership shall be transferred.

6.09 Annual Meeting. An annual meeting of members shall be held on such date and at such time as may be fixed by the Board. At the meeting, directors shall be elected and other proper business may be transacted.

6.10 Authority to Call Special Meetings. The Board, the chairman of the Board, the president, or 5 percent or more of the members may call a special meeting of the members for any lawful purpose at any time.

6.11 Calling Special Meetings. A special meeting called by any person entitled to call a meeting (other than the Board) shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the chairman of the Board, if any, or the president or any vice president or the secretary of the Corporation, provided that a request by the chairman or president shall be presented to an officer other than themselves. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, under Sections 6.01 and 6.02 of these Bylaws, stating that a meeting will be held at a specified time and date fixed by the Board, provided, however, that the meeting date shall be at least 10 but no more than 90 days after receipt of the request. If the notice is not given within 20 days after the request is received, the person or persons requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or affecting the time at which a meeting of members may be held when the meeting is called by the Board

- 6.12 **Proper Business of Special Meetings.** No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting.
- 6.13 **Place of Meetings.** Meetings of the members shall be held at any place within California designated by the Board or by the written consent of all members entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, members' meetings shall be held at the Corporation's principal office.
- 6.14 **General Notice Requirements.** Whenever members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given, under Section 6.14 of these Bylaws, to each member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting. For the annual meeting, the notice shall state the matters that the Board, at the time notice is given, intends to present for action by the members. For a special meeting, the notice shall state the general nature of the business to be transacted and shall state that no other business may be transacted. The notice of any meeting at which directors are to be elected shall include the names of all persons who are nominees when notice is given.
- 6.15 **Notice of Certain Agenda Items.** Approval by the members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:
- (a) Removing a director without cause;
 - (b) Filling vacancies on the Board;
 - (c) Amending the articles of incorporation; or
 - (d) Electing to wind up and dissolve the Corporation.
- 6.16 **Manner of Giving Notice.** Notice of any meeting of members shall be in writing and shall be given at least 10 but no more than 90 days before the meeting date. The notice shall be given either personally or by first-class, registered, or certified mail, or by other means of written communication, charges prepaid, and shall be addressed to each member entitled to vote, at the address of that member as it appears on the books of the Corporation or at the address given by the member to the Corporation for purposes of notice. If no address appears on the Corporation's books and no address has been so given, notice shall be deemed to have been given if either (i) notice is sent to that member by first-class mail or facsimile or other written communication to the Corporation's principal office or (ii)

notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

- 6.17 **Affidavit of Mailing Notice.** An affidavit of the mailing of any notice of any members' meeting, or of the giving of such notice by other means, may be executed by the secretary, assistant secretary, or any transfer agent of the Corporation, and if so executed, shall be filed and maintained in the Corporation's minute book.
- 6.18 **Voting Rights.** Subject to section 5610 of the California Nonprofit Public Benefit Corporation Law and sections 6.02 and 6.15 of the Bylaws, each Membership unit shall be entitled to one vote on each matter submitted to a vote of the members. Members who are not in good standing or whose memberships have been suspended or terminated under these Bylaws shall not be entitled to vote on any matter.
- 6.19 **Quorum.** Twenty-five percent (25%) of the voting power, represented in person or by proxy, shall constitute a quorum for the transaction of business at any meeting of members.
- 6.20 **Quorum less than one third of voting power.** When majority constitutes a quorum set lower than one third of the voting power. The members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, even if enough members have withdrawn to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the members required to constitute a quorum.
- 6.21 **Voting.**

a) The members entitled to notice of any meeting or to vote at any such meeting shall be only those persons in whose name memberships stand on the records of the Corporation on the record date for notice determined pursuant to section 6.20 of these Bylaws.

b) Elections of directors need not be by ballot; provided, however, that the election of directors must be by ballot upon demand by a member at the meeting prior to voting.

c) If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be deemed the act of the members unless the vote of a greater number, or voting by classes, is required by the California Nonprofit Public Benefit Corporation Law or by the articles of incorporation. In any election of directors, the candidates receiving the highest number of votes

are elected.

- 6.22 **Waiver of Notice or Consent.** A member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting unless the member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.
- 6.23 **Record Date for Notice, Voting, Written Ballots, and Other Board Actions.** For purposes of establishing the members entitled to receive notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights in any lawful action, the Board of directors may, in advance, fix a record date. The record date so fixed for:
- (a) Sending notice of a meeting shall be no more than 60 nor less than 10 days before the date of the meeting;
 - (b) Voting at a meeting shall be no more than 60 days before the date of the meeting; and
 - (c) Taking any other action shall be no more than 60 days before that action.
- 6.24 **Members' Proxy Rights.** Each member entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the member and filed with the secretary of the Corporation.
- 6.25 **Solicited Proxies.** Any proxy covering matters for which a vote of the members is required shall not be valid unless the proxy sets forth the general nature of the matter to be voted on or, in an election of directors, the proxy lists the persons who have been nominated at the time the notice of the vote is given to the members. Such matters include amendments of the articles of incorporation or Bylaws changing proxy rights; certain other amendments of the articles of incorporation; removal of directors without cause; filling vacancies on the Board of directors; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all corporate assets, unless the transaction is in the usual and regular course of the Corporation's activities; the principal terms of a merger or the amendment of a merger agreement; or the election to dissolve the Corporation.
- 6.26 **Revocability of Proxies.** No proxy shall be valid after the expiration of 11 months from the date of the proxy, unless provided otherwise in the proxy. A

validly executed proxy shall continue in full force and effect until either:

a) it is revoked by the member executing it, before the vote is cast under that proxy (i) by a writing delivered to the Corporation stating that the proxy is revoked, or (ii) by a subsequent proxy executed by that member and presented to the meeting, or (iii) as to any meeting, by that member's personal attendance and voting at the meeting; or

(b) written notice of the death or incapacity of the maker of the proxy is received by the Corporation before the vote under that proxy is counted. A proxy may not be irrevocable.

