

# Discovery Elementary School PTO Bylaws

## Article 1: Name

The name of the organization shall be the Discovery Elementary School PTO (hereinafter, "Corporation").

## Article II: Purposes

The general purposes of the Corporation are stated in the Articles of Incorporation but this Corporation is organized for the specific purpose of supporting the education of children at Discovery Elementary School by fostering relationships among the school, parents, and teachers.

Discovery Elementary School and the PTO are ONE. We support one another by being ambassadors of good news for our school and one another. Our purpose is to foster an enthusiastic learning environment for ALL students. We will strive to increase parent involvement and facilitate parent teacher communication. We will insure that our PTO activities and initiatives engage the Discovery Community.

## Article III: Members

**Section 3.1.** Any parent, guardian, or other adult standing in loco parents for a student at the school may be a member and have voting rights. Any teacher or member of the administration employed at the school may be a member and have voting rights.

**Section 3.2.** Dues, if any, will be established by the Board. 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 IV: Directors

**Section 4.1 General Powers and Duties.** The business and affairs of the Corporation shall be managed by its Board of Directors. All corporate powers shall be exercised by or under the authority of the Board of Directors. The duties of the Board shall be to transact business between meetings in preparation for the general meeting, create standing rules and policies, create standing and temporary committees, prepare and submit a budget to the membership, approve routine bills, and prepare reports and recommendations to the membership.

**Section 4.2 Number and Term.** The Board of Directors may contain as few as three (3), but no more than fifteen (15) directors. The Directors may from time to time change the number of directors by amendment of these Bylaws. Directors need not be residents of the Commonwealth of Virginia. Board shall consist of the elected officers, the standing non-elected officers and the appointed officers of the organization. Except for the two principals and teachers as stated below in the officer section, Directors shall be elected annually by the Members for a term of one (1) year or until their successors are appointed and qualify in their stead. Directors may be re-elected as stated below for officers since all the officers are also board members.

**Section 4.3 Qualification and Appointment.** The initial Board of Directors shall be as set forth in the Articles of Incorporation. Except as provided in Section 4.5 of this Article, subsequent appointments of Directors of the Corporation may be made by a majority of the members of the Board of Directors at every third annual meeting of the Board and those receiving the highest number of votes shall be deemed elected. Directors may succeed themselves. In the event any Director so demands, election of Directors shall be by ballot. Voting by proxy is permitted.

**Section 4.4 Resignation and Removal.** Any director may at any time deliver a written notice of intent to resign to the President, which shall be effective upon acceptance by the Board. Any Director may be removed at any time with or without cause when, in the sole judgment and discretion of the Board of Directors, it is determined by at least a two thirds (2/3) majority vote of all members of the Board that such director should no longer serve on the Board. In the event any Director is so removed, a new Director may be elected at the same meeting.

**Section 4.5 Vacancies.** A vacancy occurring in the Board of Directors may be filled by a majority of the remaining Directors, though less than a quorum, and the Director so elected shall serve the unexpired term of the Director replaced thereby.

**Section 4.6 Meetings.** Regular meetings shall be held monthly each year, with the dates and times to be determined by the Board at the August Board meeting. The regular meeting dates shall be published in the school and PTO newsletter and attendance will be open to the general

membership. The Directors shall hold an annual meeting each year. Directors may participate in the annual meeting and any special meetings that are called either in person or by teleconference.

**Section 4.7 Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors with twenty four (24) hour written notice. The person or persons calling a special meeting of the Board of Directors shall, at least twenty four (24) hours before the meeting, give notice thereof by any usual means of communication, which can include electronic, regular or facsimile mail. Such notice should specify the purpose for which the special meeting is called.

**Section 4.8 Notice of Meetings.** The annual and regular meetings of the Board of Directors once set by the Board may be held without notice. Attendance by a Director shall constitute waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened, and does not thereafter vote for or assent to action taken at the meeting.

**Section 4.9 Quorum** A majority of the number of Directors fixed by these Bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

**Section 4.10 Manner of Acting.** Except as otherwise provided in these Bylaws, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

**Section 4.11 Presumption of Assent.** A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any Corporate matter is taken shall be presumed to have assented to the action taken unless his/her contrary vote is recorded or his/her dissent is otherwise entered in the minutes of the meeting or unless he/she shall file his/her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent or abstention shall not apply to a director who voted in favor of such action.

**Section 4.12 Informal Action by Directors** Action taken by the Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the Directors and filed with the Secretary of the Corporation to be kept as part of the corporate records.

