

# Quail Lake Charter School PTO Bylaws

*(Parent Teacher Organization)*

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DRAFT -Adopted \*\*\*\*\*@ General Membership meeting DRAFT

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## Section I

### **Name, Purpose, Mission Statement & Objectives**

**Section 1.01 Name:** The name of the Organization shall be the Quail Lake Charter School Booster Club, dba Quail Lake Charter School PTO, further recognized in these bylaws as QLCS PTO.

**Section 1.02 Purpose:** The Quail Lake Environmental Charter School PTO is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations described under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. Upon dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

**Section 1.03 Mission Statement:** The mission of the Organization shall be to aid the students of Quail Lake Charter School by providing support for their educational, social and recreational needs and to promote open communication between administration, teachers and parents in an atmosphere that is consistent with the educational philosophy of its Community.

The QLCS PTO is not formed with a view to, or for the purpose of pecuniary gain or profit to its membership.

### **Section 1.04 Objectives**

Promote school spirit and sportsmanship and encourage attendance at all QLCS functions.

Encourage and support the academic endeavors of Quail Lake Charter School students. Provide supplementary financial support for the various groups and needs of QLCS.

Aid and support the school staff in the areas of sports promotion, publicity, events and program development.

This Organization shall be governed by these bylaws, the SUSD Parent Organization and Booster Handbook, and the "Robert's Rules of Order" *see section 8.06*

### **Section 1.05 Non-profit Status.**

Notwithstanding any other provisions of these By-Laws, the Organization shall carry out activities permitted by an organization exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Law or by an organization, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 or the corresponding provisions of any future United States Internal Revenue Law.

## **Section II** **Membership**

### **Section 2.01 Membership.**

Membership in the QLCS PTO shall be open to all adults who support QLCS and agree to abide by the bylaws. The voting rights, privileges, and property of members shall be as stated in these bylaws. There shall be one class of membership in the Organization: any adult member who has submitted a current membership application and paid a current annual membership fee.

### **Section 2.02 Membership Fee.**

A membership fee, established by the Executive Board, shall accompany each application for membership and shall become the property of the Organization. This membership entitles members to vote in elections, propose projects and approve proposed budgets.

- a) The dues of this organization shall be \$10 per annum per person, \$100 for business sponsorship per annum.
- b) Businesses/organizations wishing to join shall be presented with a copy of the current Bylaws, a certificate of membership and their names advertised periodically throughout the school year. A business member shall be entitled to have 2 representatives cast votes, 1 vote per representative, in any vote of the general membership.
- c) The regular membership season runs from July 1 through June 30 of the following year. Applications and dues collected on or after June 1 may be applied to the membership season beginning July 1.
- d) A grace period for those renewing memberships will extend until September 30. Membership renewals submitted on or before September 30 will result in immediate voting rights in votes of the general membership.

### **Section 2.03 Members Right to Privacy.**

Any personal information gathered or requested by the Organization is for the sole use of the Organization and will not be made available to any other organization.

## **Section III**

### **Finances/ Request for Funds**

#### **Section 3.01 Signatures**

The President and Treasurer must sign all checks written on the QLCS PTO account. If one is not available, co-signatures should be by the Vice President or Auditor.

#### **Section 3.02 Funds Incurred**

Funds raised by the Organization that have a specific advertised purpose, shall be deposited (and separately tracked) in the Organization's general fund to ensure that it is disbursed for the advertised purpose and to safeguard the integrity of the Organization and the School. No vote is required by the general membership unless the advertised purpose has been altered or changed since the project's inception.

No family members related by blood or marriage, or persons living in same household may count cash or checks together, without a third non-related party present.

#### **Cash verification of funds**

All signatures on verification sheet must be documented with a minimum of 2 signatures, in the case of family members related by blood or marriage, or persons living in same household, a third non-related person must sign cash verification form.

#### **Section 3.03 Fiscal Year Funds**

At the end of each fiscal year, after all fiscal year income and expenses have been recorded, the balance in the account will be rolled over to the starting balance of the next fiscal year.

#### **Section 3.04 Interest Generated Funds**

Any interest generated by the investment of the Organization's general funds and/or encumbered funds, in an approved financial institution, will be deposited into the Organization's general fund.

