

# **KATHERINE MECHAM BARNEY ELEMENTARY**

## **Parent Teacher Organization Bylaws**

### **ARTICLE I – NAME, DESCRIPTION & PURPOSE**

**Section 1: NAME** – The name of the organization shall be Katherine Mecham Barney Elementary PTO.

**Section 2: DESCRIPTION** – The PTO is a non-profit organization that exists for charitable, educational, and scientific purposes, including the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code.

**Section 3: PURPOSE** – The purpose of the PTO is to enhance and support the educational experience at KMBE, to develop a closer connection between school and home by encouraging parental involvement, and to improve the environment at KMBE through volunteer and financial support.

### **ARTICLE II – MEMBERSHIP**

**Section 1:** Membership shall be automatically granted to all parents and guardians of current KMBE students, plus all staff at KMBE. There are no membership dues. Members have voting privileges in general meetings, one vote per household.

### **ARTICLE III – OFFICERS**

**Section 1: EXECUTIVE BOARD**– The Executive Board shall consist of the following elected officers: President, Vice President, Secretary, and Treasurer. The School Principal will be a voting member of the Executive Board.

**Section 2: TERM OF OFFICE** – Each officer shall be elected for a term of one (1) year (elected in the last quarter of the school year) with an option of serving a second one-year term, if duly elected. In the event that no one steps up for nomination in a given position, the officer currently assigned to that role may elect to run for a third term as an Interim, if he/she is in good standing, and is duly elected. Each officer agrees to remain available for the month of August of the year following his or her term to orient the incoming officer.

**Section 3: QUALIFICATIONS** – Any PTO member in good standing may become an officer of the PTO. With regard to the role of President, only officers with at least one (1) year experience on the Executive Board, and who are in good standing, may become President through due election.

**Section 4: DUTIES** –

- *Executive Board* – Develop the PTO’s annual budget, establish and oversee committees to conduct the work of the PTO, establish fundraising programs, approve by majority vote of the Board.
  - o *President* – Prepare agendas and preside at General PTO meetings and Executive Board meetings, serve as the official representative of the PTO, and retain all official records of the PTO.

- *Vice President* – Oversee the committee system of the PTO, assist the President, and chair meetings in the absence of the President.
- *Secretary* – Records and distribute minutes of all Executive Board meetings and all General PTO meetings, hold historical records for the PTO. Minutes shall be written and distributed for review.
- *Treasurer* – Serve as custodian of the PTO's finances, collect revenue, pay authorized expenses, report financial activity every month, prepare year-end financial report, facilitate an annual audit, and hold all financial records.

**Section 5: BOARD MEETINGS** – The Executive Board shall meet monthly during the school year. Additional meetings may be called at the discretion of the President. A majority of the Executive Board present constitutes a quorum.

**Section 6: REMOVAL** – An officer can be removed from office for failure to fulfill his/her duties, after reasonable notice, by the Executive Board.

**Section 7: VACANCY** – If a vacancy occurs on the Executive Board, the President shall appoint a PTO member to fill the vacancy, for the remainder of the officer's term.

## **ARTICLE IV – GENERAL MEETINGS**

**Section 1: GENERAL PTO MEETINGS** – General PTO meetings shall be held to conduct the business of the PTO. A minimum of two (2) meetings shall be held during the school year: 1) in the first quarter of the school year to welcome PTO members back to school, present an overview of planned activities and approve the annual budget, and 2) in April to hold elections for the following year's Executive Board. Additional meetings may be held at the discretion of the Executive Board.

**Section 2: VOTING** – Each member in attendance at a general PTO meeting is eligible to vote, one vote per household. Absentee or proxy votes are not allowed.

## **ARTICLE V – FINANCIAL POLICIES**

**Section 1: FISCAL YEAR** - The fiscal year of the PTO begins July 1<sup>st</sup> and ends June 30<sup>th</sup> of the following year.

**Section 2: BANKING** - All funds shall be kept in a checking account in the name of (our PTO), requiring two signatures of the Executive Board for all checks written and held at a local financial institution.

**Section 3: RECEIPTING** - When collecting money, a receipt of the monies will be written and given to the individual upon request. In cases such catalogue sales or where an order form is present the order form may serve as a receipt.

**Section 4: REPORTING** - All financial activity shall be recorded in a manual or computer-based accounting system. The Treasurer shall reconcile the account(s) monthly and report all financial activity monthly. The PTO shall arrange an independent review of its financial records each year.

**Section 5: ENDING BALANCE** - The organization shall leave a minimum of \$2,000.00 in the treasury at the end of each fiscal year.

**Section 6: CONTRACTS** - Contract signing authority is limited to the President. If a second signature is required any other executive board member in good standing or the School Principal may sign.

## **ARTICLE VI – BYLAW AMENDMENTS**

- Amendments to the bylaws may be proposed by any PTO member to the Executive Board.
- These bylaws may be amended at any regular or special meeting, providing that previous notice was given in writing at the prior meeting and then sent to all members of the organization by the secretary.
- Amendments shall be considered for voting at a subsequent meeting. A majority approval of all present members is required to adopt an amendment to the bylaws.

## **ARTICLE VII – CONFLICT OF INTEREST POLICY**

**Section 1. PURPOSE** - The purpose of the conflict-of-interest policy is to protect this tax-exempt organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the organization or might result in a possible excess benefit transaction. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

### **Section 2. DEFINITIONS -**

**a. Interested Person.** Any director, principal officer, or member of a committee with governing board-delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

**b. Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- i. An ownership or investment interest in any entity with which the organization has a transaction or arrangement.
- ii. A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement; or
- iii. 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 payment as well as gifts or favors that are not insubstantial.
- iv. A financial interest is not necessarily a conflict of interest. Under Section 3b, 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.

### **Section 3. PROCEDURES -**

**a. 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 directors and members of committees with governing board-delegated powers who are considering the proposed transaction or arrangement.

**b. 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 whether a conflict of interest exists.

**c. Procedures for Addressing the Conflict of Interest.**

- i. 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.
- ii. 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.
- iii. 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.
- iv. 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.

**d. Violations of the Conflict-of-Interest Policy.**

- i. 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.
- ii. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines that the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Section 4. RECORDS** - 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.

**Section 5. 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 is prohibited from providing information to any committee regarding compensation.

**Section 6. ANNUAL STATEMENTS** - Each director, principal officer, and member of a committee with governing board-delegated powers shall annually sign a statement which affirms that such person:

- Has received a copy of the conflict-of-interest policy.
- Has read and understood the policy.
- Has agreed to comply with the policy; and
- Understands that the organization is charitable and that in order to maintain its federal tax-exempt status it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

**Section 7. PERIODIC REVIEWS** - To ensure that 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, are based on competent survey information, and are 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 inurement, impermissible private benefit, or an excess benefit transaction.

**Section 8. USE OF OUTSIDE EXPERTS** - When conducting the periodic reviews as provided for in Section 7, the organization may, but need not, use outside advisers. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring that periodic reviews are conducted.

## **ARTICLE VIII - DISSOLUTION**

In the event of dissolution of the PTO, any funds remaining shall be used exclusively for tax exempt purpose to be used by Kathering Mecham Barney Elementary School.

## **ARTICLE VIII - PARLIAMENTARY AUTHORITY**

The authority for this organization shall be "Robert's Rules of Order Newly Revised."