

**PARENT TEACHER ORGANIZATION OF  
PINE LAKE PREPARATORY SCHOOL, INC.**

**BYLAWS**

**ARTICLE 1. NAME AND LOCATION**

The name of the corporation is Parent Teacher Organization of Pine Lake Preparatory School, Inc. The corporation shall have an office located at 104 Yellow Wood Circle, Mooresville, North Carolina, and at such other places as shall be designated by the Board of Directors from time to time by resolution.

**ARTICLE 2. PURPOSE**

The purposes for which the corporation is organized are:

- (1) To operate exclusively for charitable, educational, religious and scientific purposes within the meaning of Sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986 or the corresponding provisions of any future United States Internal Revenue laws (the "Code");
- (2) To engage in any lawful activity for which corporations may be organized under Chapter 55A of the General Statutes of North Carolina so long as the corporation does not engage in any activity or activities not in furtherance of one or more tax exempt purposes as contemplated in section 501(c)(3) of the Code; and
- (3) To support the education of children at Pine Lake Preparatory School by fostering relationships among the school, parents, teachers and administration. The corporation seeks to enhance the educational programs at Pine Lake Preparatory School by developing and supporting initiatives, projects and programs that promote professional development, provide resources, improve the educational environment and otherwise support and encourage teachers, administrators, students and parents.
  - A. To involve parents and school personnel in a cooperative and sustained system of activities that will enhance the educational and social opportunities of the children both in the school and at home.
  - B. To improve school/home relationships by enabling parents and school personnel to:
    - Define their relationship with each other;
    - Define their roles as they pertain to the children served by the schools;
    - Identify the needs and resources of the district, its families and its

Com-munity.

- C. To provide teachers and administrators with opinions and viewpoints that will lead to a better analysis of the needs of the students and more relevant program planning.
- D. To sustain parent interest and to provide the resources needed by school personnel to function effectively in a working relationship with parents and other community members.

### **ARTICLE 3. MEMBERS**

This corporation shall have members who shall be the parents of students enrolled in Pine Lake Preparatory School, and teachers and other staff members employed by the School. There may be a nominal yearly fee for membership, and teachers and staff shall have no charge for their membership. All dues will be waived for the first year of the PTO to allow all parents to be members. Dues, if any, will be established by the executive Board. If dues are charged, a member must have paid his or her dues at least fourteen (14) calendar days before the meeting to be considered a member in good standing with voting rights. Each member shall complete a membership application promulgated by the Board of Directors and shall pay the applicable fee at the time of application. Membership shall be on a yearly basis coinciding with the school year.

### **ARTICLE 4. BOARD OF DIRECTORS**

4.1 Duties. The duties of the Board of Directors 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.

4.2 Membership. The Board of Directors shall consist of the Executive Committee, school official and standing committee chairs. The Board of Directors, by resolution, may add additional *ex-officio* members, who shall be entitled to participate in meetings but may not vote.

4.3 Term. All directors shall serve for two (2) years so that at any future election, only one-half (1/2) of the seats shall be subject to election. President and Vice President will be elected alternating years so those positions are not elected the same year. For the 2015-2016 school year the President will only serve a one-year term to fix rotations to align with stated bylaws. The Executive Committee shall serve until their successors shall be elected.

4.4 Vacancies. Vacancies occurring on the Board of Directors due to death, resignation, removal or other causes shall be filled by a majority vote of the remaining members of the Board of Directors. A director so elected shall serve the remaining term of the position filled.

4.5 Annual Election of the Executive Committee. The Executive Committee shall be elected yearly based on their rotation by the membership according to the terms in article 5.2.

4.6 Organizational Meetings of the Executive Committee. The Executive Committee shall meet with newly elected members before the end of the school year. The May meeting should be scheduled annually for this purpose.

4.7 Regular Meetings. Regular meetings shall be held monthly, on the same day and at the same time, to be determined by the Board.

4.8 Special Meetings. Special meetings of the Board may be called by the President, or by the Vice President or Secretary in the absence of the President, or by at least one-third (1/3) of the directors. Minutes of the meeting shall be sent to the Board of Directors after the meeting.

4.9 Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any properly called meeting of the Board.