#### **Section 3.05 Request for Funds and Reimbursements**

Requests to the QLCS PTO for funds should be done at least one week prior to a monthly meeting. Any request submitted with less time may be reviewed at the following general membership monthly meeting.

- A. Purposes of Activity for which funds are being requested must be submitted in writing, and/or a representative must be present at the QLCS PTO meeting to answer questions regarding the request.
- B. Special interest groups requesting funds must have shown support to the QLCS PTO through active participation of the Organization's fund raising efforts.
- C. The QLCS PTO will notify coach/ representative within 10 days of the decision being made.

Requests for reimbursements for funds spent must be submitted in writing on a PTO reimbursement form with required documentation (i.e., invoice, receipt, etc.) attached. A PTO member cannot write their own check for funds or reimbursement.

#### **Section 3.06 Unplanned Expense Reserve Fund**

The special expense fund in the budget is for the sole purpose of granting unplanned requests from special interest groups within the membership.

10% of funds raised from each non-specific fund-raising event (e.g., See's Candy Sales, Red Carpet Car Wash, etc.) will be put in reserve for this account, to ensure partial or full granting of such requests by special interest groups within the membership.

## ***Finances***

- A. **Budget.** The Executive Board shall prepare and provide a budget to the General Membership at the first meeting of the new school year. This budget will provide voting members with information regarding the budget and will provide contact information regarding questions/concerns. Non-budgeted purchases over \$500 must be approved by Organization. A minimum of \$5000 shall be rolled over for start-up costs for the following school year.
- B. **Records.** The Treasurer shall keep accurate records of any disbursements, income and bank account information. These shall be made available to the membership upon request.
- C. **Expenses.** The Executive Board shall approve all expenses of the organization. Request for payment must be turned in within 30 days after the event.
- D. **Check Signers.** Checks shall be written by the Treasurer or President. Two signatures shall be required on each check. Authorized co-signers in preferential order shall be President, Treasurer, Vice-President, and Auditor.  
Check signers cannot be related by blood, marriage or reside in the same household as other authorized signers for the organization's financial accounts.
- E. **Bank Deposits and Withdrawals.** Deposits and withdrawals to the QLCS PTO bank account shall be made by the Treasurer. If the Treasurer is unavailable, the President should make deposits and withdrawals. If both are unavailable, then the Vice President or Auditor as authorized co-signers may make the deposit or withdrawal.
- F. **Obligations.** The Executive Board may authorize any officer or officers to enter contracts or agreements for the purchase of materials or services on behalf of the organization.
- G. **Loans.** No loans shall be made by the organization to its officers or members. Cash advances on behalf of Organization for school functions, up to \$500, may be done with the knowledge & approval of at least 2 Board Members & receipts must be submitted within 15 days.
- H. **Financial Reports.** The Treasurer shall present a financial report at each meeting. The report will then be filed for audit. Financial reports and tax information for the most recent three years shall be made available for public review upon request.
- I. **Audits.** The books shall be audited twice per year in January and July. A written report will be presented to the membership. Auditor shall have access to bank records by being on the bank signature card.
- J. **Fiscal Year.** The fiscal year shall run from July 1<sup>st</sup> to June 30<sup>th</sup>.
- K. **Dissolution of Assets.** Upon the dissolution of the organization, any remaining funds shall be used to pay any outstanding bills and obligations. The remaining funds and assets shall be distributed to a new Parent Organization. In the event a new Parent Organization is not established the funds & assets shall be distributed to the Quail Lake Charter School. If QLCS ceases to exist, remaining PTO funds and assets shall be distributed to one or more 501 (c) (3) organizations in accordance to the IRS Code.

## **Section IV** **OFFICERS**

### **Executive Board**

- A. **Membership.** The Executive Board shall consist of elected officers, teacher representative and school principal. Each member of the executive board will have voting rights in all votes of the board. Standing Committee chairs and teachers may be included as needed.
- B. **Duties.** The duties of the Executive Board shall be to transact business between general meetings, create standing rules and policies, create standing and temporary committees, prepare

and submit a budget to the membership, approve and pay routine bills, and prepare reports and recommendations to the membership & exercise supervision of the affairs of PTO. Discretion should be used when participating in activities promoted by the club that could be misconstrued or compromise the QLCS PTO name and reputation. (e.g. If you have an 8<sup>th</sup> Grade student, you should not be on the Scholarship Committee).

