

CONSTITUTION

BARBARA P BUSH ELEMENTARY SCHOOL PARENT TEACHER ORGANIZATION

Article I – Name

The name of this organization shall be designated as the Barbara P Bush Elementary School Parent Teacher Organization (PTO). The activities of this organization shall be directed by the PTO Board.

Article II – Purposes

The overall purposes of the PTO shall be:

- To promote the general welfare and betterment of the Barbara P Bush Elementary School (BBE) and its students.
- To promote the welfare of children and youth in homes, school and community.
- To promote the highest standards of home life.
- To bring into closer relation the home and the school, that parents and teacher may cooperate intelligently in the education of the child.
- To develop between educators and the general public such united efforts as will secure for every child the highest advantages in physical, intellectual, and social education.

Article III – Basic Policies

Section 1. Administration. This PTO shall cooperate with the school to support the improvement of education in ways that will not interfere with the administration of the school and shall not seek to control their policies.

However, on occasion the PTO may wish to express official opinion on matters of particular interest.

Section 2. Neutrality. This PTO shall be noncommercial, nonsectarian, and nonpartisan. It shall not endorse a commercial enterprise. The name of the PTO or the names of any members in their official capacities shall not be used in connection with a commercial concern or with any political interest, or for any purpose other than the regular work of the PTO.

Section 3. Cooperation. This PTO may cooperate with other organizations and agencies active in child welfare, such as conference groups or coordination councils, providing its representative makes no commitments that bind the group he/she represents without first securing the express stated consent of the group or its executive officers.

Section 4. Dissolution. Upon dissolution of the PTO, 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 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 so disposed by the Court of Common Pleas of the county in which the principal office of the corporation 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.

Article IV – Membership and Dues

Section 1. Eligibility. Any teacher, staff member, parent or guardian of a student attending Bush Elementary school who subscribes to the objectives and basic policies of the PTO may become a member of the organization, subject only to compliance with the provisions of the constitution. Membership in the organization shall be available without regard to race, color, creed, or national origin.

Section 2. Dues. Each member shall pay annual dues to the PTO. The amount of the dues is determined by the Board. Membership dues are nonrefundable once paid.

Section 3. Membership. A membership drive shall be conducted during the fall semester of the school year. New members shall be accepted at any time. The PTO membership year shall run concurrently with the school year.

Section 4. Resignation. Any member may resign by filing a written resignation with the Secretary.

Section 5. Termination of Membership. After an appropriate hearing, the entire Board, by its majority vote, may suspend or expel a member for just cause.

Article V – Meeting of Members

Section 1. General Meetings. Except as provided herein, the rules contained in Robert's Rules of Order Newly Revised shall serve as the parliamentary authority for the Barbara P Bush Elementary School Parent Teacher Organization. Regular Meetings of the PTO shall be held as scheduled by the Board with there being at least one Meeting in the fall and one in the spring semester. An election of officers shall be

conducted at a general PTO Meeting in the spring semester.

Section 2. Virtual Meetings. Virtual meetings can be held in lieu of any in person meeting if it is so necessary. Voting in these meetings will be considered valid, as long as the member is present virtually.

Section 3. Special Meetings. Special Meetings of the members may be called at any time by the President or the Board or upon the written request of twenty (20) percent of the membership.

Section 4. Notice of Meeting. Written notices of the regular general Meetings shall be provided by the PTO President and sent home with students at least one (1) week prior to the Meeting date. The notice shall specify the place, date, hour and purpose of the Meeting. It shall be the responsibility of any person(s) calling a special general Meeting to arrange for notices to be sent to the membership at least three (3) days prior to such a Meeting. The specific purpose of special Meeting shall appear on all notices.

Section 5. Quorum. A quorum shall be 70% of all voting members for board meetings. A quorum shall be the members present at any general Meeting.

Section 6. Voting Rights. On all matters brought to a vote before the general membership, all members shall have one (1) vote. Voting may be conducted in person, via virtual representation, or via electronic forms.

Section 7. Measure Passage. For non-monetary measures, a simple majority of quorum is required.

For passage of any measures from \$1-\$300, approval from the President, as well as one other

voting member will constitute passage of the measure.

Measures requiring spending of \$301-\$4,999 requires a simple majority approval from all voting members for passage of the measure.

For all expenditures over \$5,000, approval by 70% of all voting members is required for the measure to pass.

Section 8. Proxies. No member may cast a vote by proxy.

Article VI – Board

Section 1. Board Members. All members of the Board must be members of the PTO in good standing (i.e. current on dues). The Board, at a minimum, shall be made up of four (4) executive officers (President(s), Vice President(s), Treasurer(s) and Secretary) and one administrator. In addition, the following positions may sit on the Board: Fundraising Director(s), School Store Director(s), VIPS Director(s), Hospitality Director(s), Communications Director(s), Teacher of the Year. Each Director may form a committee to assist in carrying out their duties.

Section 2. Voting. All Directors are voting members of the Board, with one vote per position; if a position is shared by multiple people, each person shall have a fractional vote when multiple persons in the same position are present at a meeting, or an electronic vote is taken. See Article V Section 7 for further information regarding quorum.

Section 3. Terms of Office. These slate of positions shall be presented at the Spring Meeting of the General PTO Membership. They shall hold office for one year, the term beginning on July 1st. All Board members serve in a voluntary capacity. Members may serve no more than two (2) consecutive years in the same

office, whether it be a voting or non-voting position.

Section 4. Vacancy. Any vacancy on the Board shall be filled by majority vote of the members on the Board.