4.10 Procedures. The vote of a majority of the directors present at a properly called meeting at which a quorum is present shall be the act of the Board of Directors, unless the vote of a great number is required by law or by these bylaws for a particular resolution. 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 their dissent shall be entered in the minutes of the meeting. The Board shall keep written minutes of its proceedings in its permanent records.

4.11 Emergency Action. Should action be required when it is not possible to assemble the Board of Directors in a properly called meeting or when the Executive Committee explicitly cannot assume the powers of the full Board, written or oral approval of the proposed action by a Board majority may be obtained in a poll of the entire Board of Directors authorized by the President or majority of the Executive Committee. Any action so taken shall be recorded in the minutes of the next properly called Board meeting.

4.12 Compensation. No Board member or officer or any member of a committee shall receive at any time any of the net earnings or profit from the operations of the corporation. However, this shall not prevent the payment to any such person of reasonable compensation for services rendered to or for the corporation. Such compensation shall be fixed by the Board of Directors from time to time.

4.13 Non-Liability of Directors. The directors shall not be personally liable for the debts, liabilities or other obligations of the corporation.

4.14 Removal. A director may be removed from office at any time for cause, including lack of attendance or participation, when it is reasonably believed that the best interests of the corporation would be served by such removal, and provided that a majority vote of the remaining directors shall consent. Should any director be absent from three (3) meetings without proper notice to the Executive Committee, the director shall be removed from office unless a majority of the remaining directors votes otherwise. After a director is absent from two (2) consecutive meetings without proper notice, the Secretary shall notify the director of the impending removal.

4.15 Annual Meeting. An annual meeting shall be designated by the President of the Board as the Annual Meeting of the corporation. The Annual Meeting shall be for the purpose of reporting on the condition of the corporation, approval of the Annual Action Agenda of the corporation, electing Board members and conducting such other business as may properly come before the Board of Directors.

4.16 Standing Committees. There shall be several standing committees of the corporation. The President shall appoint the chairpersons of all committees from the membership of the Board of Directors of the corporation with the approval of the Board of Directors. The newly elected President will appoint committee chairpersons after each election after the April meeting. All committees shall function within the guidelines and budgets established by the Board of Directors.

4.17 Ad hoc Committees. The President may establish ad hoc committees at any time. All ad hoc committees are subject to the same rules and operating procedures as standing committees.

4.18 Budgets. The Board of Directors shall approve the annual budget of the corporation during the first quarter of each school (fiscal) year upon recommendation of the Executive Committee.

4.19 Personnel Responsibilities. The Board of Directors may employ and discharge employees of the corporation and may prescribe their duties and compensation. The Board shall discharge its duties with respect to personnel organizational matters without regard to age, sex, race, color, creed, sexual orientation or the national origin of any person.

4.20 Records. Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

## **ARTICLE 5. OFFICERS**

5.1 Officers. The officers of the corporation shall consist of a President, Vice President, Secretary and Treasurer.

5.2 Election of Officers. Officers shall be elected yearly by the Membership. Officers shall be elected at the annual meeting in April. Each position shall be voted for independently by secret written ballot by the membership. The newly elected officers shall assume their duties June 1st and shall serve for a term of two years or until the election of their successors. A person shall not be eligible to serve more than two consecutive terms in the same office. The outgoing President shall be invited to serve as an advisor to the Executive Board for one year in order to ensure continuity. Additional nominations may be made from the membership at large. Voting shall take place in the month of April among the membership at large. The consent of each nominee shall be secured before his/her name is presented. The outgoing Executive Committee and the newly elected officers shall have a combined meeting in May to provide an orderly transfer of responsibility.

5.3 Executive Committee. The Executive Committee shall be composed of the officers of the corporation, as specified herein, and shall have the full authority to undertake the duties and powers of the Board except as these bylaws specifically state otherwise. All actions of the Executive Committee shall be reported to the Board through the Secretary. The immediate past President shall serve as an advisor for the year following his/her term.

5.4 President. The President shall be the chief executive officer and shall preside at all meetings of the Board of Directors and its Executive Committee.

5.5 Vice President. The Vice President shall perform duties of the President in the absence of the President and shall assist that office in the discharge of its leadership duties.