- C. **Meetings.** Board meetings shall be held monthly, date and time to be determined by the board. Any two board members with a 24-hour notice may call special board meetings.
- D. **Quorum.** Five board members constitute a quorum for the transaction of business. Nine members for an Organization Meeting.
- E. **Vacancies.** The Executive Board shall fill any vacancy in office because of death, resignation or inability to serve. In matters of extreme emergency the Executive Board retains the right to appoint a current or previous Executive Board Member to open position, regardless of number of terms served.
- F. **Terms.** Elected officers shall serve for a term of 2 years or until their successors are elected. Officers shall assume their duties on July 1<sup>st</sup>. No officers shall be eligible to be elected to the same office for more than one consecutive 2-year term or hold more than one elected office at a time. Any officer who is filling a vacancy and has served no more than half of the 2-year term shall be eligible for election to a consecutive 2 year term in that office. To assure smooth transitions and continuity President, Treasurer and Secretary shall be elected in even years. Vice President, Auditor, Parliamentarian and Historian shall be elected in odd years.
- G. **Background Check.** The PTO shall reserve the right to request a criminal background check on any elected officer or committee chair at the cost of the PTO. Any criminal activity disclosed in the background check can be deemed, by a majority vote of the Executive Board, reason for termination of position. District officials may override Executive Board decisions.

#### **Section 4.01 Elected Officers**

The elected officers shall be:

1. **President**
2. **Vice-President**
3. **Treasurer**
4. **Secretary**
5. **Auditor**
6. **Parliamentarian**
7. **Historian/ Communication**

#### **Section 4.02 - Ex-officio Member**

The Quail Lake Charter School's Principal is an officer of the QLCS PTO ipso facto and is recognized as the lawful representative of Quail Lake Charter School. He/she shall be an ex-officio member of all committees.

#### **Section 4.03 -Appointed Officers**

One teacher representative should be appointed to the executive board upon election by their peers. One student representative will be elected by their peers to report to the executive board. The student representative is an honorary position and does not carry voting privileges in votes of the Organization or executive board.

### **Section V**

## **Duties of Elected Officers**

### ***President***

- 1.) Shall preside at all meetings of the organization.
- 2.) Be available to all applicable committees except the nominating committee.

- 3.) May appoint the chairmen of any standing committee, subject to the approval of the Voting membership.
- 4.) Be the official representative for QLCS PTO.
- 5.) Be the official liaison between the organization and the school administration.
- 6.) Perform other duties that may arise.
- 7.) Shall strive to be an active participant in all PTO fundraisers and events.
- 8.) Persons running for President must have served on an executive board of the school or other school PTO/PTA. This allows for presidents to preside who have had experience serving in similar capacities.

### ***Vice-President***

- 1.) Shall preside at meetings when the President is unavailable.
- 2.) In the absence of the President, shall perform all Presidential duties.
- 3.) Shall perform any other duties assigned by the President or Executive Board.
- 4.) Shall strive to be an active participant in all PTO fundraisers and events.
- 5.) Attend & report all District Level parent club meetings & activities. If unavailable to attend, another board member may be selected by the executive board to attend.

### ***Secretary***

- 1.) Keep an accurate written record of the proceedings of all meetings of the organization and executive board, which is the legal record of this PTO.
- 2.) Record all expenditures in the minutes.
- 3.) Prepare and present minutes from the previous meeting at all executive and organization meetings.
- 4.) Keep a current list of all the Voting Members of the organization provided by the Membership Chairperson.
- 5.) Keep a current copy of the bylaws and standing rules
- 6.) Perform such other duties as may be delegated by the president.
- 7.) Shall strive to be an active participant in all PTO fundraisers and events.