6.27 Adjournment and Notice of Adjourned Meetings. The President shall preside as chairman at all meetings of the members. The chairman shall conduct each meeting in a businesslike and fair manner, but shall not be obligated to follow any technical, formal or parliamentary rules of procedure. The chairman shall have all of the powers usually vested in the chairman of a meeting of members. Without limiting the generality of the foregoing, the chairman's rulings on procedural matters shall be conclusive and binding on all members, unless at the time of a ruling a request is made to the members entitled to vote and which are represented in person or by proxy at the meeting, in which case the decision of a majority of such members shall be conclusive and binding on all members.

6.28 Adjournment. Any members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members represented at the meeting, either in person or by proxy. No meeting may be adjourned for more than 45 days. When a members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting.

Directors

7.01 **General Powers of the Board of Directors.** Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations imposed by the Articles of Incorporation, the Corporation's affairs and activities shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board. The Board shall be charged with the control and management of the affairs, business, and properties of the Corporation. The Board may delegate the management of the activities of the Corporation to any person or persons, a management company or committees, however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction and authority of the Board.

7.02 **Rules.** The Board may adopt such rules and regulations for the conduct of its meetings as it may deem proper so long as such action is not inconsistent with the laws of the State of California, the Articles of Incorporation, or these Bylaws.

7.03 **Specific Powers of the Board.** Without prejudice to the general powers conferred by sections 7.01 and 7.02 and the other powers conferred by the Articles of Incorporation and these Bylaws, it is hereby expressly declared that the Board shall have the following powers:

First: To adopt and amend rules and regulations, not inconsistent with these Bylaws, for the management of the Corporation's business and affairs.

Second: To purchase or otherwise acquire for the Corporation any property, rights, or privileges which the Corporation is authorized to acquire, at such price and on such terms and conditions and for such consideration as the Board shall, in its discretion, deem appropriate.

Third: In its discretion, to pay for any property or rights acquired by the Corporation.

Fourth: To borrow money and incur indebtedness on the Corporation's behalf and to create, make, and issue mortgages, bonds, deeds of trust, trust agreements, and negotiable or transferable instruments and securities, secured by mortgage or otherwise, and to perform every other act necessary to effectuate the same.

Fifth: To appoint and, at its discretion, remove or suspend such subordinate Officers, agents, or servants, permanently or temporarily, as it may deem appropriate, to determine their

duties and to specify their salaries or emoluments, and to require security in such instances and in such amounts as the Board deems appropriate.

Sixth: To confer upon any appointed Officer of the Corporation, by resolution, the power to choose, remove, or suspend such subordinate Officers, agents, or servants.

Seventh: To determine who shall be authorized on the Corporation's behalf to sign bills, notes, receipts, acceptances, endorsements, checks, releases, contracts, and documents.

Eighth: To change the principal office in California from one location to another; to cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency or country; and to conduct its activities in or outside California.

Ninth: To adopt and use a corporate seal; to prescribe the forms of any membership certificates; and to alter the forms of the seal and certificates.

7.04 **Number and Qualification of Directors.** The authorized number of directors shall be no less than eleven (11) and not greater than nineteen (19), unless changed by amendment of the Articles or these Bylaws. No less than six (6) and not greater than ten (10) of the directors shall be members who have qualified as such; two (2) of the directors shall be staff members of the school operated by the Corporation; one (1) of the directors shall be the school administrator; and not less than two (2) nor greater than six (6) of the directors shall be members of the community with no other affiliation with the school. The Board, at its discretion, shall determine the actual number of member directors and community directors, within the ranges set forth above, on an annual basis and based on the current requirements of the school.

7.05 **Manner of Election.**

a) The member directors shall be elected by the membership at the annual meeting of the members, and shall be deemed to hold their office for a three (3) year term, and shall be eligible for re-election. If the annual meeting is not held or the directors are not elected at such meeting, the directors may be elected at any special meeting of members held for that purpose.

b) The staff member directors shall consist of one (1) elementary teacher and one (1) primary teacher, who shall both be appointed by the teaching staff.

c) The two (2) to six (6) community members shall be elected or appointed by the

Board.

7.06 **Interested Persons.** No more than forty-nine percent (49%) of the persons serving on the Board may be "interested persons." An interested person is (a) any person compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor or otherwise, excluding any reasonable compensation paid to a director as director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of such person. The violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the Corporation.

7.07 **Term of Office.** The term of office for each member director shall be three (3) years; and for each teacher director one (1) year. Community members shall serve at the pleasure of the Board. The school administrator shall hold office commensurate with holding the position of school administrator. Directors shall hold their office until a successor Director has been elected and has qualified.

7.08 **Nomination.** Any person qualified to be a Director may be nominated by any Director or any other method authorized by law.

7.09 **Annual Meeting of the Board After Annual Meeting of Members, and Appointment of Officers.** As soon as practicable after the annual meeting of members at which directors have been elected, the Board shall meet at such place and time as it fixes for the purpose of electing a President, and, at its discretion, one or more Vice- Presidents, in addition to any other business deemed appropriate. The Board shall also appoint at such meeting a Secretary and a Chief Financial Officer who need not be members of the Board and who shall hold office at the pleasure of the Board but shall not be appointed for a term longer than one (1) year. The person holding the office of President shall be ineligible to hold the offices of Secretary and Chief Financial Officer. No notice of such annual meeting shall be necessary to the Directors in order to legally constitute the meeting, if a majority of the whole Board is actually present. All such appointed Officers shall be subject to removal by resolution of the Board at any time, with or without cause, provided that a majority of the whole Board shall vote in favor of such removal.

7.10 **Regular Meetings of the Board.** Regular meetings of the Board of Directors, other than the annual meeting, shall be held at such dates and times as may be set by the Board, but at least every other month. To be placed on the agenda, the general membership may submit motions to the Board. To be placed on the agenda, motions or items for discussion must be submitted to the

office by 10:00 am the Friday preceding the Board meeting. The Board Secretary records comments and/or issues not previously submitted, and a written response is submitted at a latter date. The general membership is also welcome to offer opinions in brief oral or written statements. The Board holds these statements in strict confidence. Other confidential issues may be discussed at the end of the Board meeting, in which case, non-Board members will be asked to leave.

