

# **Thorson Elementary School PTO, Inc. BYLAWS**

## **ARTICLE I - NAME**

The name of this organization shall be the Thorson Elementary School PTO, Inc., also known as PTO.

## **ARTICLE II – PURPOSE**

The PTO shall strive to:

- a. Promote the welfare of students at home, in school and throughout the community.
- b. Develop united efforts between educators and parents that will secure for students the highest advantages in physical, mental and social education.
- c. Establish closer connection between school and home by encouraging parent involvement.
- d. Enhance the educational experience by supporting academic and enrichment activities.
- e. Foster the environment within the school by providing volunteer and financial support.

## **ARTICLE III – POLICIES**

Section 1 - This organization shall be non-commercial, nonsectarian. No commercial enterprise shall be endorsed by it. Neither the name of the organization nor the names of its officers in their official capacities shall be used in any connection with a commercial concern or for any purpose other than the regular work of the organization.

Section 2 - This organization shall not seek to direct the administrative activities of the school, or to control its policies.

Section 3 - This organization may cooperate with other organizations and agencies active in child welfare, provided they make no financial or manpower commitments, which bind their members.

Section 4 - All funds shall be kept in a checking and/or savings account in the name Thorson Elementary School PTO, Inc. and held at a local financial institution. A financial report and management letter resulting from such outside review shall be reported to the membership annually.

Section 5 - The organization shall leave a minimum of \$3,000.00 in the treasury (reserve account) at the end of each fiscal year.

Section 6 - No part of the net earnings of the organization shall inure to the benefit of, or be distributable to, its members, directors, trustees, officers, or other private persons except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered.

Section 7 - Notwithstanding any other provisions of these articles, the organization shall not carry on any other activities not permitted to be carried on by an organization exempt from federal income tax under Section 501(c)3 of the Internal Revenue Code.

## **ARTICLE IV - MEMBERSHIP & DUES**

Section 1 - Membership is open to the educators, administration and support staff of our school and all parents or guardians of students attending our school; there shall be one vote per membership, one membership per household.

Section 2 - The Executive Board shall set the dues and/or requirements for to the PTO annually.

Section 3 - Only members of the PTO who meet membership requirements set by the executive board for the current school year may participate in the business of the organization.

Section 4 - Membership shall be made available without regard to race, color, creed or national origin.

## **ARTICLE V - FISCAL YEAR**

The fiscal year of the PTO shall be from July 1 through June 30 of the following year.

## **ARTICLE VI - OFFICERS AND THEIR ELECTION**

Section 1 - Each officer or board member shall be a member of the PTO

Section 2 - Officers and their election:

- a. The officers of this organization shall consist of a president, vice-president and/or co-president, a secretary, and co-treasurers. The second treasurer position is preferred but not required.
  - i. President: shall preside over meetings of the organization and executive board, serve as the primary contact for the principal, represent the organization at meetings outside the organization, serve as an ex officio member of all committees except the nominating committee and coordinate the work of all the officers and committees so that the purpose of the organization is served.
  - ii. Co-President: shall assume the position of president after serving as co-president for one term or in the event the president is unable to carry out his or her duties.
  - iii. Vice President: shall act as an aide to the president, perform the duties of the president in the absence or inability of the president or co-president to serve, perform other duties that may be delegated by the president, and work closely with the president and co-president to set the strategy for the PTO's activities, initiatives, and fundraising efforts. The Vice President helps the President set meeting agendas, advertises PTO meetings, and assists the communication committee with website updates and emailed newsletters. The VP works with the President, Co-President and Treasurer to propose a budget to the Board.
  - iv. Secretary: shall keep all records of the organization, take and record minutes, handle correspondence and send notices of meetings to the membership; the secretary also keeps a copy of the minutes book, bylaws, articles of incorporation, current membership list and any other necessary supplies, and brings them to meetings.
  - v. Treasurer and Co-Treasurer: shall have custody of all the funds of the PTO; keep a complete and accurate record of receipts and expenditures and pay out funds in accordance with the approval of the executive board, have all checks and/or check requests (over \$100) signed by two (2) executive board members, the treasurer and another board member (except the co- treasurer), present a financial statement at every meeting and at other times of the year when requested by the executive board, make a full report at the end of the year; have the accounts examined annually by an independent accountant. Duties will be shared by the co-treasurers as they determine but keeping in mind sound accounting and risk management practices. The treasurer works closely with the president, co-president and vice president(s) on the proposed budget.
- b. Officers shall be elected annually in the month of May to two-year terms, except for the president who is elected as co-president and whose role evolves into that of president in the second year. The president, secretary and one of the treasurers shall have coinciding terms. The co-president, vice president and the other co-treasurer shall have terms that coincide on alternate years as the president and secretary.
- c. There shall be a nominating committee composed of at least three current members. The committee shall elect its own chairperson. The nominating committee shall select a candidate for