**Section 4.13 Participation by Conference Telephone.** Members of the Board of Directors or of any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment where by all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at such meeting. When such a meeting is conducted by means of a conference telephone or similar communications equipment, a written record shall be made of

the action taken at such meeting, noting participation of those who were present by means of such communications equipment.

**Section 4.14 Transactions with Interested Parties.** A contract or other transaction between the Corporation and one or more of its Directors, officers or family members thereof (hereinafter “Interested Party”), or between the Corporation and any other entity, of which entity one or more directors, officers, or trustees are also Interested Parties, or in which entity an Interested Part has a financial interest – shall be voidable at the sole election of the Corporation unless all of the following provisions are satisfied:

1. The Corporation entered into the transaction for its own benefit;
2. The transaction was fair and reasonable as to the Corporation, or was in furtherance of its exempt purposes at the time the Corporation entered into the transaction;
3. Prior to consummating the transaction, or any part, the Board of Directors authorized or approved the transaction, in good faith, by a vote of a majority of the Directors then in office, without counting the vote of the interested Director or Directors, and with knowledge of the material facts concerning the transaction and the Interested Parties’ interest in the transaction; and
4. Prior to authorizing or approving the transaction, the Board of Directors, in good faith, determined after reasonable investigation and consideration, that either the Corporation could not have obtained a more advantageous arrangement, with reasonable effort under the circumstances, and/or the transaction was in furtherance of the Corporation’s tax-exempt purposes.

Common or interested Directors may not be counted in determining the presence of a quorum at a meeting of the Board of Directors (or a committee thereof) which authorizes, approves, or ratifies such contract or transaction. Notwithstanding the above, no loan shall be made by the Corporation to any of its directors or officers.

**Section 4.15 No Compensation.** No salary or compensation shall be paid to any member of the Board of Directors in his capacity as a Director of the Corporation, but nothing herein shall be construed to preclude any Director from serving the Corporation, upon request, in any other capacity and receiving reasonable compensation. Moreover, the Board member may receive reasonable reimbursement for travel and other approved expenses upon request and written documentation.

## Article V: Officers, Committee Chairs and Elections

**Section 5. 1. Officers.** The elected officers of this organization shall be a president, a vice president, a secretary, and a treasurer. The standing, non-elected officers of this organization shall be the principal and assistant principal of Discovery Elementary School. The appointed officers of this organization shall be two teachers or members of the administration of Elementary School.

- a. **President:** The president shall preside over meetings of the organization and 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, coordinate the work of all officers and committees so that the purpose of the organization will be served, and perform other such duties applicable to the office as prescribed by the parliamentary authority of the organization.
- b. **Vice President:** The vice president shall assist the president, be first in designated order to carry out the president's duties in his or her absence or inability to serve, and perform other such duties applicable to the office as prescribed by the parliamentary authority of the organization.
- c. **Secretary:** The secretary shall keep all records of the organization, take and record minutes, prepare the agenda, send notices of meetings to the membership, maintain a current copy of the bylaws, maintain a copy of the organization's standing rules, keep a copy of the minutes book, bring the copy of the minutes book and the bylaws to all meetings, and perform other such duties applicable to the office as prescribed by the parliamentary authority of the organization.
- d. **Treasurer:** The treasurer shall receive all funds of the organization, keep an accurate record of receipts and expenditures, pay out funds in accordance with the approval of the Board, and keep all funds in a local federally insured financial institution. He or she shall present a financial statement at every meeting and at other times of the year when requested by the Board, make a full report to the Board at the end of the school year, and ensure the timely filing of the organization's tax return and the payment of any resulting taxes owed by the organization during the school year that he or she holds office. After the last day of the school year and prior to the start of the next school year, he or she will also work with the finance and budget committee to have the accounts examined by an independent accountant with no conflict of interest, and will present the results of that examination to the Board for approval before the September Board meeting. The treasurer shall also perform other such duties applicable to the office as prescribed by the parliamentary authority of the organization.
- e. **Principal:** The principal and assistant principal shall each be voting members of the Board.

- f. **Two Teachers or Members of the Administration** : Two teachers or members of the administration shall be appointed annually by the principal and approved by the voting members of the Board.

