



ORGANIZATION BYLAWS

Article I. Name

The name of this organization shall be McFadden Parent Teacher Organization, hereinafter referred to as the PTO. The PTO is registered as a non-profit organization with the Tennessee Secretary of State.

Article II. Purpose

The McFadden School of Excellence Parent Teacher Organization, Inc. has two purposes: To encourage home, family, and community participation in the lives of the school and its students, faculty, and staff through volunteer activities including the donation of time and services, and to receive, and maintain a fund of money to use, apply, expend, disburse or donate exclusively for educational and community purposes relating to the school and its students, faculty, and staff.

Article III. Membership

Section 1. Qualifications for Membership. Membership in the PTO is open to any current parent, grandparent, legal guardian, teacher, administrator or staff member of McFadden School of Excellence.

Section 2. Eligibility to Vote. Any member is eligible to vote on any motion at PTO general membership meeting.

Article IV. Policies

The corporation is organized exclusively for charitable and educational purposes to benefit McFadden School of Excellence. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, trustees, officers, Board Members or other private persons, except that the corporation shall be authorized and empowered to make payments and distributions in furtherance of the purposes set forth above.

Article V. Advisory Board

Section 1. Composition of the Advisory Board. The members of the Advisory Board shall be the President, President Emeritus, Vice-President, Treasurer, Treasurer Emeritus, Secretary and Committee Chairs of each standing and ad hoc committee and the Principal or any of their designees.

Section 2. Advisory Board Duties. The purpose of the Advisory Board will be to set PTO goals, direct committees to ensure attainment of goals, and set dates and agenda for PTO meetings. The Advisory Board may vote to approve expenditures related to PTO goals, without prior approval



of the general PTO membership. The Board must annually register as a non-profit with the Secretary of State, create annual report that confirms status as non-profit, lists goals and objectives, and names, addresses and telephone numbers of officers to school principal and director of schools.

Section 3. Advisory Board Meetings. The Advisory Board meetings shall be held at least three times per academic year. Ongoing communication should take place through email periodically.—General meeting dates and times are to be established by the board. Special meetings of the Advisory board can be called, as needed. No meetings may be held without the Principal or his designee.

Section 4. Advisory Board Nomination and Selection. Committee membership will be solicited at each PTO general meeting. Each committee will choose their own chair, two year term recommended and committee experience preferred. Committees must submit chairs' names to Nominating Committee by May meeting. Committee Chairs will be approved by a voice majority vote of the membership present at the following PTO general meeting.

The position of Finance Chair will be appointed by the Advisory Board for approval at the May meeting. The position of Finance Chair serves as the PTO Treasurer. It is recommended that this person have committee or financial experience and serve one or two years as the PTO treasurer followed by an additional year as Treasurer Emeritus to ensure continuity of financial knowledge for reporting requirements.

The position of Vice-President of Membership and Communication will be appointed by the Advisory Board for approval at the May meeting. Recommended three-year position, serving sequentially as Vice President, President, and President Emeritus of Advisory Board. The position of Vice-President serves as the Membership and Communication Chair.

The Advisory Board Chair is elected by the Advisory Board. It is recommended that the new Advisory Board Chair be the previous the Vice-President. The Advisory Board Chair serves as the PTO President.

The President Emeritus serves as an advisor to the President and Advisory Board and ensures that the Advisory Board is aware of various PTO reporting requirements and deadlines.

Section 5. A quorum of the Advisory Board shall be a majority of the members of the board then in office. The Principal or his designee must have a vote in all decisions.



Article VI. Committees

Standing and ad hoc Committees shall be formed or dissolved as necessary by vote of the Advisory Board. All committees shall review and present plans/options to the PTO and designate subcommittees pertaining to their separate functions. These committees shall make initial decisions relating to their function; however, no decision shall be acted upon without the approval of the Advisory Board. Committee size is determined by need. Committees will set meeting dates, as needed. Term of office is one calendar year beginning May 1st.

Each Committee will be responsible for completing a budget. Budgets must be submitted to the Advisory Board for review and approval by the May meeting. Any additional expenditure must be approved by the Advisory Board.

The PTO shall have the following standing committees:

Section 1. Finance. The Finance Committee shall be responsible for maintaining an accurate record of all financial affairs of the PTO. This includes keeping all receipts and expenditures for the organization as well as tracking and monitoring all transactions that are made by all committees involved in the PTO.

