

## **BY-LAWS OF THE GARY L. HEROD PARENT-TEACHER ORGANIZATION**

### **ARTICLE I: NAME**

The name of this organization, (the "Organization") shall be "The Gary L. Herod Parent-Teacher Organization," but it may operate as, and be known as the "Herod Parent-Teacher Organization."

### **ARTICLE II: PURPOSE**

1. The purpose of the The Gary L. Herod Parent-Teacher Organization is to further the mission of Gary L. Herod Elementary School, (the "School") and to foster excellence in education at Herod by supporting and enriching the activities and programs that promote a positive environment at Herod Elementary through the involvement of parents, school, and the community.

### **ARTICLE III: POLICIES**

The following are basic policies of this Organization:

1. The Herod Parent-Teacher Organization is formed for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue code of 1954. The Organization is operated solely for the benefit and in connection with Gary L. Herod Elementary School.
2. The Organization shall be noncommercial, nonsectarian, and nonpartisan.
3. The name of the Organization or the names of any members in their official capacities shall not be used in any connection with a commercial concern or with any partisan interest or for any purpose not appropriately related to promotion of the Purpose of the Organization.
4. The Organization shall not-directly or indirectly-participate or intervene (in any way, including the publishing or distributing of statements) in any political campaign on behalf of, or in opposition to any candidate for public office; or devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise.
5. The Organization shall work with the schools to provide quality education for all children and youth, and shall seek to participate in the decision-making process establishing school policy, recognizing that the legal responsibility to make decisions has been delegated by the people to the board of education.
6. The Organization may cooperate with other organizations and agencies concerned with child welfare, but persons representing the Organization in such matters shall make no commitments that bind the Organization.
7. In the event of the dissolution of the Organization, the Executive Board shall, after paying or making provisions for the payments of all the liabilities of the PTO, dispose of

all remaining assets to the School or any successor organization to the School. Should the School also be dissolved and there be no successor organization to the School the Executive Board shall direct any such remaining funds to an organization of their choosing, such organization must be a non-profit, exempt under Section 501(c)(3) of the Internal Revenue Code of 1954 as from time to time amended.

#### ARTICLE IV: MEMBERSHIP AND DUES

1. Any parent, guardian, or other adult standing in loco parentis for a \ child attending Gary L. Herod Elementary School and any teacher or staff member at Herod School may become a member of the Organization, ("Member") upon payment of Annual Dues.
2. Any legal entity may become a partner of the Organization, ("Partner") by sponsorship, donation, or in-kind gifts to the Organization. Partners may participate in Organization events, but are not entitled to vote or serve as officers or members of the Board.
3. The membership year shall be from July 1st to June 30th, and any eligible person joining for that year shall pay Annual Dues for that year
4. Annual Dues shall be set by the Board.
5. Only Member(s) shall be eligible to vote in the General or Board Meetings, or to serve in any elective or appointive positions.

#### ARTICLE V: OFFICERS AND THEIR ELECTION

##### 1. Officers and their election:

- The ("Officers") of this Organization shall be: The President, Executive Vice President, (2) Two Vice-Presidents, Treasurer, Assistant Treasurer, and Secretary. Each office shall be filled by the person elected.
- Officers of the Organization shall be elected at the last General Meeting of each school year.
- Newly elected Officers shall begin transitioning to their official duties at the end of the annual meeting at which elected and shall serve for a term of one (1) year, or until their successors are elected. Officer terms shall coincide with the organization's fiscal year.
- A person shall not be eligible to serve more than two consecutive years in the same office. One who has served more than one-half of a term shall be credited with having served that term.

##### 2. Nominating committee:

- The purpose of the Nominating Committee is to find a slate of new candidates to serve as elected officers for the following year.
- The Nominating Committee will consist of the President, principal and no fewer than three additional members appointed by the President, and should include two (2) members that are not presently on the Board. The President shall appoint one of the five to serve as chairperson.

