

DISCOVERY SCHOOL PARENT TEACHER ORGANIZATION BYLAWS

Article I - Name

The name of the organization is the Parent Teacher Organization (PTO) of Discovery School.

Article II - Mission

The Discovery School PTO shall carry out activities that support, promote, and enhance the educational experience of Discovery School students by fostering relationships among the school, parents, teachers, and community. The PTO shall carry out any activities authorized by the Tennessee Nonprofit Corporation Act and those that may be carried out by organizations that are exempt under sections 501(c)(3) of the Internal Revenue Code, Public Charity.

Article III - Basic Policies

1. The PTO of Discovery School shall be nonprofit, nonsectarian, and nonpartisan.
2. The PTO name and the names of its members in their official capacities shall not be used in connection with any commercial concern or with any partisan interest.
3. The PTO shall not directly or indirectly participate in any political campaign or attempt to influence legislation.
4. The PTO shall work with the school to help provide quality education for children and youth. It shall seek to participate in the decision-making process regarding school policy. The PTO recognizes that the Murfreesboro City Schools Board of Education has legal responsibility to make decisions about school policy.
5. PTO and the PTO Board membership is strictly voluntary.

Article IV - Membership and Dues

PTO membership may include teachers, parents, guardians, family members, and others wishing to promote the goals of the corporation without regard to race, color, creed, or national origin. Only PTO members may vote in general meetings and only PTO members who are parents or legal guardians of Discovery School students may serve in elected or appointed positions. The PTO shall conduct annual membership enrollment. New members may be admitted at any time. Each member shall pay annual dues as set by the PTO Board of Directors.

Article V - Officers

1. Each PTO officer must be a member of the organization.
2. Officers must consist of the President, Vice-President, Secretary, and Treasurer. Any office may be held jointly by two people, each of whom will retain an individual vote. The duties of secretary may be divided between two people who will each retain an individual vote. Other positions such as room parents' coordinator, membership coordinator, spirit wear coordinator, fundraising/ events chair, and hospitality chair may be appointed separately, or may be a person in a required position.
3. A nominating committee chaired by the President and Vice President will make nominations of officers.

4. Officers shall be elected by ballot annually at a spring general meeting. If only one nominee exists for an office, a ballot is not required and the organizations' elective ballot may cast a majority of the Board of Directors.
5. Officers shall assume their duties at the close of the school year and shall serve one year until their successors take office.
6. A person shall not be eligible to serve more than two consecutive terms (2 years) in the same office and not exceed over 4 years on the executive (voting)board in any position; in the event that an officer assumes the role mid-year, more than one-half of a term shall be considered a full term. A president shall only serve one term and no longer can serve as a voting member of the board after the term is completed. Former presidents and members of the board who have exceeded term limits will serve as advisors when needed. (See Amendment I)
7. Officers are expected to not miss more than 2 meetings within their term of office unless the board votes an exception due to unforeseen circumstances. Officers can appoint a committee member to represent them during board meetings but the representative cannot vote on the officers behalf.
8. A vacancy occurring in any office shall be filled by a person elected by a majority vote of the Board of Directors.

Article VI - Officers Duties

1. The President shall direct all board and general meetings, participate as needed in all committees, represent the PTO at Murfreesboro City Schools functions, assist the Principal as needed, and communicate with the school community and public about PTO matters. The President will do a monthly and annual review of the Treasurer's report, annual state filing, and annual IRS filing .The President will assist the Vice President in selecting board members in the Spring term. The President will receive updates from every board member monthly on progress in the board members area of responsibility.
2. The Vice-President shall assist the President, perform the President's duties where she/he is absent or unable to act, provides assistance in fundraising committee, and chairs the nominations committee.
3. The secretary shall keep all records of the organization, take and record minutes, prepare the agenda, handle correspondence, and send notices of meetings to the membership. The secretary also keeps a copy of the minutes book, bylaws, rules, membership list, and any other necessary supplies.
4. The Treasurer shall maintain accounting books for the organization (electronic and paper), develop the annual budget with President based upon yearly goals, facilitate deposits and payments to include recurrent auto paid services, make financial reports at board meetings to include monthly income and expenses and relating these to the annual budget, and participate on budget and fundraising committees. The Treasurer shall also be responsible for filing the annual State of Tennessee renewal, the annual required insurance renewal, and the outgoing officer will file the annual IRS return in accordance with our IRS determination letter. An internal auditing committee appointed by the board shall review the accounts annually and document via audit form. The committee should include the Treasurer, President, and at least 2 other board members not directly involved in the finances plus the incoming Treasurer. The audit shall be completed within four weeks after the last day of school. Once the audit has been completed, official materials will be delivered to their successors where the new officers assume their duties. The annual filings will be reviewed by the President and verify completion.