**Section 5.2 Committee Chairs** : Committees shall include but not be limited to the following:

- a) **Membership Coordinator**: The membership coordinator shall organize the annual membership drive, keep a full and accurate account of current member names, addresses and phone numbers, develop and implement approved strategies to recruit new members, design appropriate membership forms, bring a copy of the current membership list to all meetings, and perform other such duties applicable to the office as prescribed by the parliamentary authority of the organization.
- b) **Fundraising Chair**: The Fundraising Chair shall plan and organize programs and activities that will improve the financial stability of the organization.
- c) **Special Events Chair**: The Special Events chair shall plan special events which build a sense of community, establish and oversee temporary committees needed to implement planned events.
- d) **Corresponding Chair**: The corresponding chair shall handle correspondence, develop and maintain both the Board and the family directories, assist with the monthly school and PTO newsletter, and perform other such duties applicable to the office as prescribed by the parliamentary authority of the organization.
- e) **Volunteer Coordinator**: The volunteer coordinator shall canvas staff to discern the need for volunteers, contact volunteers for special events, receive and fulfill volunteer requests from various officers, committees and school administrators, develop and maintain a database of volunteer listings containing contact information, and perform other such duties applicable to the office as prescribed by the parliamentary authority of the organization.

**Section 5.3 Nominations and Elections**: Discovery PTO Elections will be held at the April annual members' meeting. Nominations may be initiated by an individual or by referral of a member. 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.

**Section 5.4. Eligibility**. Members are eligible for office if they are members in good standing at least 14 calendar days before the nominating committee presents its slate.

**Section 5.5. Terms of office**. An election must be held yearly to elect the officers of the PTO Board. Elected officers are elected for a term of one year. A person shall not be eligible to serve

more than two (2) consecutive terms in the same office. Each officer shall hold only one office at a time.

**Section 5.6. Vacancies.** If there is a vacancy in the office of president, the vice president will become the president. A vacancy occurring in any other office shall be filled for the unexpired term by a person elected by a majority vote of the Board, notice of such election having been given. In case a vacancy occurs in the office of the president, the vice president of special events shall serve notice of the election.

**Section 5.6. Removal from Office.** Officers can be removed from office with or without cause by a two-thirds vote of those present (assuming a quorum) at a regular Board Members' meeting where the previous notice has been given.

## **Article VI: Meetings.**

**Section 6.1. Annual Meeting.** The organization shall hold an annual members meeting in April of each year. The annual meeting is for receiving reports, electing officers and directors, and conducting other business that shall arise. The recording secretary will notify the membership of the meeting date through a flyer sent home with the students no less than ten days prior to the meeting, or through the publication of the annual meeting date in the monthly newsletter.

**Section 6.2. Special Meetings.** Special meetings may be called by the president, any two members of the Board, or five members submitting a written request to the recording secretary. Previous notice of the special meeting shall be sent to the members at least 10 days prior to the meeting, by flyer and phone calls.

**Sections 6.3. Quorum.** The quorum shall be a majority of the board members.

## **Article VII. Conflicts of Interest Policy.**

The Board of Directors has adopted the following Conflicts of Interest Policy stated below to further implement the above section 4.14 entitled "Transactions with Interested Parties," that will provide for full disclosure of material conflicting interests by Board members, officers, members and employees, and any immediate family members and permit the Board to determine whether the contemplated transaction may be authorized as just, fair and reasonable to the Corporation.

**Section 7.1. Conflict of Interest.** 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 7.2. 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:
  - 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, or
  - 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 Section 3.b., 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 7.3. 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 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 if 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 the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## **Section 7.4. 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 7.5. 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 7.6. Annual Statements.** Each director, principal officer 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.

**Section 7.7. 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, eriodic 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 inurement, impermissible private benefit or in an excess benefit transaction.

**Section 7.8. Use of Outside Experts.** When conducting the periodic reviews as provided for in Section 7.7, 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.

## **Article VIII: Committees.**

**Section 8.1 Committees.** The Board of Directors, by majority vote of all Directors in office, may appoint three or more persons from among its own number and the members to serve as special and standing committees, such as the Board may determine are necessary, which shall have such powers and duties as shall from time to time be prescribed by the Board. Except as otherwise provided by law, the Articles of Incorporation, these Bylaws, or resolution of the Board, each Board committee may only exercise the specific authority delegated by the Board or the governing documents. Committees may consist of members and Board members, with the president acting as an ex-officio member of all committees. The following standing committees shall be held by the organization: Nominating and Budget /Finance, but the Board may appoint additional standing and ad hoc committees, as needed.

