

**BYLAWS**  
**of**  
**the Pequea Elementary School PTO**

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

**Section 1: NAME** – The name of the organization shall be the Pequea Elementary School PTO. The PTO is located at Pequea Elementary School, 802 Millwood Road, Willow Street PA 17584.

**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 Pequea Elementary School, to develop a closer connection between school and home by encouraging parental involvement, and to improve the environment at Pequea Elementary School through volunteer and financial support.

**ARTICLE II – MEMBERSHIP**

**Section 1:** Membership shall be automatically granted to all parents and guardians of Pequea Elementary School students, plus all staff at Pequea Elementary School. There are no membership dues. Members have voting privileges, one vote per household. Only members of the organization shall be eligible to participate in business meetings, or serve in any of the elected or appointed positions.

**Section 2: Dues** – Dues, if any, will be established by the executive committee. If dues are charged, a member must have paid his or her dues at least 14 calendar days before the meeting to be considered a member in good standing with voting rights.

**ARTICLE III – OFFICERS**

**Section 1: EXECUTIVE BOARD**– The Executive Board shall consist of the following officers: President, Vice President, Secretary and Treasurer. The School Principal, or his/her designee, is a voting member of the Executive Board.

**Section 2: TERM OF OFFICE** – The term of office for all officers is two years, beginning on August 1<sup>st</sup> of each year. No person shall fill the same position for more than three, two-

year consecutive terms in the same position. Each person elected shall hold only one office at a time. Co-chairs may be added, if needed.

**Section 3: QUALIFICATIONS** – Any PTO member in good standing may become an officer of the PTO.

**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 unanimous vote of the Board unbudgeted expenditures of no more than \$500.00, appoint an auditor or auditing committee to audit the treasurer’s accounts.

President – Preside at General PTO meetings and Executive Board meetings, serve as the official representative of the PTO, coordinate the work of the officers and committees of the organization and retain all official records of the PTO. S/He shall have the authority to sign checks in the absence of the treasurer.

Vice President – Assist the President and chair meetings in the absence of the President.

Secretary – Record and distribute minutes of all Executive Board meetings and all General PTO meetings, hold historical records for the PTO.

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, or at the discretion of the President.

**Section 6: REMOVAL** – An officer can be removed from office for failure to fulfill his/her duties, after reasonable notice, by a majority vote of 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.

**Section 8: NOMINIATIONS AND ELECTIONS** - Elections will be held at the second to last meeting of the school year. Nominations shall be accepted for each office and presented at a meeting held one month prior to the election. At that meeting, nominations may also be made from the floor. Voting shall be by voice vote if a slate is presented. If more than one person is running for an office, a ballot vote shall be taken.

**ARTICLE IV – MEETINGS**

**Section 1: GENERAL PTO MEETINGS** – General PTO meetings shall be held to conduct the business of the PTO. Meetings shall be held monthly during the school year or at the discretion of the Executive Board. A minimum of four general meetings of the membership shall be held each school year in accordance with a meeting calendar,

formulated and distributed by the executive committee before the first general meeting of the school year. Prior notice of five school days shall be given regarding any change of date. Special meetings of the organization may be called by the executive committee, 5 school days' written notice having been given.

Postponement of any meeting may be made by majority vote of the executive committee. When school is closed by inclement weather, meetings are to be considered cancelled.

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

**Section 3 – QUORUM** – The majority of the members present and voting shall constitute quorum for the purpose of voting.

#### ARTICLE V – FINANCIAL POLICIES

**Section 1: FISCAL YEAR** - The fiscal year of the PTO begins August 1 and ends July 31 of the following year.

**Section 2: BANKING** - All funds shall be kept in a checking account in the name of Pequea Elementary PTO and held at a local financial institution.

**Section 3: 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 4: ENDING BALANCE** - The organization shall leave a minimum of \$15,000.00 in the treasury at the end of each fiscal year.

**Section 5: CONTRACTS** - Contract signing authority is limited to the President or the President's designee.

**Section 6: BUDGET** – The annual budget proposed by the executive committee for the next school year shall be presented to the membership at the first general meeting of the next school year. If funds must be disbursed prior to the approval of the budget by the general membership, the executive committee shall have the authority to extend not more than 30% of the proposed budget for the coming year.

## ARTICLE VI – STANDING OR SPECIAL COMMITTEES

**Section 1:** Such standing or special committees shall be created by the executive committee as deemed necessary to promote the objectives and carry on the work of the organization. The chairman of the committee shall be selected by the president with the approval of the other officers. The terms of the position shall be through the end of the current school year in which they are selected.

**Section 2:** The chairman of each standing or special committee shall present a plan of work to the executive committee for approval. No committee work shall be undertaken without the consent of the executive committee. Any necessary financial requests shall be approved by the executive committee or the general membership, as appropriate.

## ARTICLE VII – BYLAW AMENDMENTS

Amendments to the bylaws may be proposed by any PTO member. Amendments presented at a PTO meeting shall be considered for voting at a subsequent meeting. 2/3 approval of all members present and voting is required to adopt an amendment to the Bylaws. Such proposed amendments will be available at the school office or online for review by the membership.

## ARTICLE VIII - DISSOLUTION

In the event of dissolution of the PTO, any funds remaining shall be donated to Pequea Elementary School – Penn Manor School District.

## ARTICLE IX - PARLIAMENTARY AUTHORITY

The authority for this organization shall be “Robert’s Rules of Order Newly Revised.”

## ARTICLE X – INDEMNIFICATION

### ARTICLE X – CONFLICT OF INTEREST AND 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 -**

- 1) 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.
- 2) 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 2b, 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 -**

- 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 directors and members of committees with governing board-delegated powers who are 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 whether a conflict of interest exists.
- 3) 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.

4) 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:

- 1) 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.
- 2) 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: 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 6: 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:

- 1) Whether compensation arrangements and benefits are reasonable, are based on competent survey information, and are the result of arm's length bargaining.
- 2) 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 adopted on \_\_\_\_\_.

By: \_\_\_\_\_  
Stefanie Andreychek, President