- a. The Finance Chair shall pay out funds using pre-numbered bank checks as authorized by the approved budget to be cosigned by the Advisory Board Chair or Membership Chair. The Advisory Board must approve any committee expenses above those included in the budget.
- b. The Finance Chair shall present a statement of account at every meeting of the organization and at other times, as requested. The President will have complete access to all bank transactions, account numbers and all other bank information used by the treasurer when doing business for the PTO.
- c. The Finance Committee is responsible for preparing and presenting an updated budget each fiscal year for approval by the Advisory Board and the general membership. The completed master budget shall be provided to the school principal.
- d. All monies accrued during events will be held inside the school's safe until ready to be deposited by the treasurer, all deposits will be deposited in the bank in a timely manner.
- e. Deposit slips will include an itemized listing of checks

Section 2. Secretary. The Secretary shall be responsible for taking and distributing minutes and attendance for Advisory Board and General Meetings.

Section 3. Membership and Communication. The Membership Committee is responsible for coordinating the New Parent Coffee. The Membership Committee is responsible for all PTO communication with the membership and public including webpage content, the PTO email account, and the PTO email directory. The Membership Chair serves as the PTO Vice-President.



- Section 4. Teacher Appreciation.** The Teacher Appreciation Committee shall organize the Teacher/Staff Appreciation Luncheons held three times per year in association with Showcase and recognize all teachers and staff periodically.
- Section 5. McFadden Connect.** The McFadden Connect Committee shall organize the PTO Welcome Back and grade levels activities at least but not limited to once a semester.
- Section 6. Invest in a Child.** The McFadden INVEST in a Child Committee shall organize, create, and execute the annual PTO Fundraising Campaign.
- Section 7. Book Fair.** Book Fair Committee shall coordinate all activities related to book fair. Specific responsibilities include: communication and interaction with vendor, selection of event date, coordination of volunteers, and overseeing daily activities.
- Section 8. Rapid Rewards.** Rapid Rewards shall coordinate all miscellaneous passive fundraising; i.e. Campbell's labels, Tyson labels, Kroger Cards, Publix, Scrip, and Box Tops.
- Section 9. Spirit Store.** The Spirit Store shall be responsible for selecting McFadden logo items to be sold, maintaining and managing store inventory, coordinating and overseeing sales events. The Spirit Store will also be responsible for safeguarding of all products, materials and money collected by them.
- Section 10. Information Technology.** Info.Tech. shall oversee and manage any new programs and /or software needed by the committees to be used for the purpose of benefiting the PTO.

Article VII. PTO Meetings.

The PTO general membership meetings will be held no less than 2 times per year: One in the Fall Semester and one in the Spring Semester. Meeting dates and times will be set by the Advisory Board. Special meetings can be called, as needed. No meetings may be held without the Principal or his designee. Committees will set meeting dates, as needed.

Article VIII. Amendment of Bylaws.

Proposed amendments to these bylaws may be submitted in the writing to the Advisory Board by any PTO member. Proposed amendments approved by the Advisory Board will be presented to the PTO members at a general membership meeting and must be passed by majority vote of those in attendance. Bylaws will be reviewed annually and submitted for comment and vote by the general membership at the February meeting.



Article VIII Conflict of Interest Policy.

Section 9.01 Purpose The purpose of the conflict of interest policy is to protect the McFadden School of Excellence PTO's tax exempt 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 9.02 Definitions

(a) **Interested Person** Any director, principal officer, or member of a committee with Executive 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.

(c) Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

(d) 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 Executive Board or committee decides that a conflict of interest exists.

Section 9.03 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 Executive 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 Executive Board or committee meeting interest exists.

(c) **Procedures for Addressing the Conflict of Interest**

(i) An interested person may make a presentation at the Executive 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 Executive 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 Executive 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 Executive 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 of Interest Policy

(i) If the Executive 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 Executive 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 9.04 Records of Procedures

The minutes of the Executive Board and all committees with Executive Board delegation 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 Executive 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 12.05 Compensation

(a) A voting member of the Executive 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 Executive 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 12.06 Annual Statements Each director, principal officer and member of a committee with Executive Board delegated powers shall annually sign a statement which affirms such person:

- (a) Has received a copy of the conflicts of interest policy,
- (b) Has read and understands the policy,
- (c) Has agreed to comply with the policy, and
- (d) Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax exempt purposes.

Section 12.07 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 12.08 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 Executive Board of its responsibility for ensuring periodic reviews are conducted.