- No person shall serve on the Nominating Committee who wishes to be considered for any Executive Committee position, unless they are already in office and wish to serve in the same capacity for another year.
  - The Nominating Committee shall be formed no later than April 1.
  - The Nominating Committee shall select at least one (1) nominee for each office to be filled and shall publish the slate of candidates up for election to the Board at least one week ahead of the Organization meeting during which elections will be held.
3. Vacancies and Removal from Office
- A vacancy occurring in an office shall be filled for the remainder of the term by a vote of the remaining members of the Board provided that notice of such election be published at least one (1) week prior to the meeting at which the election is held.
  - Any Officer resigning prior to the end of his or her term shall notify the President. A vacancy occurring in any office shall be filled for the unexpired term by a person nominated by the President and elected by a majority vote of the members of the Executive Committee. If it is not possible to fill the vacated position, duties of the office will be delegated to remaining officers, as recommended by the President.
  - In case a vacancy occurs in the office of the President, the Executive Vice-President shall serve as President for the remainder of the term.
  - Any Officer or member of the Board may be removed by a simple majority vote of the Executive Committee whenever, in its judgment, the best interests of the Organization are served. Reasons may include, but are not limited to, unethical behavior, failure to perform duties, or criminal misconduct.

## ARTICLE VI: CONFLICTS OF INTEREST

### 1. Purpose of the Policy

- 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 Member 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.
- A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate Board or committee decides that a conflict of interest exists.

### 2. Procedures

- Duty to Disclose- In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest.

- After disclosure of the financial interest and all material facts, and after any discussion with the interested person, the remaining Board or Executive Committee Members shall decide if a conflict of interest exists.
3. Compensation
    - A voting member of any committee whose jurisdiction includes compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that Member's compensation.

#### ARTICLE VII: DUTIES OF OFFICERS

1. The President shall preside at all meeting of the Organization and the Board and be an ex-officio member of all committees except the Nominating Committee; and shall perform such other duties as may be prescribed in these By-laws or which may be assigned to him or her by the Organization.
2. The Executive Vice President shall act for the President in the President's absence and perform such other duties as may be assigned by the President; shall work with the Vice-Presidents; and shall be charged with obtaining Members and tracking membership.
3. The First Vice-President (VP of Fundraising) shall be charged with the supervision of all Fund Raising Projects. He/She shall work with the President and shall perform the duties of the President in the absence of both the President and Executive Vice-President.
4. The Second Vice-President shall share in the duties of the First Vice-President, Executive Vice-President, Treasurer and Secretary as needed, from time to time. He/She shall work with the President and shall perform the duties of the President in the absence of the President, Executive Vice-President, and First Vice-President.
5. The Treasurer shall receive all monies of the Organization and keep an accurate record of such receipts and disbursements. The Treasurer shall present a report of the financial condition of the Organization at every General Meeting and a final report at the last meeting of the school year. The Treasurer shall follow the budget procedures set forth in the By-laws. The Treasurer shall ensure that all State and Federal financial or tax filings are completed and filed in an accurate and timely manner.
6. The Assistant Treasurer shall share the duties of the Treasurer as needed, from time to time.
7. The Secretary shall keep the minutes of all meetings of the Organization and of the Board of Directors and perform such other duties as may be assigned.

#### ARTICLE VIII: GENERAL MEETINGS

1. There shall be a meeting of the Members of this Organization at least two (2) times in each school year, a ("General Meeting"). The dates of the meetings shall be determined and published by the Board.
2. Special meetings of the members may be called by the Board provided that five (5) days notice be given. General Meetings will be held from September through April of the school year.

3. Ten members of the Organization shall constitute a quorum at General Meetings.

#### ARTICLE IX: BOARD OF DIRECTORS

1. The Board of Directors, hereinafter called the Board, shall consist of the Officers of the Organization, the chairpersons of standing committees, and the principal of the school or a representative appointed by her, the teacher representatives, and past presidents. Each individual may cast one (1) vote, regardless of how many positions he/she holds. A standing Committee may have co-chairmen.
2. The duties of the Board shall be: (a) to transact necessary business in the intervals between general meetings of the Organization and such other business as may be referred to it by the Organization; (b) to create or disband committees and to approve the plans of work of the committees; (c) to present a report at the General Meeting(s) of the Organization; and (d) any other duties provided in these By-laws.
3. Regular meetings of the Board shall be held during the year, the time to be fixed by the Board at its first meeting of the year. Special meetings of the Board may be called by the President or by a majority of the members of the Board. The Board shall have a minimum of seven (7) meetings per year.
4. Three Members of the Executive Committee shall constitute a quorum. Once a quorum is declared present at any meeting, a quorum shall be considered present until the meeting is adjourned.
5. Motions will carry when two-thirds (2/3) vote of the members present approve.