Article VII - Board of Directors

1. The Board of Directors shall consist of the officers of the organization, the chairpersons of standing committees, and members at large.
2. The President will appoint chairpersons of committees, and chair positions may be shared by two people who each have an individual vote. Standing committees shall include at least the following: Hospitality, Membership, Fundraising/ Activities, and Publicity. Special committees may be formed by the Board to conduct specific activities and to approve and maintain a budget.
3. An executive committee composed of the President (or Vice President), Secretary, Principal, and Treasurer may transact business at intervals between meetings. The committee will address only urgent or necessary business that cannot be brought before the Board. A committee consisting of the outgoing and new Presidents, outgoing and new Treasurers, and the Principal or facility representative will prepare a proposed budget for the next school year.
4. Board meetings will be held monthly during the year at a time fixed by the Board at its first meeting. Board meetings will be open to all PTO committee members. Special board meetings may be called or rescheduled with consideration given to adequate and timely notification of board members. Notification may occur through email, text, Facebook, or group message. A quorum shall consist of a majority of board members appointed or elected with at least a majority vote when a quorum of the board is present. Members who chair special committees may vote on matters that involve their committee.

Article VIII - General Meetings

1. At least three general meetings of the PTO will be held during the school year. These will be announced at least two weeks prior to the general membership. Seven days notice of any change in date will be given. Unless during a pandemic where large social gatherings are prohibited, then board announcements and the treasurer's report will be posted via social media or emailed to parents.
2. Elections of officers will be presented at a general meeting in the spring of each year.

Article IX - Financial Responsibilities

1. All funds donated, raised, or acquired by the PTO are to be used exclusively to support and enhance Discovery school.
2. PTO funds will not be used for any items, programs, or events that do not directly benefit the students and/or staff at Discovery School.
3. No part of the gross earnings of the PTO shall be distributed to any officer, members, or private persons. Officers and members will be reimbursed appropriately for out-of-pocket expenses that were paid on behalf of the PTO.
4. In the event of the dissolution of the PTO, the corporation's assets shall be spent on the students and faculty of Discovery School in Murfreesboro, Tennessee.

Section 1. Budget.

A tentative budget shall be drafted in the spring for the following school year and approved at a fall meeting by a 100 percent vote of the members present.

Section 2. Records.

The treasurer shall keep accurate records of any disbursements, income, payment services i.e. Paypal/Square, and bank account information.

- 1) Bank accounts are to be reconciled promptly.
- 2) All collection records, bank statements, canceled checks, invoices, along with copies of the treasurer's report should be organized and maintained by the treasurer by fiscal year.
- 3) Records should be maintained for four (4) years.
- 4) In the event of the resignation of the treasurer, all financial records will be held by the president until a new treasurer is elected and designated an officer. Records will be subsequently turned over to the treasurer at that time.
- 5) Records shall be of public nature and open to public inspection.

Section 3. Banking Information.

The PTO of Discovery School shall retain one bank account. The bank can be changed with a unanimous consensus of the Executive Committee. The name on the bank account and any associated materials shall be the name of the organization only.

Section 4. Expenses.

The board shall approve all expenses projected in the annual budget with a 100 percent. Members will do a special recorded vote for new items that were not discussed in the annual budget. Expenses that exceed budgeted amounts must be approved by a board vote with $\frac{3}{4}$ approval.

Section 5. Authorized Signers.

Two authorized signatures shall be required on each check or record form for over the amount of \$200. Authorized signers shall be the president, vice president, and treasurer.

Section 6. Debit Card.

The PTO of Discovery School shall retain one debit card which will be held by the treasurer.

Debit card purchases can be used:

- 1) By the executive committee chairs for purchases approved by the president and treasurer within the approved budget.
- 2) By the president and treasurer on items approved by the board.

Section 7. Check Book.

The Discovery School PTO shall retain one set of checks which will be held by the treasurer. Check payments can be used:

- 1) By the treasurer with one signature for payments less than \$200.

- 2) By the treasurer with two signatures for payments of more than \$200 or a signed disbursement form with two signatures.
- 3) Authorized signers shall be the president, vice president, and treasurer.
- 4) Pre-signing blank checks will be prohibited.
- 5) Each check written will have a corresponding receipt or invoice which will be kept on file by check number. If a receipt is not available, a written document, signed by the treasurer, describing the expenditure and explaining why no other documentation is provided, should be created and filed.

Section 8. Reimbursement.

Board members will be allowed to be reimbursed for expenses. Reimbursements can be made if:

- 1) The requester had prior Executive Committee or budget approval.
- 2) The requester completes the PTO Reimbursement Request in its entirety.
- 3) The requester includes all original receipts for purchases.

Section 9. Deposits.

Deposits shall be made by the treasurer or, if the treasurer is unavailable, by another member of the executive committee. Deposits shall be handled in the following manner:

- 1) All deposits will be accompanied by the PTO Deposit Notice form.
- 2) Any check written to the Discovery School PTO will be deposited no later than two weeks after received by the treasurer.
- 3) If a deposit is made by a member of the executive committee other than the treasurer, the following procedures shall be followed:
 - a) The depositor will provide the completed PTO Deposit Notice form along with the bank deposit receipts to the treasurer within 5 days of deposit.
 - b) The depositor will notify the treasurer and president of the deposit via email within 2 working days of the deposit with (1) the deposit amount and (2) the corresponding income category.