### ***Treasurer***

- 1.) Have charge of and be responsible for all funds of the organization.
- 2.) Receive and deposit PTO funds in a financial institution of the Executives Board's choice.
- 3.) Receive and retain a copy of the deposit slips for all deposits made.
- 4.) Keep an accurate record of all receipts and authorizations for payment, for filing with the treasurer's financial records with the organization. These records shall be property of QLCS PTO & shall be available for Auditor.
- 5.) Present a monthly report at executive and organization meetings of all financial activity.
- 6.) Receive and retain monthly bank statements.
- 7.) Prepare checks and authorizations for payments due.
- 8.) Collect receipts and fill out a reimbursement form for all accounts payable.
- 9.) Prepare and mail out notices of bounced checks for collection within 10 days of receipt.
- 10.) Keep the books up to date and ready for audit.
- 11.) Fill out the end of the year tax form 990 and file before leaving office.
- 12.) Shall strive to be an active participant in all PTO fundraisers and events.
- 13.) Persons running for Treasurer must have served on an executive board of the school and have a financial background.

***Auditor***

- 1.) Audit the books and financial records of the organization twice a year.
- 2.) Prepare a mid-year audit to be completed in January.
- 3.) Present a written report to the executive board by January 31 audit and July for the end of the year audit.
- 4.) Prepare and present a written report for adoption by the organization in February and August.
- 5.) Audit the books upon resignation of the treasurer and at any other time deemed necessary.
- 6.) Review bank statements monthly.
- 7.) Shall strive to be an active participant in all PTO fundraisers and events.
- 8.) Persons running for Auditor must have served on an executive board of the school and have a financial background.

***Parliamentarian***

- 1.) Attend all meetings of the organization and the executive board and give necessary parliamentary procedure when requested.
- 2.) Keep meetings running in a smooth and timely manner
- 3.) Chair the nominating committee.
- 4.) Chair the bylaws committee and review bylaws and standing rules annually.
- 5.) Shall strive to be an active participant in all PTO fundraisers and events.

***Historian/Communications***

- 1.) Be responsible for publicity for PTO events.
- 2.) Act as a liaison between the PTO and the media.
- 3.) Keep the official history of the organization
- 4.) Keep an annual record of all activities of the organization.
- 5.) Shall strive to be an active participant in all PTO fundraisers and events

**Removal of Officers**

An officer may be removed from office for failure to fulfill their duties of office. Removal of an officer will require a 2/3's majority vote of the executive board OR in cases where the principal feels that the organization is at risk or the elected position creates a hostile environment for the board, he or she may remove the individual from office.

**Section VI****Election of Officers**

**A. Procedure.** The elections of officers shall take place prior to the end of each school year. All of the membership will be provided nomination forms. The election committee will verify that each nominee accepts the nomination. A general election will take place prior to the end of the school year. An election for general membership will take place by ballot on a designated date and time set by the election committee. Nominations will also be taken from the floor. All voting members in good standing may participate.

**B. Nominating Committee.** The Nominating Committee shall consist of Parliamentarian & 3 other PTO members selected by the Parliamentarian with approval by the Board. The Nominating Committee will be responsible for receiving all suggestions for persons to serve as officers. The committee shall prepare a slate of officers to present for election by the membership. The committee shall contact all persons who will be nominated to confirm their willingness to serve. The committee shall insure that all

nominees are voting members and otherwise eligible to serve in the office. After confirmation of eligibility and willingness to serve, the slate of officer candidates will be made available to membership one week prior to election and will include notification that nominations may be made from the floor.

**C. Selection.** The nominee with the most votes shall become the new officer. In the event of a tie a run-off will be held immediately.

**D. Vacancies.** The Executive Board shall fill any vacancy in office because of death, resignation or inability to serve. In matters of extreme emergency the Executive Board retains the right to appoint a current or previous Executive Board Member to open position, regardless of number of terms served or position(s) held.

## **Section VII** **Standing and Special Committees**

**A. Standing Committees.** A list of standing committees with Committee Chairs and Coordinators to be elected during the general election includes, but is not limited to, the following : Volunteer Coordinator, Room Parent Coordinator, Art Docent, and Membership Chair. Standing Committee Chairs responsible for fund raising activities, including Box Tops for Education and Spirit Store, will be appointed by the President and/or Executive Board. Other Standing Committee Chairs may be appointed by the board as needed. Only voting members may serve as chairpersons. The chairperson of each committee shall report the plans and activities of the committee to the Executive Board before the event. The Executive Board must approve all such reports. Term of office for standing committee chairs is July 1<sup>st</sup> to June 30<sup>th</sup>.

