

Bylaws of Arbor PTO, and Conflict of Interest Policy Revised September 1, 2019

Part 1: Bylaws

Article I – Name

The name of the organization shall be Arbor Parent Teacher Organization (PTO)

Article II – Purpose

Section 1. The corporation is organized for the purpose of supporting the education of children at Arbor Intermediate by fostering relationships among the school, parents, and teachers. The goals are:

- a. To promote the welfare of children and youth in home, school and community;
- b. To raise the standards of home life;
- c. To bring into closer relation the home and school, that parents and teachers may cooperate intelligently in the education of children and youth;
- d. To develop between educators and the general public united efforts that will secure for all children the highest advantages in physical, mental, and social education.

Section 2. The PTO is organized exclusively for the charitable, scientific, literary or educational purposed within the meaning of section 501 (C) (5) of the Internal Revenue Code or corresponding section of any future Federal tax code.

Article III – Basic Policies

The following are basic policies of the Arbor school PTO:

- a. The organization shall be noncommercial, nonsectarian and nonpartisan;
- b. The organization or members in their official capacities shall not endorse a commercial entity or engage in activities not related to promoting the goals of the organization;
- c. The organization or members and their official capacities shall not, directly or indirectly, participate or intervene (in any way including 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 propoganda or otherwise;
- d. The organization shall work with the school to provide quality education for all children and shall seek to participate in decision-making process giving input on school policy, recognizing that the legal responsibility to make decisions has been delegated by the people to Boards of Education authorities and local education administrators;
- e. The organization shall be permitted to enter into membership agreements with other Piscataway Parent Teacher Organizations. They may also enter into lending agreements with PTO's of the sending receiving elemental schools in Piscataway. Upon a recommendation form the executive board, a majority vote at a general PTO meeting will be needed for the transaction to occur. The Arbor School PTO representatives shall not make commitments that bind the group they represent; no part of the net earnings of the organization shall inure to the benefit of, or be distributed 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 and to make payment and distribution in furtherance of the purposes set forth in Article II;
- f. All money raised through fund raising shall be used to enhance the students' educational experiences;
- g. Notwithstanding any other provisions of these articles, the organization shall not carry on any other activities not permitted to be carried on (1) by an organization exempt and from Federal income tax under section 501 (c) (3) of the Internal Revenue Code or (2) by an organization, contributions to which are deductible under section 170 (c) (2) of the Internal Revenue Code;
- h. Upon the dissolution of this organization, after paying or adequately providing for the debts and obligations of the organization, remaining assets shall be distributed to one or more nonprofit funds, foundations or

organizations that have established their tax exempt state under section 501 (c) (3) of the Internal Revenue Code;

- i. Open communication, including sharing calendar and fundraising information will occur between the sending receiving elementary PTO organizations.

Article IV: Membership and Dues

Section 1. Every individual who is a member of the Arbor School PTO is entitled to all benefits of said membership.

Section 2. Membership in the Arbor School PTO shall be open without discrimination to all parents and staff within the school community.

Section 3. The Arbor School PTO shall conduct an annual enrollment of members but may admit individuals to membership at any time.

Section 4. Each member of this local unit shall pay such annual dues to said organization as prescribed by the organization. Dues will be established during the end of the year re-organization meeting.

Section 5. Members in good standing of the Arbor School PTO are those who abide by their current By-Laws and who have paid current dues.

Section 6. The privilege of holding office, voting in an election and representing the PTO at President's Council should be limited to members of the sending receiving organization who have been members in good standing at least fifteen days.

Section 7. The local PTO membership year shall be October 1st through September 30th.

Article V: Officers

Only those individuals who have been a member in good standing in a Piscataway Parent Teacher Organization for fifteen days shall be eligible for nomination, either by committee or from the floor.

Section 1. The officers of the Arbor School PTO shall include two Co-Presidents, one Recording Secretary, one Corresponding Secretary, and two Co-Treasurers.

Section 2. Officers shall be elected by ballot at a general membership meeting annually or biannually in the month of May. Term of office shall be two years or until a successor is elected.

Section 3. If an officer resigns during the school year the board may appoint another member for the remainder of that school year. If there is a second year of the term that election will take place at the May meeting is required.

Section 4. When there is but one candidate for an office the ballot for that office may be dispensed with an election help by voice vote. A majority vote of those present shall be required for the election.

Section 5. The following provisions shall govern the qualifications and eligibility of individuals to be officers of the Arbor School PTO:

- a. Each officer shall be a member of the Arbor School PTO
- b. No officers may be eligible to serve more than two (2) consecutive terms in the same office
- c. A person who has served more than ½ of the term shall be deemed to have served a full term in said office

Section 6. Officers shall assume their official duties following the close of the meeting in June.

Section 7. Nominations

- a. There shall be in Nominating Committee comprised of three members who shall be selected by the Arbor School PTO at a regular general membership meeting two months prior to the election of officers;
- b. The Nominating Committee shall select one (1) eligible member for each office 30 days prior to the election meeting. The general membership committee shall be informed of the report of the Nominating Committee and notified that nominations from the floor will be accepted at the meeting.
- c. Members of the Nominating Committee may be considered for office.