#### ARTICLE X: EXECUTIVE COMMITTEE

1. The Executive Committee shall consist of the The President, The Immediate Past President, Executive Vice-President, First Vice Presidents, Second Vice President, Treasurer, Assistant Treasurer, The Immediate Past Treasurer(s), Secretary, and the Principal or a designated representative.
2. The Executive Committee shall meet prior to the regular meeting of the Board in order to set the agenda.

#### ARTICLE XI: STANDING AND SPECIAL COMMITTEES

1. The Board may create such standing committees as it may deem necessary to promote the Purpose and carry on the work of the Organization. The term of each chairperson shall be one (1) year.
2. No committee work shall be undertaken without the consent of the Board.
3. The President may appoint Special Committees to carry out specific projects. Special Committees will cease to exist when their particular task is complete, or on the last day of the school year.

4. Each committee chairperson shall keep a record of his duties and activities and give a report of such at each regular meeting of the Board and shall be responsible for delivering such record to his successor.

## ARTICLE XII: BUDGET AND FINANCE COMMITTEE

1. The Budget Planning Committee shall consist of the Immediate Past President of the Organization, the President, Executive Vice-President, First and Second Vice President, Treasurer, Assistant Treasurer, and Immediate Past Treasurer(s) of the organization. The President may appoint additional members to serve on this committee.
2. The Fiscal Year of the PTO shall begin on July 1 and end on June 30.
3. Banks. Organization bank accounts shall be maintained at an insured bank with a local branch.

### Duties of the Budget Committee.

1. The Budget Committee will allocate funds for the following Fiscal Year. The Committee will consider prior year's expenditures and revenues as well as long term fundraising goals when allocating funds. Funds shall be allocated for specific expenditures, events, or initiatives.
2. Budget Approval. The budget for the following Fiscal Year will be prepared and approved by the Budget Committee no later than June 30. The completed budget will be distributed to PTO members, posted on the PTO bulletin board, and available on the website.
3. Budget Summary. The Treasurer will prepare a summary of income and expenditures for the Fiscal Year to be presented to the general membership for approval at the first Organization meeting.
4. A minimum of 10% or \$20,000 (whichever is less) of the total operating budget shall be allocated as Ad Hoc Expenses. PTO Board Members, Chairpersons, or the Principal may propose an Ad Hoc disbursement to the Budget Committee at any time during the Fiscal Year. All expenditures from Ad Hoc Expenses must be approved by the Budget Committee
5. The committee shall leave a minimum of 10% or \$20,000 (whichever is greater) of the total operating budget in reserve as reflected on the June 30 closing statement (whichever is greater). This amount will be designated "carryover" and left in the treasury to cover initial PTO operating expenses in the following school year.
6. Upon approval of the Budget, the Executive Committee shall be charged with assisting the Treasurer and Committee Chairs in tracking income and expenditures.
7. The Budget Planning Committee shall be charged with making a recommendation to the Board for all revenues in excess of the Budget, or for any Budget revenues not allocated to a specific expenditure, or for any unused expense allocations at the end of the school year. The PTO Budget Planning Committee shall solicit the suggestions of the School Finance Committee and parents in preparation of the recommendation to the Board. The recommendation of the Budget Planning Committee shall be presented and voted on at the last Board meeting of the school year.

8. All PTO checks (paper) must be signed by two of the following officers: Treasurer or Assistant Treasurer, President or Executive Vice President. An officer may not sign a check on which the officer is listed as payee.