**B. Special Committees.** The President and/or the Executive Board may create special committees with an appointed chairperson. The Executive Board will consider input from general membership to assist in identifying key candidates for the chairperson position. Special committees shall be created for a specific time and/or task specified by the Executive Board and shall cease to exist when that time or task has been completed. Special committees responsible for fund raising activities include, but are not limited to, Carnival and Spring fund raisers. Only voting members may serve as chairpersons. The chairperson of each committee shall report plans and activities of the committee to the Executive Board, which must approve all such reports.

**C. Removal of Committee Chairs or Members** A committee chair or member may be removed from their position for failure to fulfill their duties of office. Removal of a committee chair or member will require a 2/3's majority vote of the executive board OR in cases where the principal feels that the organization is at risk or the position creates a hostile environment for the board, he or she may remove the individual from their position.

## **Section VIII** **Meetings**

**Section 8.01 General Membership Meetings** General Membership Meetings shall be held monthly unless otherwise specified by the Executive Board and reasonable notice is provided to the General Membership. Meetings shall be open to all interested persons. If necessary, the Executive Board can conduct close session meetings as needed.

### **Section 8.02 General Meeting Voting**

All members who have paid a membership fee for the current year may vote, except on matters for which it is appropriate to ensure equal representation. All members must have a paid membership fourteen days prior to being eligible to vote. The waiting period is waived for members who have submitted a valid membership renewal prior to September 30.



**Section 8.03 Special Meetings**

The President, for the purpose of transacting specific business of a non-monetary nature, may call a special meeting of the membership, Executive Board, or committees at any time.

**Section 8.04 New Executive Board Planning Meetings**

Following the election of new officers, the President shall call a special meeting of the Executive Board and Executive Board-elect for the purpose of organizing, appointing, and planning activities for the upcoming year.

**Section 8.05 Quorum**

Five board members constitute a quorum for the transaction of business. Nine members for an association Meeting.

**Section 8.06 Robert's Rules of Order**

Robert's Rules of Order, the latest edition, shall be recognized as the authority governing the meetings of the Organization, its Executive Board, and its Representatives.

**Section 8.07 Regular Scheduled QLCS PTO Meeting**

The order of regular QLCS PTO meetings shall be:

1. Call to order
2. Review and approval of minutes from previous meeting and actions thereon
3. Principal's Report
4. Teacher's Report
5. Student Representative's Report
6. President's Report
7. Treasurer's report
8. Committee reports
9. Unfinished business
10. New Business
11. Announcements, including date and time of next meeting
12. Adjournment

**Section 8.08 Regular Meeting Vote**

Unless otherwise stated in these bylaws, a simple majority vote of members in attendance is required for each proposal placed before the membership.

**Section IX****Amendment of these Bylaws****Section 9.01 Amendment of These By-laws**

Bylaws shall be reviewed annually by Parliamentarian & 2 Board members. A formal bylaw review will take place every 3 years. This will include a line by line review of the bylaws and will be led by the Parliamentarian and 2 other board members. Any member may take part in this review process. Bylaws must be approved by Membership.

These bylaws may be amended at any regular or special meeting, providing that previous notice was given in writing at the prior meeting and then sent to all members of the organization by the secretary. Notice may be given by postal mail, e-mail, or text. Proposed amendments will be available to members at least one week prior to being voted on. Amendments will be approved by a two-thirds vote of those voting members present, assuming a quorum.

**Section 9.02 Review of Proposed Amendments**

Amendments to these Bylaws must be reviewed by the Quail Lake Charter School Principal to assure there is no conflict with school /district regulations. No changes will be made that violate school regulations.

## **Section X**

### **Whistle Blower Policy**

**Section 10.01 Purpose of the Whistle Blower Policy**

The QLCS Parent Teacher Organization (QLCS PTO) requires its officers and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. The purpose of this policy is to encourage and enable volunteers of the QLCS PTO to report any action or suspected action taken within the QLCS PTO that is illegal, fraudulent or in violation of any adopted policy of the QLCS PTO, to a source within the QLCS PTO before turning to outside parties for resolution.

