

# CEPTO Bylaws 2013-2014

Approved: April 9, 2013

## **ARTICLE I: NAME, DESCRIPTION and PURPOSE**

Section 1: The name of this organization is Cloverleaf Elementary Parent Teacher Organization (CEPTO, herein).

Section 2: The CEPTO is a nonprofit organization that exists for charitable, educational and scientific purposes, including the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code.

Section 3: The purpose of CEPTO is to enhance and support the educational experience at Cloverleaf Elementary School (CES, herein), to promote and support activities and events that members, staff and children would want to participate, to develop a closer connection between school and home by encouraging parent involvement, and to improve the overall environment at CES through volunteer and financial support.

## **ARTICLE II: MEMBERSHIP**

Membership shall be automatically granted and maintained, without dues, to all parents or guardians of a student at CES, the principal(s), and any staff member employed at CES. All members shall have general voting rights.

## **ARTICLE III: OFFICERS**

### Section 1: EXECUTIVE BOARD MEMBERS AND FUNCTION

- A. The Executive Board shall consist of the following officers: President, Vice President, Recording Secretary, Communications Secretary, Treasurer, Teacher Representative and Volunteer Coordinator.
1. **President-** Shall be responsible for the following:
    - a. Preside at all meetings of CEPTO General Assembly (GA, herein) and Executive Board.
    - b. Serve as the official representative of CEPTO
    - c. Retain all current official records
    - d. Act as liaison between CEPTO and CES staff
    - e. Serve as a designated signer on the CEPTO checking account.
  2. **Vice President-** Shall oversee the committee system of CEPTO, and preside over meetings in the President's absence. Shall also serve as the CEPTO representative in the PTO Council.
  3. **Recording Secretary-** Shall be responsible for the following:
    - a. Record minutes of all GA meetings and submit to CEPTO for approval
    - b. Submit minutes to webmaster for publication
    - c. Prepare (with input from other board members) and distribute agenda for GA and Executive Board meetings
    - d. Hold all CEPTO historical records
    - e. Maintain and distribute the CEPTO bylaws

4. **Administrative Secretary-** Shall schedule all required rooms for CEPTO events, communicate with building administration regarding school usage and events, and seek approval from administration for any special events.
5. **Treasurer-** Shall be responsible for the following:
  - a. Serve as custodian of CEPTO finances and financial records.
  - b. Secure, and keep updated, a non-profit bond.
  - c. Keep ledgers up to date with a full account of receipts and expenditures. This must be made available for audits or public viewing upon request.
  - d. Disburse funds as stated in Article VI and pay authorized expenses.
  - e. Keep the funds in a financial institution in the name of the Cloverleaf Elementary PTO and subject to withdrawal by check in such a manner as outlined in Article VI. Must make timely deposits/withdrawals.
  - f. Provide oversight for the fundraising of the organization.
  - g. Make disbursements as authorized by the President, majority of CEPTO Executive Board or the organization in accordance with the budget adopted by the CEPTO general assembly.
  - h. Serve as a designated signature on the CEPTO bank account along with the President. All checks must be made out to payee prior to officer signatures.
  - i. Present a basic financial statement at every GA regular meeting and at other times when requested by the CEPTO Board.
  - j. Have the accounts examined annually or upon change of an officer by an auditor or auditing committee.
  - k. Prepare and file a tax return at the end of the fiscal year as required by IRS rules and regulations.
6. **Teacher Representative-** Shall bring teacher input and perspective to CEPTO Executive Board meetings, and work with the President to keep PTO informed and vice versa.
7. **Volunteer Coordinator-** Shall manage email communications for volunteers and the coordination and scheduling of volunteers for events.

B. The Principals shall be ex officio members of the Executive Board.

C. The Principals shall:

1. Review and approve all building/staff requests for funds before they are sent to the GA for approval.
2. Work with the President to keep PTO informed and vice versa.

D. The Executive Board shall develop the CEPTO annual budget, to be approved yearly by the GA in April, establish and oversee committees to conduct the work of the PTO, establish fundraising programs, and approve by majority vote of the Board unbudgeted expenditures of no more than \$250.

E. The Executive Board shall approve the plans of work of the standing committees whose budgets are \$1,000.00 and over, evaluate the structure and bylaws of the organization starting in January and present any suggested changes to the CEPTO GA as soon as possible.