7.11 Special Meetings of the Board. Special meetings of the Board may be called by the President or any Director. Special meetings may be held on four days' notice by first class mail, postage prepaid, or on 48 hours notice delivered personally or by telephone (including a voice message system or other system or technology designed to record and communicate messages), facsimile, telegraph, electronic mail, or other electronic means. Notice of the special meeting need not be given any to Director who signs a waiver of notice or written consent to holding the meeting, or an approval of the minutes of the meeting, whether before or after the meeting, or who attends the meeting without protesting the lack of notice to that Director either before or at the commencement of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

7.12 Quorum at Meetings of the Board. A majority of the Directors shall be necessary at all times to constitute a quorum for the transaction of any business. If a quorum is present, the affirmative vote of a majority of the Directors present shall be deemed the act of the Board unless the vote of a greater number of Directors is required by law, the Articles of Incorporation, or these Bylaws; provided, however, that any meeting at which a quorum was initially present may continue to transact business notwithstanding the withdrawal of Directors if any action taken is approved by at least a majority of the required quorum for that meeting, or such greater number as is required by the law, the Articles or these Bylaws.

7.13 Action Without a Meeting. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if a written consent to such action is signed by all members of the Board and such consent is filed with the minutes of the Board.

7.14 Compensation of Directors. No Director shall receive any salary or compensation for his or her services as a Director except that they may be reimbursed for actual and necessary expenses incurred in attending meetings of the Board as may be approved by the Board.

7.15 Conduct of Meetings. The President or, in his or her absence, any Director selected by the Directors then present, will preside at meetings of the Board. The Secretary of the Corporation or, in the Secretary's absence, any person appointed by the Board will act as Secretary of the Board and shall keep written minutes of all actions taken by the Board. Directors may participate in a meeting through the use of conference telephone or similar communication equipment so long as all Directors participating can hear one another. Such participation shall constitute personal presence at the meeting.

7.16 Adjournment. A majority of the Directors present at a meeting, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of the adjournment to another time or place must be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

7.17 Removal of Directors.

a) The Board may declare vacant the office of a Director on the occurrence of any of the following events: (1) the Director has been declared of unsound mind by a final order of court; (2) the Director has been convicted of a felony; or (3) the Director has failed to attend four meetings of the Board.

(b) Any Director may be removed without cause if removal is approved by the Board within the meaning of Corporations Code section 5032.

7.18 Resignation of Directors. Any Director may resign effective upon giving written notice to the Chairman of the Board, the President, the Secretary or to the Board of Directors. The notice may specify a later effective date of the resignation. If the resignation is to be effective at a later date, a successor Director may be elected to take office when the resignation becomes effective. The acceptance of a resignation shall not be necessary to make it effective. Except on notice to the California Attorney General, no Director may resign if the Corporation would be left without a duly elected or appointed Director.

7.19 Vacancies on the Board. A vacancy on the Board occurs on the death, resignation or removal of a Director; and whenever the authorized number of Directors is increased. Except as otherwise provided in these Bylaws, vacancies on the Board may be filled by approval of the Board of Directors or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office; (2) the affirmative vote of a majority of the Directors then in office at a meeting held pursuant to notice or waiver of notice as provided in these Bylaws; or (3) a sole remaining Director.

7.20 Reduction of the Number of Directors. Any reduction in the authorized number of Directors shall not result in any Director being removed from office prior to the expiration of the term of his or her office.

7.21 Rights of Inspection. Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Corporation, except that staff member directors shall not be entitled to any personnel records of staff members or employees, financial information pertaining to individual staff members or employees, or such other information which the Board deems confidential in order to protect the privacy of other staff members and employees.

7.23 Confidentiality. At any meeting of the Board in which the compensation of or other confidential personnel matter involving a staff member or other employee is being discussed, the staff member directors shall be excused and shall leave the meeting room for the duration of such discussion. The school administrator shall only be excused for discussions regarding the administrator's compensation or personnel matter.

7.24 Executive Committee. Subject to the provisions of Section 7.26 below, the Board may, by resolution adopted by a majority of the number of directors then in office, establish an Executive Committee consisting of such number of Directors as may be determined by the Board which, except when the Board is in session, and except as its powers may be otherwise limited by the Board, shall have and may exercise the powers of the Board in the management of the business and affairs of the corporation and may authorize the seal of the corporation to be affixed to all papers which may require it. The Executive Committee shall also have the power of general supervision, management and control of the business of the corporation and over its several officers.

Appointments to the Executive Committee shall be by a majority vote of the directors then in office. A majority of all the members of the Executive Committee may determine its rules of procedure unless the Board shall otherwise provide. The Board shall have the power to change the members of the Executive Committee at any time, either with or without cause and to fill vacancies; provided that all appointments to the executive committee shall be by a majority vote of the directors then in office.

Any action which under the provisions of the Nonprofit Corporation Law may be taken at a meeting of the Executive Committee, may be taken without a meeting if authorized by a writing signed by all members of the Executive Committee who would be entitled to vote at a meeting for such purpose and filed with the Secretary of the corporation.

7.25 **Standing or Special Committees.** In the event that the Board determines that the management of the corporation would be benefited by the establishment of one or more standing or special committees in addition to the Executive Committee, the Board may from time to time establish one or more such committees. The establishment of a standing or special committee shall be effected by a resolution of the Board approved by the vote of a majority of the Directors then in office, which specifically sets forth the powers and duties delegated to such committee. Each such committee shall consist of two or more Directors and shall be presided over by a Director selected by the Board.

The term "standing committee" or "special committee" shall mean any committee appointed by the Board which is authorized by specific delegation, without further Board action, to make and implement decisions on behalf of the Board, or to implement, with some degree of discretion, decisions of the Board pursuant to guidelines established by the Board. Notice of, and procedures for, meetings of standing or special committees shall be as prescribed by the chairman of each such committee, and meetings of standing or special committees may be called by the Board or by the chairman of the standing or special committee.