each office vacated and present the slate at a meeting held one month prior to the election. At that meeting nominations may also be made from the floor.

- d. Each position shall be voted for independently via a voice vote. If more than one person is running for an office, a ballot vote shall be taken.
- e. In May, all parents and guardians of students in the upcoming kindergarten class will be allowed to become members of our PTO for the next school year. Voting rights shall be limited to the election of officers until the following school year.
- f. The newly elected officers shall assume their duties July 1st and shall serve for a term of two years or until the election of their successors.
- g. A person shall not be eligible to serve more than two consecutive terms in the same office.
- h. The outgoing president shall be invited to serve as an advisor to the executive board for one year in order to ensure continuity.
- i. There shall be no proxy or absentee voting.

Section 3 - A vacancy occurring in any office shall be filled by a majority vote of all remaining members of the Executive Board. If the office of President becomes vacant, the co-president shall assume the duty for the remainder of the school year and following school year. In the absence of a co-president, a vice president shall assume the duty for the remainder of the school year, or until the office is filled.

Section 4 - By a two-thirds (2/3) vote of the entire Executive Board, an officer may be removed from office for failure to perform duties.

## **ARTICLE VII-EXECUTIVE BOARD**

Section 1 - The Executive Board shall consist of the officers of the organization and may include a representative from the school. All of the executive board members shall be members of the PTO and have a child attending the school.

Section 2 - The Executive Board shall be subject to the orders of the organization and none of its acts shall conflict with action taken by the organization.

Section 3 - Duties of the Executive Board shall be:

- a. To transact necessary business in the intervals between membership meetings
- b. To approve the plans of the committees
- c. To present a report at the membership meeting of any action taken by the Executive Board
- d. To facilitate an annual review of the treasurer's records after fiscal year end, and before the first fall general membership meeting
- e. To prepare and submit to the membership in September of each year, for adoption an annual budget
- f. To fill vacancies of elected positions
- g. To approve routine bills within the limits of the budget
- h. To oversee fundraising activities of the school year

Section 4 - The Executive Board shall meet as needed prior to the general membership meeting. Special meetings may be called by the president or by a majority of the members of the board. A majority of the executive board members shall constitute a quorum.

## **ARTICLE VIII –COMMITTEES**

Section 1 - Committees shall be created by the executive board as needed to promote the purpose and interests of the organization. The need for specific committees will be reviewed annually.

Section 2 - The chairpersons of each committee shall be current PTO members. No committee work shall be undertaken without the approval of the Executive Board. The chairpersons shall report on committee activities to the President monthly and at the general membership meetings as necessary.

## **ARTICLE IX - MEETINGS**

Section 1 - Regular meetings of the organization shall be held monthly on the second Monday of each month during the school year unless otherwise provided by the executive board, having given seven (7) days notice.

Section 2 - Special meetings of the PTO may be called by the president or by a majority of the executive board, seven (7) days' notice having been given.