Section 10. Collections.

Collections will be handled in the following manner:

- 1) Square / PayPal
 - a) Square / PayPal will be used to collect debit card and credit card payments for purchases. No more than six pieces of equipment shall be retained by the PTO. The Square/ PayPal can be used:
 - i) By approved Board members who have been invited to accept payments through the Square Up / PayPal system.

ii) For purchases over \$5.

2) Collections at Special Events

a) Payments of cash and checks collected at special events will be handled in the following manner:

i) One Board member shall be present at any event at which money is collected.

ii) At the close of each event at which money is counted, the Board member and another person present will count all monies collected and record the same on the Deposit Notice. The Board member will sign the Deposit Notice along with a second verifier who does not have to be a member of the Board.

iii) All monies along with the Deposit Notice will be placed securely in the depository safe in the concession stand.

iv) No monies are permitted to leave the Discovery School grounds with any general PTO member or non-associated parent.

v) No uncounted and undocumented monies are permitted to leave the Discovery School grounds with a Board member holding a committee chair position unless given prior authorization by a member of the Executive Committee. Any Board member removing money from the Discovery School grounds without prior authorization will be immediately replaced.

3) Collections via Classroom Payments

a) All monies placed in the PTO box by teachers or parents will be handled in the following manner:

i) Two individuals must be present to count all money with one of those being a member of the Board.

ii) All money collected will be recorded on the PTO deposit form.

iii) All money collected will be placed securely in the depository safe in the concession stand along with the PTO deposit form.

iv) No uncounted and undocumented monies are permitted to leave the Discovery School grounds with a Board member holding a committee chair position unless given prior authorization by a member of the Executive Committee. Any Board member removing money from the Discovery School grounds without prior authorization will be immediately replaced.

Section 12. Misappropriation of Funds.

Any person, PTO of Discovery School member or otherwise, found inappropriately handling or using money collected by and for The Discovery School or PTO of Discovery School, will be reported to school officials and to local authorities.

Section 13. Review.

1) A member of the Executive Committee, other than the treasurer, shall review the budget at each Executive Committee meeting.

2) The PTO of Discovery School shall establish an independent financial review committee, excluding the treasurer, to provide an independent review of the organization's records and financial activity and to ensure compliance with the IRS, nonprofit, and other state laws or regulations.

Section 14. Financial Statements.

The treasurer shall prepare a financial report at the end of the year, to be reviewed by the Executive Board.

Section 15. Fiscal Year.

The fiscal year shall coordinate with the school year.

Section 16. Dissolution.

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 X - Parliamentary Authority

Robert's Rules of Order shall govern meetings when they are not in conflict with the organization's bylaws or any other special/standing rules.

Article XI - Standing Rules

Standing rules may be approved by the Executive Board, and the secretary shall keep a record of the standing rules for future reference.

Article XII - Dissolution

The organization may be dissolved with previous notice (14 calendar days) to all board members and a two thirds vote of those present at the meeting.

Article XIII – Amendments

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, email, hard copy, or fax. Amendments will be approved by a two thirds vote of those present, assuming a quorum.

Article XV - Conflict of Interest Policy

Section 1. Purpose.

The purpose of the conflict of interest policy is to protect this tax exempt organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. Definitions.

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.

- a) Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
- b) An ownership or investment interest in any entity with which the organization has a transaction or arrangement;
 - i) A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement; or
 - ii) 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.
 - iii) A financial interest is not necessarily a conflict of interest. Under Section 3b, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Procedures.

- 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 who are 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 whether 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 that the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings.

The minutes of the governing board and all committees with board delegated powers shall contain:

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 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 6. Annual Statements.

Each Executive Board member, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms that such person:

- Has received a copy of the conflict of interest policy;
- Has read and understood the policy;
- Has agreed to comply with the policy; and
- Understands that the organization is charitable and that in order to maintain its federal tax exempt status it must engage primarily in activities which accomplish one or more of its tax exempt purposes.

Section 7. Periodic Reviews.

To ensure that the organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

a) Whether compensation arrangements and benefits are reasonable, are based on competent survey information, and are 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 incurrence, impermissible private benefit, or an excess benefit transaction.

Section 8. Use of Outside Experts.

When conducting the periodic reviews as provided for in Section 7, the organization may, but need not, use outside advisers. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring that periodic reviews are conducted.

APPROVED BY THE DISCOVERY SCHOOL PTO the -----DAY OF -----,20----

PTO President -----.

Printed -----.

Discovery School Principal Dr. Kristina Maddux -----.

04/27/2021

Amendments

Amendment I

Due to extenuating circumstances around the COVID-19 Pandemic, the PTO Board voted on January 11, 2021 to amend Article V, Section 6 to allow members who have served two consecutive terms in the same position to continue in their roles until such a time when it is possible for their positions to be filled by new members.