7.26 **Limitations Upon Committees of the Board.** No committee of the Board, including any Executive Committee, shall have any of the authority of the Board with respect to a) the approval of any action required by law as also requiring the approval of the members; b) the filling of vacancies on the Board or on any committee of the Board; c) the fixing of compensation of Directors for serving on the Board or on any committee of the Board; d) the amendment or repeal of Bylaws or the adoption of new Bylaws; e) the amendment or repeal of any resolution of the Board which by its terms or under law is not so amendable or repealable; f) the appointment of other committees of the Board or the members thereof if such committee will have the authority of the Board; g) the expenditure of corporate funds to support a nominee for director; or h) the approval of any self-dealing transaction, except that when it is not reasonably practicable to obtain approval of the Board prior to entering into such a transaction, a committee authorized by the Board may approve the transaction in a manner consistent with the standards set forth in Corporations Code section 5233(d) subject to ratification by a majority of the directors then in office (without counting the vote of any interested Director) at the next meeting of the Board.

7.27 **Advisory Commissions.** The Chairman of the Board, the Board, the Executive Committee or the President may from time to time appoint such advisory commissions as deemed appropriate, consisting of Directors or persons who are not Directors, but such advisory commissions shall not be deemed committees of the Board and shall not exercise any powers of the Board. Notice of, and procedures for, meetings of advisory commissions shall be as prescribed by the chairman of each such advisory commission, and meetings of advisory commissions may be called by the chairman of the Board, the Board, the Executive Committee, the President or the chairman of the advisory commission.

Election of Officers

8. The Officers of the Corporation shall be chosen annually by a majority vote of the Board and shall serve at the pleasure of the Board, subject to the rights of any officer under any employment agreement with the Corporation. The Officers shall be a President, a Secretary and a Chief Financial Officer. The Board may, in accordance with the procedures described in these Bylaws, appoint such other Officers, including one or more Vice Presidents, as are necessary to transact the business of the Corporation. The Board may provide that any two (2) or more offices may be held by the same person, except that the person holding the office of President and/or Chairman of the Board shall be ineligible to hold the offices of Secretary and Chief Financial Officer.

President

9. The President shall be the Chief Executive Officer of the Corporation and shall preside at all meetings of the Board; shall see that all orders and resolutions of the Board are effectuated; shall execute under the seal of the Corporation all bonds, mortgages, and other contracts requiring a seal; shall keep in safe custody the seal of the Corporation, and, when authorized by the Board, affix that seal to any instrument requiring the same, and the seal when so affixed shall be attested by the signature of the Secretary or Chief Financial Officer.
10. The President shall have general superintendence and direction of all of the other Officers of the Corporation and shall see that their duties are properly performed.
11. The President shall be ex-officio a member of all standing committees, shall have the general powers and duties of the President of a Corporation, and shall perform such other duties as the Board may direct.

Vice-President

12. In the absence or disability of the President, the Vice-Presidents, if any, in order of their rank as fixed by the Board or, if not ranked, the Vice-President designated by the Board, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice-Presidents shall have such other powers and perform such other duties as from time to time may be prescribed from them respectively by the Board.

Secretary

13. The Secretary shall keep minutes of all meetings of the Board; shall be ex-officio Secretary of the Board; shall attend all sessions of the Board, act as clerk thereof, record all votes and the minutes of all proceedings in a book to be kept for that purpose, and perform like duties for standing committees when required; shall give, or cause to be given, notice of all meetings of the Board of Directors; shall maintain at all times in the principal office of the Corporation at least one (1) copy of the Bylaws with all amendments to date; shall make the Bylaws and the annual statement of the affairs of the Corporation on file at the office of the Corporation available for inspection by any Officer or Director during reasonable business hours; and shall perform such other duties as may be prescribed by the Board or the President.

Chief Financial Officer

14. The Chief Financial Officer shall have custody of the corporate funds and securities; shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation; and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board.
15. The Chief Financial Officer shall disburse the funds of the Corporation as may be ordered by the Board, taking proper voucher for such disbursements, and shall render to the President and the Board, at its regular meetings or when the Board so requires, an account of all transactions conducted as Chief Financial Officer and of the financial condition of the Corporation.
16. If required by the Board, the Chief Financial Officer shall give the Corporation a bond for the faithful performance of the duties of that office in such sum and with such surety or sureties as shall be satisfactory to the Board. The Chief Financial Officer shall provide for restoration to the Corporation, in case of death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

Other Officers and Substitutes

17. The Assistant Financial Officer and Assistant Secretaries shall perform such duties as may be assigned to them by the Board or the President. The Board may, at any other time, designate any other person or persons, on behalf of the Corporation, to sign any contracts, deeds, notes, or other instruments in the place or stead of any of the Officers, and may designate any person to fill any one of said offices, temporarily or for any particular

purpose; and any instruments so signed in accordance with a resolution of the Board shall be the valid act of this Corporation as fully as if executed by any regular Officer.

Resignations of Officers

18. Any Officer may resign his or her office at any time, such resignation to be made in writing and to take effect from the time the same is received by the Corporation, unless some later time is specified in the resignation, and then from that date. The acceptance of a resignation shall not be necessary to make it effective.

Vacancies in Office

19. If the office of President, Secretary, Chief Financial Officer or of any other officer becomes vacant for any reason, the Directors by majority vote, may choose a successor or successors who shall hold office for the unexpired term.

Compensation of Officers

20. The salaries and other compensation, if any, of all Officers and agents of the Corporation shall be as fixed by the Board.

Indemnification of Officers and Directors

21. To the fullest extent permitted by law, and provided that the standards of Corporations Code section 5238(e) have been met, this Corporation shall indemnify its directors, officers, employees and other persons described in Corporations Code section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding", as that term is used in section 5238, and including an action by or in the right of the Corporation if the standards set forth in section 5238(c) are met, by reason of the fact that the person is or was a person described in said section. "Expenses", as used herein, shall have the same meaning as in Corporations Code section 5238.

On written request to the Board by any person seeking indemnification under Corporations Code section 5238(c), the Board shall promptly decide under Corporations Code section 5238(e) whether the applicable standards of conduct set forth in Corporations Code section 5238(b) or section 5238(c) have been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification, because the number of directors who are parties to the proceeding with

respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, then such indemnification may be authorized by a vote of the Members, with the person(s) to be indemnified not being entitled to vote. Otherwise, the court in which such action was or is pending shall determine whether the standards for indemnification have been met upon application by the Corporation or by the agent or the attorney or other person rendering services in connection with the defense, whether or not such application is opposed by the Corporation.