Section 3 - The annual meeting shall be held in the month of May

Section 4 - Eight (8) members shall constitute a quorum for the transacting of business at any general membership meeting.

## **ARTICLE X • Summary of Financial Procedures**

Section 1 - As part of the budget and funding process the following is the approved course of action:

- a. In May of each year, the PTO Treasurer will request budget amounts from each committee area from the activity chairperson(s);
- b. Prior to the September PTO meeting, the Treasurer will make the proposed budget available to the membership via the Thorson PTO Website, email or postal mail;
- c. The budget will then be voted on and approved by a quorum at the first PTO meeting of the school year, preferably before the beginning of the fiscal year of September 15;
- d. For expense items, any changes to a line item greater than \$100, movement from one line item to another, or the addition of a new line item shall be approved by a quorum at the next scheduled meeting and prior to payment. If the PTO is required to pay an unbudgeted expense prior to the next PTO meeting and has excess money available, the executive board shall approve the expenditure by a quorum vote. The membership must be notified at the next regular PTO meeting.
- e. Check requests, reimbursement requests, Automatic Clearing House (ACH) requests and deposits are required to be completed and signed and returned to the Treasurer using the appropriate forms; All check requests must be accompanied by a purchase order, invoice or receipt from the vendor. Checks will be made payable to the business, person or organization providing the goods or services, or to an individual if he or she has already paid for the goods or services and produces a receipt.
- f. All withdrawal activity in the checking/savings accounts over \$100 requires two executive officer signatures.
- g. Payment for technology gifts costing more than \$500 that require school board approval may be payable directly to the school district. Such gifts shall be purchased by the school district, and once provided with a receipt, purchase order or invoice from the vendor, the PTO will issue a check to the district for the amount approved and documented..
- h. At the end of the fiscal year, any unused PTO funds shall remain in the PTO reserve account, including funds which have been budgeted, but not used by PTO committees. Funds in the reserve account may be used to pay for unplanned but necessary PTO expenses, special projects requested and approved by the PTO membership, and as a source of funds that will help ensure the continued success of the operations of the PTO.

## **ARTICLE XI • DISSOLUTION**

Section 1 - The organization, by majority vote in a general membership meeting, shall authorize the appointment of a committee to consider the reasons for disbanding and the necessary steps to be taken. Notice of intent to disband shall be given to all members, in writing, at least 14 days prior to the general membership meeting. The committee shall submit a report at the general membership meeting.

Section 2 - A two-thirds (2/3) vote of those in attendance is required for passage.

Section 3 - Upon the dissolution of this organization, after paying or adequately providing for the debts and obligations of the organization, the remaining assets shall be distributed to one or more nonprofit funds, foundations, or organization that have established their tax-exempt status under Section 501©(3) of the Internal Revenue Code.

## **ARTICLE XII- PARLIAMENTARY AUTHORITY**

When a vote is needed, assuming a quorum is present, there must be a two-thirds (2/3) vote of the members present and voting in order to pass in the affirmative. Robert's Rules of Order shall govern meetings when they are not in conflict with the organization's bylaws.

## **ARTICLE XIV - REVISION OF BYLAWS**

Section 1 - A committee may be appointed to submit a revised set of bylaws as a substitute for the existing bylaws by a majority vote at a general' membership meeting, or by a two-thirds (2/3) vote of the entire Executive Board.

Section 2 - Bylaws may be amended or revised by the affirmative vote of two-thirds (2/3) of the members present and voting at any general membership meeting provided that the proposed amendment has been presented at a previous regular meeting.

Section 3 - These bylaws may be revised on a three-year schedule, or as needed.

## **Article XV – 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 remuneration as well as gifts or favors that are not insubstantial. 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 or 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
  - ii. transaction or arrangement involving the possible conflict of interest.
  - iii. 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.
  - iv. 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.
  - v. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of
  - vi. interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction
  - vii. 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 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.

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 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.

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.

***These Bylaws were unanimously approved by Thorson Elementary School PTO members on January 20, 2014.***