### Event Guidelines

Chairperson(s) of each Special Committee event shall work with the Treasurer and other Officers to plan for the handling of all funds in an approved manner. Chairperson(s) must make sure applicable volunteers understand our Financial Policies and Procedures. If petty cash will be required for an event, the Treasurer should be contacted at least one full week before the event to begin the process. All money received during events should be counted and overseen by a minimum of two reliable Members chosen by the Chairperson(s) (see Receipts and Deposits). Chairperson(s) shall keep detailed records of all their revenues and expenses.

### Petty Cash

Petty cash. A balance of \$100 shall be kept in a PTO lockbox that is separate from the School Store till. The President or his/her designee may disburse petty cash to Committee Chairperson(s) or other Organization members at his/her discretion. All transactions will be noted on the ledger stored in the lockbox. The President or designee will establish a date no more than 1 week from disbursement to collect Petty Cash receipts. Petty Cash receipts will be reviewed at all Executive Committee meetings or at the request of any Board Member. When Petty Cash funds are disbursed, the President or designee will transfer money from the School Store and note this on the Petty Cash ledger.

### Receipts and Deposits

Receipts and Deposits. All Organization funds received must be counted with 2 people present at all times. The counting of funds must be done as blind counts (each person counts separately without knowing the total from the other person). When possible, a third person verifying the counting process should be present during the deposit summary process. Once monies have been counted and verified, the following should be put in a deposit envelope to be placed in the Organization safe in the school store: checks/cash; copies of checks; any other relevant paperwork; and a completed Deposit Form, which can be found on the Organization website and in the Organization Box. The Treasurer or their designee will make all deposits. Monies received should be deposited as soon as possible; cash and check should be deposited as soon as possible, but no later than 5 business days. Deposits and disbursements will be documented by the Treasurer or designee and reviewed at each Executive Committee Meeting.

### Electronic Payments

The Treasurer may use an Electronic Funds Transfer (EFT) to disburse funds in two instances: 1) to reimburse individuals for expenses and 2) to pay a third-party vendor for services and/or goods approved by the Executive Committee. To reimburse an individual, not staff, an electronic or paper reimbursement form is completed, receipts are attached, and the document must be signed by two of the following officers: Treasurer, Assistant Treasurer, President or Executive Vice President. To reimburse an individual that is staff, an electronic or paper reimbursement form is completed, receipts are attached, and the document must be signed (by ink or e-signature) by the principal and one of the following Officers: Treasurer, Assistant Treasurer, President or Executive Vice President. If the request is for more than \$200, the President's signature is required, unless the request is for Officer reimbursement. In the event that Officer reimbursement is for greater than \$200 the approval must be certified by two of the following officers: Treasurer or Assistant Treasurer, President or Executive Vice President. An Officer may not sign a check on which that officer is listed as payee. To reimburse a Vendor, a Vendor Payment Request is completed that includes an itemized invoice, and approval is captured with the signature of the President. For the purpose of EFT signature can be a physical signature or a traceable constructive signoff.

#### ARTICLE XIII: AUDITS AND FISCAL RESPONSIBILITY

1. At the end of the fiscal year, or upon change in the Treasurer's office, the Treasurer shall submit the following items to the Audit Committee for audit: (1) all bookkeeping records; (2) records of accounts, and (3) a financial statement summarizing all activity.
2. The Audit Committee will consist of the outgoing President, President-elect, Treasurer, and Principal, and three additional individuals appointed by the President from the general membership or the Executive Committee.
3. An annual audit of the PTO books will be conducted by the Audit Committee by July 1 for the prior Fiscal Year, and completed no later than August 1. The Audit Committee will convene no earlier than May 1.
4. Upon completion of the audit, satisfied that the Treasurer's work is correct, the Audit Committee shall sign a statement of that fact certifying the Audit and completing the process.

#### ARTICLE XIV: AMENDMENTS

These By-laws may be amended by one of the following procedural meetings:

1. At any Board meeting, at which a minimum quorum of 50% of the Board is present, by a two-thirds (2/3) vote of the members present, provided written notice of the proposed amendment shall have been given to the members at least seven (7) days prior to the date of the meeting.



2. At any regular meeting of the organization by a two-thirds (2/3) vote of the members present, provided written notice of the proposed amendment shall have been given to the members at least ten (10) days prior to the date of the meeting.

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