**Section 8.2 Advisory Committees.** The Board of Directors may establish such advisory committees as are determined are necessary or useful for the business and operations of the Corporation. These committees shall not exercise the authority of the Board, shall have no vote or governance role, and shall have only such advisory duties and authorities as shall from time to time be prescribed by the Board.

**Section 8.3 Committee Rules and Procedures.** All members of standing, special and advisory committees shall serve at the pleasure of the Board. Rules governing procedures for meetings of any committee shall be established by the Board of Directors, or in the absence thereof, by the committee itself. Actions taken by Board committees shall be promptly reported to the Board, but need not be ratified by the Board unless otherwise required by statute, these Bylaws, or committee procedures

imposed by the Board. The Board shall have authority to make appointments to each committee, to designate the chair thereof, to fill vacancies in, to change the size or membership of, and to discharge any such committee as it deems appropriate. The delegation of duties or authority to any committee shall not operate to relieve the Board of Directors or any member of the Board from any responsibility imposed by law.

## **Article IX. Fiscal Matters**

**Section 9.1 Deposits.** The Board of Directors shall select banks, trust companies, or other depositories in which all funds of the Corporation not otherwise employed shall, from time to time, be deposited to the credit of the Corporation.

**Section 9.2 Checks.** All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other persons as the Board of Directors may from time to time designate. Two authorized signatures shall be required on each check over the amount of \$200. Authorized signers shall be the president, treasurer and vice presidents.

**Section 9.3 Fiscal Years.** The Board of Directors shall have the power to fix, and from time to time to change, the fiscal year of the Corporation. Unless otherwise fixed by the Board, the fiscal year shall coordinate with the school year.

**Section 9.4 Contracts.** The President and Treasurer will have the authority to sign all contracts together unless the Board of Directors authorizes any other officer or officers, agent or agents of the Corporation, in replacement or addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of any on behalf of the Corporation. Such authority may be general or confined to specific instances. All contracts should be reviewed by a knowledgeable attorney.

**Section 9.5 Endowments.** The Board of Directors may establish on behalf of the Corporation any endowments for the general purposes or for any special purpose of the Corporation.

**Section 9.6 Designated Contributions.** The Corporation may accept any designated contribution, grant, bequest or devise consistent with its general tax exempt purposes, as set forth in the Articles of Incorporation. As so limited, donor designated contributions will be accepted for special funds, purposes or uses, and such designations generally will be honored. However, the Corporation shall reserve all right, title and interest in and to and control of such contributions, as well as full discretion as to the ultimate expenditure or distribution thereof in connection with any funds (including designated contributions) to assure that such funds will be used to carry out the Corporation's tax exempt purposes.

**Section 9.7 . Budget, Finances and Audit.** The Board shall prepare and submit to the Members for approval at the bi-annual meeting in September an inclusive budget, indicating by items the amount

needed and sought for expenses together with an annual strategic plan. The treasurer shall keep accurate records of any disbursements, income and bank account information. The Board shall approve all expenses of the organization. The treasurer shall prepare a financial statement at the end of the year to be reviewed by the Finance/Budget Committee. The Treasurer shall work with the Finance and Budget Committee to conduct or arrange for an annual review or audit of a type and nature they deem appropriate, except that every five years the Corporation shall conduct either a review or audit by an outside auditor.

**Article X: Parliamentary Authority.**

Robert’s Rules of Order shall govern meetings when they are not in conflict with the organization’s bylaws. Standing rules may be approved by the Board, and the recording secretary shall keep a record of the standing rules for future reference.

**Article XI: Dissolution.**

The organization may be dissolved with previous notice (14 calendar days) and a three quarters vote of those present at both a members and Board of Directors meeting. Upon the dissolution of the organization, any remaining funds should be used to pay any outstanding bills and, with the membership’s approval, spent for the benefit of the school.

**Article XII: Amendments.**

The initial Bylaws shall be approved by the Board and these Bylaws may be amended at any regular or special meeting of the board and members, providing that previous notice was given at the prior meeting in writing and then sent to all board members of the organization by the recording secretary. Notice may be given by postal mail, e-mail or fax. Amendments will be approved by two-thirds of those present and voting Board members and must also be adopted by the majority of the members present and voting at any duly called meeting.

I, the undersigned Secretary of Discovery Elementary School PTO do hereby certify that the above initial Bylaws were adopted on \_\_\_\_\_ by the Board members at a duly called meeting and that these Bylaws are current and in operation as of that time.

\_\_\_\_\_ Secretary Date