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by this indemnification provision shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

Insurance

22. This Corporation shall have the right to purchase and maintain insurance to the fullest extent permitted by law on behalf of its Officers, Directors, employees and other agents, to cover liability asserted against or incurred by any Officer, Director, employee or agent in such capacity or arising from the Officer's, Director's, employee's or agent's status as such.

Contracts With Directors and Officers

23. No Director or Officer of this Corporation, nor any Corporation, firm, association or other entity in which one or more of this Corporation's Directors or Officers have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this Corporation, unless (a) the material facts regarding that Director's or Officer's financial interest in such contract or transaction or regarding such common directorship, officership or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the Board prior to the Board's consideration of such contract or transaction; (b) such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the votes of the interested Directors; (c) before authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (d) the Corporation for its own benefit enters into the transaction, which is fair and reasonable to the Corporation at the time the transaction is entered into.

This section does not apply to a transaction that is part of an educational or charitable program of the Corporation if it (a) is approved or authorized by the Corporation in good faith and without unjustified favoritism, and (b) results in a benefit to one or more Directors or Officers or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this Corporation.

Corporate Records

24. The Corporation shall keep adequate and correct books and records of account, and written minutes of the proceedings of its Board of Directors and any committees of the Board. In addition, the Corporation shall keep at its principal office in California the original or a copy of the Articles of Incorporation and Bylaws, as amended.

Annual Report and Statement of Transactions

25. (a) The Board shall cause an annual report to be provided to the Directors and Members within 120 days after the end of the Corporation's fiscal year containing the following information: the assets and liabilities, including any trust funds, of the Corporation as of the end of the fiscal year; the principal changes in assets and liabilities, including any trust funds; the Corporation's revenues and receipts; the Corporation's expenses and disbursements; and an independent accountant's report or, if none, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the corporation's books and records.

(b) In addition to the foregoing information, the annual report shall include a statement explaining:

1) Any transaction in which the Corporation was a party, in which an "interested person" had a direct or indirect material financial interest, and which involved more than \$50,000 or was one of several transactions with the same interested person involving, in the aggregate, more than \$50,000. An "interested person" means a Director or Officer of the Corporation, or any holder of more than ten percent (10%) of the voting power of the corporation. The statement shall include a brief description of the transaction, the names of the interested persons involved and their relationship to the Corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest.

2) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or Director of the Corporation pursuant to Corporations Code section 5238; provided that no such report need be made in the case of indemnification approved by the Members under paragraph (2) of subdivision (e) of Corporations Code section 5238.

Members' Rights of Inspection

26. (a) The accounting books and records and minutes of proceedings of the Members and the Board and committees of the Board shall be open to inspection upon the written demand of any Member at any reasonable time, for a purpose reasonably related to such person's interests as a member.

(b) Any Member, for a purpose reasonably related to the person's interest as a Member, has the right to (1) inspect and copy the record of all the Members' names, addresses and voting rights, at reasonable times, upon five business days prior written demand which demand shall state the purpose for which the inspection rights are requested; or (2) obtain, upon written demand and tender of a reasonable charge, an alphabetized list of the names, addresses and voting rights of those Members entitled to vote for the election of directors, as of the most recent record date for which it has been compiled or as of the date specified by the Member subsequent to the date of the demand. The demand shall state the purpose for which the list is requested. Where the Corporation reasonably believes that the information will be used for a purpose other than a purpose reasonably related to the requesting person's interest as a Member, or where the Corporation provides a reasonable alternative pursuant to Corporations Code section 6330(c), the Corporation may deny the Member access to the list of Members.

Waiver

27. Whenever any notice whatsoever is required to be given under the provisions of any statutes or under the provisions of the Articles of Incorporation or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Amendments

28. These Bylaws may be amended or repealed by approval of the members or by the approval of the Board; provided, however, that members must approve any action that would 1) materially and adversely affect the rights of members as to voting, dissolution, or redemption; 2) increase or decrease the number of memberships authorized in total or for any class; 3) effect an exchange, reclassification or cancellation of all or any part of the memberships; 4) authorize a new class of membership; or 5) specify or change a fixed number of directors or the maximum or minimum number of directors or change from a fixed to a variable number of directors or vice

versa.

CERTIFICATE OF SECRETARY

I, the undersigned, hereby certify:

1. That I am the duly elected and acting Secretary of Country Montessori School of Poway, a California nonprofit public benefit Corporation; and

2. That the foregoing Amended and Restated Bylaws of Country Montessori School of Poway, comprised of _____ pages, including this page, constitute the Bylaws of such Corporation as duly adopted by the Board of Directors thereof on _____, 2006.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of such Corporation on _____, 2006.

Internal Revenue Service
District Director
P.O. BOX 2350 ROOM 5127 ATTN: R.O.
109 ANGELES, CA 90032350

Department of the Treasury

Date: APR. 23, 1990

COUNTRY MONTESSORI SCHOOL OF POWAY
12642 MONTE VISTA RD
POWAY, CA 92128

Employer Identification Number:
33-0363869 *tax identifying number*
Case Number: *fecl. #*
959317011
Contact Person:
KNIGHT, EARL
Contact Telephone Number:
(213) 725-6619

Accounting Period Ending:
June 30
Form 990 Required:
Yes
Addendum Applies:
No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in sections 509(a)(1) and 170(b)(1)(A)(ii).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket pur-

Letter 947(CG)

COUNTRY MONTESSORI SCHOOL OF POWAY

chases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Revenue Procedure 75-50, published in Cumulative Bulletin 1975-2 on page 587, sets forth guidelines and recordkeeping requirements for determining whether private schools have racially nondiscriminatory policies as to students. You must comply with this revenue procedure to maintain your tax-exempt status.

NO If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and



STATE OF CALIFORNIA

FRANCHISE TAX BOARD
P. O. BOX 651
SACRAMENTO, CA 95812-0651

December 13, 1989

*Cal State number used for tax
filing for personal donations*

499-6530-4

In reply refer to
344:G :RB

COUNTRY MONTESSORI SCHOOL OF POWAY
12642 MONTE VISTA RD
POWAY CA 92064

Purpose : SSCHOOL
Code Section : 23701d
Form of Organization : Corporation
Accounting Period Ending: June 30
Organization Number : 1561795 CM8SO *State tax #*

You are exempt from state franchise or income tax under the section of the Revenue and Taxation Code indicated above.