5.6 Secretary. The Secretary shall give notice of all meetings of the Board of Directors and Executive Committee, shall keep an accurate list of the directors and shall have the authority to certify, with one other Board officer's review and approval, any records, or copies of records, as the official records of the corporation. Minutes will be officially ratified by the Board at the beginning of every monthly meeting. The Secretary shall maintain the minutes of the Board of Directors' meetings and all committee meetings.

5.7 Treasurer. The Treasurer shall be responsible for conducting the financial affairs of the corporation as directed and authorized by the Board of Directors and Executive Committee, and shall make reports of corporate finances as required, but no less often than at each meeting of the Board of Directors and Executive Committee.

The Treasurer will be the contact person for the yearly audit done by a CPA and be directly responsible for the oversight of book keeping either personally or through the assistance of a paid book keeper. Two (2) authorized approvals shall be required on approval form for transactions over the amount of Two Hundred Dollars (\$200.00). Authorized approvers shall be the President, Vice-President, Secretary and Treasurer.

5.8 Immediate Past President. The immediate past President of the corporation shall provide guidance to the President, Executive Committee and Board, as appropriate, on matters continuing from his/her term as President and shall remain a member of the Board for the following year.

## **ARTICLE 6. MEETINGS FOR MEMBERS**

6.1 Regular Meetings. The regular meeting of the organization shall be at a time and place determined by the executive Board. The annual meeting will be held at the April regular meeting. The annual meeting is for receiving reports, electing officers and conducting other business that should arise.

6.2 Special Meetings. The President, any two (2) members of the executive Board, or five (5) general members submitting a written request to the Secretary may call special meetings.

6.3 Quorum. The quorum shall be defined as votes cast by 25% of the Board of Directors of the organization. For voting purposes, electronic votes and proxy votes will be allowed after verifying the voting member via email or other means.

## **ARTICLE 7. POLICY AND PROCEDURE DOCUMENTS**

**The PTO and its members will abide by all the rules and regulations set forth in the Pine Lake Preparatory Policies and Procedures Handbook.** All members of the PTO will be required to undergo complete background checks if they are on the board or volunteer in any capacity with direct contact with students. This background check will be at their own expense.

## **ARTICLE 8. FISCAL YEAR OF THE CORPORATION**

The fiscal year of the corporation shall begin on the first day of the school year.

## **ARTICLE 9. FINANCES**

9.1 A tentative budget shall be drafted between committee heads and the treasurer in the fall for each school year and approved by the Executive Committee.

9.2 The Treasurer shall keep accurate records of any disbursements, income and bank account information.

9.3 The Executive Committee shall approve all expenses of the organization.

9.4 Two (2) authorized approvers shall be required on approval form for transactions over the amount of Two Hundred Dollars (\$200.00). Authorized signers shall be the President, Vice-President, Secretary and Treasurer.

9.5 The Treasurer shall prepare a financial statement at the end of the year to be reviewed by the Executive Committee.

9.6 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 10. CONFLICT OF INTEREST**

10.1 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.

## 10.2 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:
  - i. An ownership or investment interest in any entity with which the organization has a transaction or arrangement;
  - ii. A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement;  
or
  - iii. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the organization is negotiating a transaction or arrangement. "Compensation" includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Section 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.

## 10.3 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.

10.4 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.

10.5 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.

10.6 Annual Statements. Each director, principal officer, and member of a committee with governing Board-delegated powers shall annually sign a statement which affirms that such person:

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

10.7 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 inurement, impermissible private benefit or an excess benefit transaction.

10.8 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.

## **ARTICLE 11. PARLIAMENTARY AUTHORITY**

Meetings shall be conducted in an orderly and routine process.

## **ARTICLE 12. AMENDMENT**

These bylaws may be amended by an affirmative vote of quorum, as defined by 6.3, at any regular meeting or special meeting called for that purpose. The text of the proposed change shall be distributed to all Board members at least ten (10) days before the meeting.

## **ARTICLE 13. DISSOLUTION**

In the event of the dissolution of the corporation, the assets shall be applied and distributed as follows:

All liabilities and obligations shall be paid, satisfied and discharged, or adequate provision shall be made therefor.

Assets not held upon a condition requiring return, transfer, or conveyance to any other organization or individual shall be distributed, transferred, or conveyed, in trust or otherwise, to charitable and educational organizations of a similar or like nature to this corporation, as determined by the Board of Directors.