**Section 10.02 Reporting in Good Faith**

All volunteers of the QLCS PTO are encouraged to report any action or suspected action taken within the QLCS PTO that is illegal, fraudulent or in violation of any adopted policy of the QLCS PTO (each, a "Violation"). Anyone reporting a Violation must act in good faith, without malice to the QLCS PTO or any individual in the QLCS PTO, and have reasonable grounds for believing that the information shared in the report indicates that a Violation has occurred.

**Section 10.03 No Retaliation**

No volunteer who in good faith reports a Violation or cooperates in the investigation of a Violation shall suffer harassment, retaliation or adverse volunteer consequences.

**Section 10.04 Reporting**

If an individual reasonably believes that a Violation has occurred, the individual is encouraged to share his or her questions, concerns, suggestions or complaints with any person within the QLCS PTO who may be able to address them properly. In most cases, the QLCS PTO president is the person best suited to address a concern. However, if an individual is not comfortable speaking with the QLCS PTO president or if he or she is not satisfied with the President's response, the individual is encouraged to speak directly to the principal or anyone in management he or she feels comfortable approaching.

**Section 10.05 CONFIDENTIALITY**

The QLCS PTO encourages anyone reporting a Violation to identify himself or herself when making a report in order to facilitate the investigation of the Violation. However, reports may be submitted on a confidential basis by the complainant or may be submitted anonymously by leaving notice in the office. Reports of Violations or suspected Violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation, to comply with all applicable laws, and to cooperate with law enforcement authorities. Furthermore, the QLCS PTO will explore anonymous allegations to the extent possible, but will weigh the prudence of continuing such investigations against the likelihood of confirming the alleged facts or circumstances from attributable sources.

**Section 10.06 HANDLING REPORTED VIOLATIONS**

The board member who receives a report of a Violation from the complainant is required to notify the principal of that report, except as provided below with respect to a report relating to the QLCS PTO president. The president will notify the complainant and acknowledge receipt of a report of Violation within ten business days, but only to the extent that the complainant's identity is disclosed or a return address is provided. The QLCS PTO president, or his or her designee, is responsible for promptly investigating all reported Violations. The president will discuss the findings with the executive board officers. The officers will determine the appropriate response to the reported Violation, and whether to consult legal counsel. Any officer or agent who may be implicated in

such a reported Violation shall not participate in any discussions or deliberations related to the complaint, except

to present information directly to the QLCS PTO on his or her own behalf. The complainant will be notified about what actions will be taken, to the extent reasonably possible and consistent with any privacy or confidentiality limitations. If no further action or investigation is to follow, an explanation will be given to the complainant.

## **Section XI** **Conflict of Interest Policy**

### **Section 11.01 Purpose of Conflict of Interest Policy**

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (QUAIL LAKE CHARTER SCHOOL BOOSTER CLUB) 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 11.02 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:

1. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
2. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement or
3. 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 XII, Section 12.02 Definitions, 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 11.03 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

1. 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.

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2. 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.

3. 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.

4. 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 Conflicts on Interest Policy

1. 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.

2. 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 11.04 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 11.05 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, for 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 11.06 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:

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- 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 11.07 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.

### **Section 11.08 Use of Outside Experts**

When conducting the periodic reviews as provided for in Section 12.07, 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.

## **Section XII**

### **Dissolution of Organization**

#### **Section 11.01 Dissolution of the Organization entity.**

Should the Quail Lake Charter School PTO cease to operate as a legal entity, all of the Organization assets and cash will be first distributed to current contributing groups according to their open account balances, and remaining funds should go to the new Parent group. In the event there is no Parent Group, the funds will go to the Quail Lake Charter School. Encumbered fund balances for groups no longer active at Quail Lake Charter School will be added to the general fund balance prior to the final distribution in the manner described above. The Organization may be dissolved with a previous notice (30 calendar days), two meetings and two-thirds majority vote of the voting members present at the meeting.

**PROVISO to Section IV Executive Board, Paragraph F. Terms**

To align our election cycle with our bylaws, the following elections will take place:

2017 – Vice President, Historian and Parliamentarian will be elected to 2-year terms

2018 – President, Treasurer, and Secretary will be elected to 2-year terms. Auditor will be elected to 1-year term.

2019 – Vice President, Historian, Parliamentarian and Auditor will be elected to 2-year terms.