- F. The Executive Board shall meet monthly, or at the discretion of the President. Special meetings may be called by any two (2) Board members, with 24 hours notice.
- G. The majority of Board members constitute a quorum for the purpose of voting.

## Section 2: TERM OF OFFICE

- A. Executive Board Officers are elected for one (1) year and may serve no more than three (3) consecutive terms in the same office, unless no successor comes forward for election. Each person elected shall hold only one office at a time.
- B. One (1) year is defined as a period of time beginning July 1st of a calendar year through June 30<sup>th</sup> of the following calendar year.

## Section 3: NOMINATIONS AND ELECTIONS

- A. The Executive Board will create and distribute a nominations form to the GA after the March GA meeting. All candidates shall be nominated by the close of the April GA meeting. Officer elections shall be held at the May GA meeting.
- B. If there are multiple candidates for an Executive Board position or a Committee Chairman, a ballot vote shall be held.
- C. Candidate will be successfully elected if so chosen by the majority of voters present.

Section 4: QUALIFICATIONS: Any PTO member in good standing may become an officer. Good standing shall be defined as: Any CEPTO member following school and association rules who has not violated these bylaws.

## Section 5: VACANCY

- A. If a vacancy occurs in the office of President, the Vice President will become the President. At the next regularly scheduled GA meeting, a new Vice President will be elected.
- B. If a vacancy occurs in the office of Treasurer, the President will assume the duties of the Treasurer. At the next regularly scheduled GA meeting, a new candidate(s) for Treasurer will be nominated. An election will be held at the following regularly scheduled GA meeting.
- C. If there is a vacancy in any other office, members will fill the vacancy through an election at the next regularly scheduled GA meeting.
- D. A vacancy in a chair position will be handled by the Executive Board as they deem necessary.

## Section 6: REMOVAL

- A. An officer can be removed from office for failure to fulfill his/her duties with reasonable notice to correct the offending behavior(s).
- B. If offending behavior(s) continue after reasonable notice, offending officer can be removed by a majority vote of the Executive Board.
- C. Upon the resignation or removal of an officer, said officer shall deliver to the President, without delay, all records, books, and other materials pertaining to the office and shall deliver to the Treasurer, without delay, all funds pertaining to the office.
- D. Upon the resignation or removal of the President, said officer shall deliver to the Vice President, without delay, all records, books, and other materials pertaining to

the office and shall deliver to the Treasurer, without delay, all funds pertaining to the office.

#### **ARTICLE IV: MEETINGS**

Section 1: General Assembly PTO meetings shall be held monthly during the school year, or at the discretion of the Executive Board, to conduct the business of the CEPTO. The incoming officers will set meeting dates and times for the following year before the close of the current school year. The dates will also be posted in newsletters, on the website and on the district calendar.

Section 2: Special meetings may be called by the President, any two (2) members of the Executive Board, or five (5) CEPTO members by submitting a written request to the Administrative Secretary at least ten (10) days prior to the requested meeting date.

Section 3: Each member in attendance at a GA meeting is eligible to vote. Absentee and proxy votes are not allowed.

Section 4: A majority (equal or greater to 51%) of General Assembly members in attendance (including Executive Board members) constitute a quorum for the purpose of voting.

Section 5: Elections and yearly reports shall be handled at the May meeting.

Section 6: The CEPTO General Assembly meeting held in April shall be the "budget" meeting.

#### **ARTICLE V: COMMITTEES**

Section 1: The CEPTO Board may create standing committees as they deem necessary.

Section 2: The chairman of the standing committees shall be selected by nomination and/or vote by the Building general assembly or at the CEPTO May meeting.

Section 3: The term of a chairman shall be one (1) year.

Section 4: The Vice President is automatically a member of all committees and will oversee committee work. They have the right to make motions, debate and vote.

Section 5: Committees may consist of members and board members.

#### **ARTICLE VI: FINANCIAL POLICIES**

Section 1: Authority to sign contracts is limited to the Treasurer and President (or the President's designee).

Section 2: All funds shall be kept in a checking account in the name of CEPTO and held at a local financial institution. Two authorized signatures shall be required on each check.