This decision is based on information you submitted and assumes that your present operations continue unchanged or conform to those proposed in your application. Any change in operation, character, or purpose of the organization must be reported immediately to this office so that we may determine the effect on your exempt status. Any change of name or address must also be reported.

In the event of a change in relevant statutory, administrative, judicial case law, a change in federal interpretation of federal law in cases where our opinion is based upon such an interpretation, or a change in the material facts or circumstances relating to your application upon which this opinion is based, this opinion may no longer be applicable. It is your responsibility to be aware of these changes should they occur. This paragraph constitutes written advice, other than a chief counsel ruling, within the meaning of Revenue and Taxation Code Section 21012(a)(2).

You may be required to file Form 199 (Exempt Organization Annual Information Return) on or before the 15th day of the 5th month (4 1/2 months) after the close of your accounting period. Please see annual instructions with forms for requirements.

COUNTRY MONTESSORI SCHOOL OF POWAY

telephone number are shown in the heading of this letter.

Sincerely yours,

A handwritten signature in cursive script that reads "Michael J. Quinn". The signature is written in dark ink and is positioned above the printed name.

Michael J. Quinn
District Director



COUNTRY MONTESSORI SCHOOL OF POWAY

Insurance Synopsis; 2011-12

I Property & Liability Package: Indemnity Insurance Company of North America
Policy Number D33859594, Effective: July 01, 2011-12

A) Commercial Property Blanket Coverages

- Buildings: \$1,692,000 Deductible: \$1,000
- Contents: 611,000 Deductible: \$1,000
- Business Income Including 1,780,000
- Extra Expense:
- Ordinance or Law : Included
- Employee Dishonesty: \$50,000

B) Commercial General Liability Coverages

- General Aggregate \$2,000,000
- Products & Completed Ops. 2,000,000
- Personal & Advertising Injury 1,000,000
- Each Occurrence 1,000,000
- Damage to Premises Rented 100,000
- Medical Payments 5,000
- Non-Owned & Rented Auto 1,000,000

II Student Accident: ACE American Insurance Company
Policy Number N04845377, Effective: July 01, 2011-12

- Aggregate Limit of Indemnity \$500,000
- Each Claim (Excess) 35,000 (Medical and/or Dental)
- Benefit Period 52 Weeks
- Deductible n/a

III Directors & Officers Liability: United States Liability Insurance Co. (USLI)
Policy Number NDO10386481, Effective: January 08, 2012-13

- Directors & Officers Liability \$3,000,000 Retention: \$1,000 Each Claim
- Employment Practices: 3,000,000 Retention: \$5,000 Each Claim

IV Workers' Compensation: ACE Fire Underwriters Insurance Company
Policy Number C46434754, Effective: November 01, 2011-12

- Estimated Payroll:
 - Teachers \$669,916
 - Clerical Office 106,970
 - Other 13,800

COUNTRY MONTESSORI SCHOOL

Conflict of Interest Policy

Mission:

Country Montessori School (CMS) is committed to maintaining its leadership in Montessori education. Our mission as educators and parents is to foster independent, confident, academically prepared, and socially responsible citizens, who will be lifelong learners and problem solvers. We will grow and evolve to meet the needs of our children, parents and community.

Purpose:

Board Members are elected to serve CMS and its constituencies. The men and women who accept this position are expected to carry out their duties in a manner that inspires and assures the confidence of the school and the broader community.

Board Members shall exercise the utmost good faith in all transactions touching upon their duties to the organization and its property. In their dealings with and on behalf of the organization, they are held to a strict rule of honest and fair dealing between themselves and the organization. They shall not use their positions as Board Members, or knowledge gained, so that a conflict might arise between the school's interest and that of any individual board member.

A conflict of interest arises in any situation in which a board member (and his or her immediate family) is involved in an activity that could adversely affect his or her judgment with respect to the business of the school or otherwise diminish the interest of the organization. When such a conflict arises, the individual with the conflict is expected to disclose in writing the existence of the conflict.

Policy Statement:**Definitions:**

1. **Interested Person:** Any director or member of a committee with governing board delegated powers, which has a direct or indirect financial interest, as defined below, is an interested person.
2. **Financial Interest:** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which the organization has a transaction or arrangement

- b. A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Procedures

1. Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the board directors or executive committee with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest:

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the organization can obtain with reasonable efforts a

more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Compensation

- a.** A voting member of the governing board who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to that member's compensation.
- b.** A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to that member's compensation.
- c.** No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Annual Statements

Each director and member of a committee with governing board-delegated powers shall annually sign a statement, which affirms such person:

- a.** Has received a copy of the conflicts of interest policy,
- b.** Has read and understands the policy,
- c.** Has agreed to comply with the policy, and
- d.** Understands the organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities, which accomplish one or more of its tax-exempt purposes.

Periodic Reviews

To ensure the organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a.** Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in impermissible private benefit or in an excess benefit transaction.

When conducting the periodic reviews, the organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

ANNUAL STATEMENT CONCERNING A POSSIBLE CONFLICT OF INTEREST

The undersigned acknowledges receipt of a copy of CMS Conflict-of-Interest Policy. By my signature affixed below, I acknowledge my agreement with the spirit and intent of these policies and, I agree to report to the head of school of the organization any possible conflicts (other than those stated below) that may develop before completion of the next annual statement.

_____ I am not aware of any conflict of interest.

_____ I do or may have a conflict of interest in the following area(s):

Name: _____

Date: _____

Signature: _____

COUNTRY MONTESSORI SCHOOL OF POWAY

WHISTLEBLOWER POLICY

MISSION:

Country Montessori School (CMS) is committed to maintaining its leadership in Montessori education. Our mission as educators and parents is to foster independent, confident, academically prepared, and socially responsible citizens, who will be lifelong learners and problem solvers. We will grow and evolve to meet the needs of our children, parents and community.

I. PURPOSE

CMS' Code of Ethics (the Code) requires employees, volunteers and board members to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

It is the responsibility of all employees, volunteers and board members to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy.