Article VI: Duties of Officers

Section 1. The Co-Presidents will preside at all meeting of the Arbor School PTO and at the executive committee/board meetings as well; they shall perform such other duties as prescribed in these By-Laws or assigned to him/her by the Arbor School PTO; and shall coordinate the work of the officers and committee chairs in order that the goals of the PTO are promoted.

Section 2. The Recording Secretary shall record and post the minutes of all meetings of the Arbor School PTO and the executive committee/board meeting; and shall preform such duties as delegated to him/her.

Section 3. The Corresponding Secretary shall conduct the general correspondence of the organization as directed by the Co-Presidents, executive board or the Arbor School PTO. She will also maintain updated membership lists, which will be available in case voting issues arise. It will be determined each year if membership cards will be issued by the corresponding secretary.

Section 4. The Co-Treasurers shall:

- a. Have custody of all funds of the Arbor School PTO; shall keep an accurate record of receipts and expenditures; shall pay put local funds in accordance with the approved budget;
- b. The Treasurers shall be responsible for the maintenance of such books of accounts and bank records required by the Internal Revenue Code and local Board of Education policy;
- c. The Treasurers will make disbursements as authorized by the Co-Presidents, executive board or the Arbor School PTO in accordance with budget adopted by the organization. Checks and vouchers shall be signed by one Co-President and one Co-Treasurer;
- d. The Treasurer shall present a financial statement of accounts at every meeting of the organization and at other times when requested by the executive committee board, Board of Education or PTO membership;
- e. The Treasurers' accounts shall be examined annually or upon change of officers, by an auditor (CPA) or an auditing committee of not less than three members in good standing, who are satisfied that the treasurers' annual report is correct and shall sign a statement to the facts at the end of the report;
- f. Maintain the cashbox used for fundraiser activities and the disbursement forms.

Section 5. All officers shall deliver to their successors, all of the official material not later than ten days following the close of the meeting in June or in case of registration.

Article VII. Executive Board

Section 1. Composition of the Executive Committee:

- a. The officers of the organization and the school Principal or a representative appointed by the Principal;
- b. The members of the executive board will serve until their successors are elected or appointed.
- c. A majority of those serving shall constitute a quorum.

Section 2. The duties of the Executive Board shall be:

- a. To transact necessary business in the intervals between organization meetings and such other business has to be referred to by the organization;
- b. To approve the plans of work of the standing committees;
- c. To present a report at all regular meetings of the Arbor School PTO;
- d. To approve the appointment of an auditor or an auditing committee at least two weeks before the annual meeting to audit the Treasurer's accounts;
- e. To accept and submit for adoption to the Arbor School PTO a budget for the fiscal year;
- f. To approve routine bills within the limits of the budget;
- g. Develop the annual budget and present to the general membership for approval.

Section 3. Regular meetings of the executive board shall be held monthly during the school year, the time to be fixed by the board at its first meeting of the year.

Section 4. Special meetings of the executive board may be called by the Co-Presidents or by a majority of the members of the members of the board seven days' notice having been given.

Article VIII: Meetings

Section 1. General meetings:

- a. Only members who are in good standing as defined in Article V shall be eligible to vote in the business of the Arbor School PTO;
- b. At least four general membership meetings shall be held during the school year. Dates of meetings shall be determined by the executive board and announced at the first general membership meeting of the year;
- c. When possible seven days' notice shall be given prior to changing the date of a general membership meeting;
- d. Special general membership meetings may be called by the executive board with seven days' notice. The purpose of the meeting will be stated in the call;
- e. The annual general membership meeting for the purpose of the budget presentation and audit approval shall be the first general meeting of the year;
- f. 50% of the members in attendance shall constitute a quorum for the transaction of business in any general membership meeting of the Arbor School PTO.

Section 2. Committee Meetings:

- a. Only active members of the Arbor School PTO shall be eligible to serve as chairman of a committee;
- b. The chairman of standing committees shall present plans of work to the executive board for approval and no committee work shall be undertaken without the approval of the executive board;
- c. The Co-Presidents shall be ex-officio members of all committees except nominating and auditing committees.

Article IX: Parliamentary Authority

The rules contained in the current edition of Robert Rules of Order Newly Revised shall govern the Arbor School PTO in all cases where they are applicable.

Article X: Amendments

The By-Laws may be amended at any regular meeting of the Arbor School PTO by a 2/3 vote of the members present and providing that the notice of the proposed amendment has been given at least 25 days to the meeting in which action is to be taken

Part 2: Conflict of Interest Policy

Article I

Purpose

The purpose of the conflict of interest policy is to protect Eisenhower Elementary PTO'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.

Article II

Definitions

1. Interested Person

Any director, principle officer, or member of a committee with governing board delegated power, 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 Article III, Section 2, 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.

Article III

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 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 if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. 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.
- b. 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.

- c. 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.
- d. 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 Conflicts of Interest Policy

- a. 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.
- b. 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.

Article IV

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 boards 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.

Article V

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.

Article VI

Annual Statements

Each director, principle 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.

Article VII
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, periodic 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.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, 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.

Officer Signatures:

Carla Franchi, Co-President Date

Sharon Lovas, Co-President Date

Courtney Gaitin, Co-Treasurer Date

Erica Trojanowski, Co-Treasurer Date

Jeanne Infante, Recording Secretary Date

Patricia Weber, Corresponding Secretary Date