Section 3: The Treasurer shall reconcile the account(s) monthly and report all financial activity monthly at the regularly scheduled GA meetings.

Section 4: The treasurer shall keep accurate records of any disbursements, income, and bank account information.

Section 5: The organization shall leave a minimum of \$2000 in the treasury at the end of each fiscal year.

Section 6: A budget for the upcoming year shall be drafted by the Treasurer, presented to the Executive Board and approved in April of every year by the GA majority.

Section 7: The treasurer shall prepare a financial statement at the end of the year, to be reviewed by an Audit Committee.

Section 8: The fiscal year shall coordinate with that of Cloverleaf Local Schools.

Section 9: Upon the dissolution of the organization, any remaining funds should be first used to pay any outstanding bills and then donated to Cloverleaf Elementary School without delay.

Section 10: Approval of Funds

- A. Non-budgeted requests are to be submitted in writing to the President.
- B. Requests under \$250 will be voted on by the Executive Board.
- C. Requests \$250 and over will be reviewed, discussed and voted on by the general assembly at a regularly scheduled meeting.
- D. Each request must be signed by the Principal before submission to the organization. Those items \$250 and above will be reviewed, discussed and voted on by the GA at a regularly scheduled GA meeting. Those items under \$250 will be voted on by the Executive Board.
- E. Approved budget line items need no approval and can be spent at the discretion of the Principals, the Executive Board or the committee chairmen.

Section 11: The treasurer may accept donations from members or outside sources under the Patron Program.

Section 12: As per Federal Law, a nonprofit tax-exempt organization's IRS Form 1023 and copies of the organization's annual information returns (IRS Form 990 or 990EZ) for the most recent three years must be available for public review when requested.

## **ARTICLE VII: BYLAW AMENDMENTS**

Section 1: These bylaws will be reviewed annually by the CEPTO Board beginning in January. The CEPTO Board will then review the bylaws with the March CEPTO general assembly.

Section 2: These bylaws may be amended at any regular CEPTO general assembly meeting by a majority vote of the members present, by adhering to the guidelines outlined in Article VII; Section 3, over a period of no less than 44 days.

Section 3: The proposed amendment(s) must be presented to the Executive Board, in writing, no less than 14 days prior to a regularly scheduled GA meeting. The amendment(s) will then be presented to the GA at the next regularly scheduled GA meeting, no sooner than 14 days after presentation to the Executive Board. A vote on the proposed amendment(s) will occur no sooner than 30 days after presentation to GA at the next regularly scheduled GA meeting.

## **ARTICLE VIII: DISSOLUTION**

Section 1: This organization may be dissolved at any regular CEPTO general assembly meeting by a two-thirds majority vote of the members present, by adhering to the guidelines outlined in Article VIII; Section 2, over a period of no less than 44 days.

Section 2: Notice of the proposal of dissolution must be presented to the General Assembly, in writing, no less than 14 days prior to a regularly scheduled GA meeting. Said proposal must also be published on organization website, newsletter and all other forms of media outlets utilized by CEPTO. Proposal of dissolution will be discussed at the next regularly scheduled GA meeting, no sooner than 14 days following notification to GA. Dissolution will then be voted on at the next regularly scheduled GA meeting, no sooner than 30 days after GA discussion.

Section 3: In the event of dissolution of CEPTO, any funds remaining shall be donated to Cloverleaf Elementary School.

## **ARTICLE IX: PARLIAMENTARY AUTHORITY**

Robert's Rules of Order Newly Revised shall be the authority for this organization when they are not in conflict with these CEPTO bylaws.

## **ARTICLE X – STANDING RULES**

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

## **ARTICLE XI – CONFLICT OF INTEREST POLICY**

Section 1: Purpose- The purpose of the conflict of interest policy is to protect this tax-exempt organization's (CEPTO) 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

- 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 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. 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
  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.
  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 Conflict of 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 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 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.

- A. 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.
- B. 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 director, principal officer, and member of a committee with governing board-delegated powers shall annually sign a statement which affirms that such person:

- A. Has received a copy of the conflict of interest policy;
- B. Has read and understood the policy;
- C. Has agreed to comply with the policy; and
- D. 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 inurement, impermissible private benefit, or an excess benefit transaction.

Section 8: Use of Outside Experts



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

Amended date(s) \_\_\_\_\_