II. REPORTING

A person's concerns about possible fraudulent or dishonest use or misuse of resources or property should be reported to the head of school. If, for any reason, a person finds it difficult to report his or her concerns to the head of school, the person may report the concerns directly to the president of the Board of Directors. Alternately, to facilitate reporting of suspected violations where the reporter wishes to remain anonymous, a written statement may be submitted to one of the individuals listed above.

III. DEFINITIONS

3.1. Baseless Allegations

Allegations made with reckless disregard for their truth or falsity. Individuals making such allegations may be subject to disciplinary action by CMS.

3.2. Fraudulent or Dishonest Conduct

A deliberate act or failure to act with the intention of obtaining an unauthorized benefit. Examples of such conduct include:

- Forgery or alteration of documents

- Unauthorized alteration or manipulation of computer files
- Fraudulent financial reporting
- Pursuit of a benefit or advantage in violation of CMS' Conflict-of-Interest Policy
- Misappropriation or misuse of CMS' resources, such as funds, petty cash, resident medication, supplies, services, or other assets
- Authorizing or receiving compensation for goods not received or services not performed
- Authorizing or receiving compensation for hours not worked

3.3. Whistleblower

An employee, consultant, or volunteer who informs the head of school or president of the Board of Directors about an activity relating to CMS which that person believes to be fraudulent or dishonest.

IV. RIGHTS AND RESPONSIBILITIES

4.1. Supervisors

Supervisors are required to report suspected fraudulent or dishonest conduct to the head of school. Reasonable care should be taken in dealing with suspected misconduct to avoid:

- Baseless allegations
- Premature notice to persons suspected of misconduct and/or disclosure of suspected misconduct to others not involved with the investigation
- Should not contact the person suspected to further investigate the matter or demand restitution
- Should not discuss the case with attorneys, the media, or anyone other than the head of school

V. INVESTIGATION

All relevant matters, including suspected but unproved matters, will be reviewed and analyzed, with documentation of the receipt, retention, investigation, and treatment of the complaint. Appropriate corrective action will be taken, if necessary, and findings will be communicated to the reporting person and the head of school. Investigations may warrant investigation by independent persons such as auditors and/or attorneys.

VI. WHISTLEBLOWER PROTECTION

CMS will protect whistleblowers as defined below:

- CMS will use its best efforts to protect whistleblowers against retaliation. Whistleblowing complaints will be handled with sensitivity, discretion, and confidentiality to the extent allowed by the circumstances and the law. Generally,

this means that whistleblower complaints will only be shared with those who have a need to know so that CMS can conduct an effective investigation, determine what action to take based on the results of any such investigation, and in appropriate cases, with law enforcement personnel. (Should disciplinary or legal action be taken against a person or persons as a result of a whistleblower complaint, such persons may also have the right to know the identity of the whistleblower.)

- Employees, volunteers and board members of CMS may not retaliate against a whistleblower for informing management about an activity which that person believes to be fraudulent or dishonest with the intent or effect of adversely affecting the terms or conditions of the whistleblower's employment, including but not limited to, threats of physical harm, loss of job, punitive work assignments, or impact on salary or fees. Whistleblowers who believe that they have been retaliated against may file a written complaint with the head of school. Any complaint of retaliation will be promptly investigated and appropriate corrective measures taken if allegations of retaliation are substantiated. This protection from retaliation is not intended to prohibit supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors.
- Whistleblowers must be cautious to avoid baseless allegations (as described earlier in the definitions section of this policy).

Lawrence, B., & Flynn, O. (2009). E-Policy Sampler – Conflict of Interest Policy. *The Nonprofit Policy Sampler, Second Edition*. BoardSource. Retrieved from www.boardsource.org

COUNTRY MONTESSORI SCHOOL OF POWAY

DOCUMENT RETENTION AND DESTRUCTION POLICY

Mission:

Country Montessori School (CMS) is committed to maintaining its leadership in Montessori education. Our mission as educators and parents is to foster independent, confident, academically prepared, and socially responsible citizens, who will be lifelong learners and problem solvers. We will grow and evolve to meet the needs of our children, parents and community.

Purpose:

In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this policy provides for the systematic review, retention, and destruction of documents received or created by CMS in connection with the transaction of organization business. This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept and how records should be destroyed. The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records, and to facilitate CMS' operations by promoting efficiency and freeing up valuable storage space.

Document Retention:

CMS follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule, will be retained for the appropriate length of time.

<i>Description of Record(s)</i>	<i>Retention Period</i>
Annual Reports to Secretary of State/Attorney General	Permanent
Articles of Incorporation	Permanent
Board Meeting and Board Committee Minutes	Permanent
Board Policies/Resolutions	Permanent
Bylaws	Permanent
Construction Documents	Permanent
Fixed Asset Records	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
State Sales Tax Exemption Letter	Permanent
Contracts (after expiration)	7 years
Correspondence (general)	3 years
<i>Accounting and Corporate Tax Records</i>	
Annual Audits and Financial Statements	Permanent
Depreciation Schedules	Permanent
IRS Form 990 Tax Returns	Permanent
General Ledgers	[7 years/Permanent]
Business Expense Records	7 years
IRS Form 1099	7 years

Journal Entries	7 years
Invoices	7 years
Sales Records (box office, concessions, gift shop)	5 years
Petty Cash Vouchers	3 years
Cash Receipts	3 years
Credit Card Receipts	3 years
<i>Bank Records</i>	
Check Registers	[7 years/Permanent]
Bank Deposit Slips	7 years
Bank Statement and Reconciliation	7 years
Electronic Fund Transfer Documents	7 years
<i>Payroll and Employment Tax Records</i>	
Payroll Registers	Permanent
State Unemployment Tax Records	Permanent
Earnings Records	7 years
Garnishment Records	7 years
Payroll Tax Returns	7 years
W-2 Statements	7 years
<i>Employee Records</i>	
Employment and Termination Agreements	Permanent
Retirement and Pension Plan Documents	Permanent
Records Relating to Promotion, Demotion or Discharge	7 years after termination
Accident Reports and Worker's Compensation Records	5 years
Salary Schedules	5 years
Employment Applications	3 years
I-9 Forms	3 years after termination
Time Cards	2 years
<i>Donor and Grant Records</i>	
Donor Records and Acknowledgment Letters	7 years
Grant Applications and Contracts	7 years after completion
<i>Legal, Insurance, and Safety Records</i>	
Appraisals	Permanent
Copyright Registrations	Permanent
Environmental Studies	Permanent
Insurance Policies	Permanent
Real Estate Documents	Permanent
Stock and Bond Records	Permanent
Trademark Registrations	Permanent
Leases	6 years after expiration
OSHA Documents	5 years
General Contracts	3 years after termination

Electronic Documents and Records:

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder. Backup and recovery methods will be tested on a regular basis.

Document Destruction:

CMS’ Director of Admissions is responsible for the ongoing process of identifying its records, which have met the required retention period, and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

Positions Responsible: Various

Original Date: April, 2012

Approved:

Authorized Signatures:

Cheryl Knapp, Director of Admissions

Adela Corrales, Head of School

Lawrence, B., & Flynn, O. (2009). E-Policy Sampler – Document Retention Policy. *The Nonprofit Policy Sampler, Second Edition*. BoardSource. Retrieved from www.boardsource.org

COUNTRY MONTESSORI SCHOOL OF POWAY

CODE OF ETHICS

Mission:

Country Montessori School (CMS) is committed to maintaining its leadership in Montessori education. Our mission as educators and parents is to foster independent, confident, academically prepared, and socially responsible citizens, who will be lifelong learners and problem solvers. We will grow and evolve to meet the needs of our children, parents and community.

Purpose:

The CMS Code of Ethics (the Code) is a demonstration of our commitment to high ethical standards. The Code recognizes that its employees, volunteers and board members define an organization.

CMS promotes honest and ethical conduct, including fair dealing and ethical handling of conflicts of interest. CMS endorses a work environment that values respect, fairness, and integrity.

INTRODUCTION:

This Code of Ethics covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all employees, volunteers, and board members of CMS. All of our employees, volunteers, and board members must conduct themselves accordingly and seek to avoid even the appearance of improper behavior.

If a law conflicts with a policy in this code, you must comply with the law. If you have any questions about these conflicts, you should ask the head of school how to handle the situation.

Those who violate the standards in this code will be subject to disciplinary action, including possible dismissal. If you are in a situation, which you believe may violate or lead to a violation of this code, follow the procedures set out in the Whistleblower Policy.

1. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

All employees, volunteers and board members must respect and obey the laws, rules, and regulations of the cities, states, and countries in which we operate. Although employees and officers are not expected to know the details of each of these laws, rules and regulations, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

2. CONFLICTS OF INTEREST

A “conflict of interest” exists when a person’s private interest interferes in any way, or even appears to interfere, with the interests of CMS. A conflict situation can arise when an employee, volunteer or board member takes actions or has interests that may make it difficult to perform his or her CMS work objectively and effectively. Conflicts of interest may also arise when an employee, volunteer or board member receives improper personal benefits as a result of his or her position in the CMS. Loans to, or guarantees of obligations to, employees, volunteers and board members and their family members by CMS may create conflicts of interest and in certain instances are prohibited by law.

Conflicts of interest are prohibited as a matter of CMS policy, except as approved by the board of directors. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with the head of school or follow the procedures set out in the Whistleblower Policy. Any employee, volunteer or board member who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager, or other appropriate personnel or consult the procedures provided in the Whistleblower Policy.

3. DISCRIMINATION AND HARASSMENT

CMS is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment based on race, color, religion, sex, national origin or any other protected class.

4. HEALTH AND SAFETY

The CMS strives to provide each employee, volunteer, and board member with a safe and healthy work environment. Employees, volunteers, and board members have the responsibility for maintaining a safe and healthy workplace by following environmental, safety, and health rules and practices and by reporting accidents, injuries and unsafe equipment, practices or conditions. Violence and threatening behavior are not permitted.

Employees and officers are expected to perform their CMS related work in a safe manner, free of the influences of alcohol, illegal drugs or controlled substances. The use of illegal drugs in the workplace will not be tolerated.

5. ENVIRONMENTAL

CMS expects its employees and officers to follow all applicable environmental laws and regulations. If you are uncertain about your responsibility or obligation, you should check with the head of school for guidance.

6. FINANCIAL REPORTING AND CONTROL

CMS requires honest, accurate and timely recording and reporting of information in order to make responsible business decisions.

All business expense accounts must be documented and recorded accurately in a timely manner. If you are not sure whether a certain expense is legitimate, ask the director of admissions or the bookkeeper.

All of CMS' books, records, accounts and financial statements must be maintained in reasonable detail; must be promptly disclosed in accordance with any applicable laws or regulations; and must conform both to applicable legal requirements and to CMS' system of internal controls.

Business records and communications often become public and we should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies that may be misunderstood. This applies equally to e-mail, internal memos and formal reports. Records should always be retained or destroyed according to CMS' document retention policy.

CMS ensures that all spending practices and policies are fair, reasonable and appropriate to fulfill the mission of the organization and does not accumulate operating funds excessively.

7. CONFIDENTIALITY

Employees, volunteers and board members must maintain the confidentiality of proprietary information entrusted to them by CMS, except when disclosure is authorized in writing by the head of school or required by laws or regulations.

8. REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOR

Employees are encouraged to talk to the head of school or other appropriate personnel about observed behavior that they believe may be illegal or a violation of this Code. It is the policy of CMS not to allow retaliation for reports made in good faith by employees of misconduct by others. Employees are expected to cooperate in internal investigations of misconduct.

9. ANNUAL ACKNOWLEDGEMENT

To help ensure compliance with this Code, CMS requires that all exempt salaried employees and board members review the Code and acknowledge their understanding and adherence in writing on an annual basis on the attached form.

**Your Personal Commitment to the
Country Montessori School of Poway
Code of Ethics Policy**

I acknowledge that I received a copy of CMS' Code of Ethics dated _____ (the Code), that I have read the Code and that I understand it. I will comply with the code. If I learn that there has been a violation of the code, I will contact the head of school. I acknowledge that the code is not a contract and that nothing in the code is intended to change the traditional relationship of employment-at-will.

Dated: _____

Signature

Name Printed

Independent Sector. (n.d.). Code of Ethics. Retrieved from
https://www.independentsector.org/code_of_ethics?s=Code%20of%20Ethics

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