Section 5. Removal from Office. After an appropriate hearing, the entire Board by its majority vote may expel a Board member for just cause. Because removing a Board member or member for misconduct is a serious event for any organization and should rarely be used, there are specific procedures to follow to protect the rights of the organization and the individual: the individual has a right to due process - to be notified of the grievances, given time to prepare a defense, and allowed the right to appear and defend himself or herself. A hearing is an extreme measure. The best policy is to talk to the member and see what can be resolved before the situation ever reaches this proceeding; if appropriate, an offer to the individual to resign from the Board/organization rather than be removed for cause is highly recommended. See Appendix 1, “Procedure for removing a BBE PTO Board (Board) member or member.”

Article VII – Nomination and Election of Board Members

Section 1. Nominating Committee. The nominating committee shall consist of seven (7) members. The current PTO President(s) and BBE Principal shall serve as ex-officio members of the committee. Of the remaining five members, no fewer than two shall be existing Board members and no fewer than two shall be selected from the general PTO membership. The general members should have previous BBE volunteer experience. These five members of the nominating committee shall be chosen by blind draw by the PTO Board if more than 5 members volunteer for the nominating committee.

Members of the nominating committee are not barred from becoming nominees. However, any member of the nominating committee who is also a nominee will recuse himself/herself from discussion and voting for the position for which he/she is nominated. In the event of a tie, the Principal shall cast the deciding vote. The nominating committee shall prepare a slate of nominees for each office to be presented to the Board. At the spring Meeting, the committee members shall be available to assist the President. They shall also be called upon by the President in the event a ballot vote is necessary. The nominating committee shall, within its ability, ensure that no person holds two (2) or more voting positions. If possible, the nominating committee will allow all positions to be held by different members of the PTO, in order to maximize their abilities.

Section 2. Notification. The slate of nominees shall be included with the notice of the spring Meeting.

Section 3. Election. The President shall introduce the slate of nominees at the spring Meeting, at which time additional nominations may be made from the floor. The names of all nominees shall be posted in sight of all present at the Meeting.

Article VIII – Functions of the Board

Section 1. Meetings. A Board Meeting shall be held prior to each of the general Meetings of the PTO. The time and place of Board Meetings for the year shall be set by the Board at its first Meeting of the year. Special Meetings of the Board may be called by the President or by a majority of the Board members, by giving at least twenty-four hour notice of the time and purpose of the meeting to each Board member. Board Meetings are open to any PTO member in good standing.

Section 2. Duties of the Board. The duties of the Board shall be:

- To transact necessary business in the intervals between PTO Meetings.
- To create or dissolve special committees.
- To approve the plans and work of all the committees.
- To present a report at the General Meetings of the PTO.
- To appoint an auditor or an auditing committee to review the Treasurer’s final report for the Annual Meeting.
- To prepare and submit to the PTO for approval an annual budget at the first general Meeting of each school year.
- To approve routine bills within the limits of the budget. The principal and one elected officer may approve expenditures on non-budgeted items up to \$300.00 without approval of the Board. A report of such expenditures shall be given to the Board at its Meeting.
- To reassign budgeted monies not spent during the year.
- To participate in a formal handover of the position responsibilities to the successor at the time of transition.

Article IX – Duties of Board Members

The following contains a brief description of Board member responsibilities. More detailed job descriptions are maintained by the Board Secretary.

Section 1. President(s). The President(s) shall preside at all Meetings of the PTO and of the Board; shall be ex-officio member of all committees; shall be a signer on the PTO’s bank account(s); shall appoint special committee chairpersons; shall coordinate the work of the Board members and committees in order that the objectives may be promoted; and shall perform

such other duties as may be prescribed in this Constitution or assigned to the President(s) by the PTO Board.

Section 2. Vice President(s). The Vice President(s) shall act as an aide to the President(s); shall perform the duties of the President(s) in the absence or the inability of that member to serve; shall be a signer on the PTO's bank account(s) and shall coordinate the PTO membership drive and any other activities as designated by the President(s).

Section 3. Secretary. The Secretary shall prepare the minutes of all Meetings of the PTO and the Board; shall present the minutes of each Meeting at or prior to the next Meeting; shall send out notice of Board Meetings and conduct the correspondence of the PTO. The Secretary shall maintain a list of names and addresses of all members of the Board. The Secretary shall keep a copy of the Barbara P Bush Elementary PTO Constitution and amendments, and shall present copies of these to the newly elected Board members.

The Secretary shall also serve as Parliamentarian, assuring that Robert's Rules are followed during Board Meetings.

Additionally, the Secretary shall be a signer on the PTO's bank account(s); review all checks issued by the Treasurer(s) each month and review the monthly bank reconciliations provided by the Treasurer each quarter.

The Secretary shall coordinate the purchase and assignment of car pool numbers for the upcoming school year, and distribution prior to the start of the school year.

Section 4. Treasurer(s). The Treasurer(s) shall have custody of, and be responsible for, all funds and financial records of the PTO.

The Treasurer(s) shall receive cash deposits for the organization in the presence of another Board member or chairperson. The Treasurer(s) shall provide a written receipt anytime funds exchange hands. The Treasurer(s) shall then make deposits in a timely manner.

The Treasurer(s) shall pay expenses in accordance with the approval of the Board.

The Treasurer(s) shall keep the financial records in an online accounting software program approved by the board and provide full access to the President(s) for security and transparency.

The Treasurer(s) shall present a financial statement consisting of a balance sheet, profit and loss statement and a list of non-budgeted expenditures to the Board at each Meeting and/or at any time requested.

The Treasurer(s) shall also present all checks monthly to the President, Vice President, or Secretary for review and authorization. Any expense checks written to the Treasurer(s) must be signed by another member of the Board. The Treasurer(s) may not sign any checks for his/her own personal reimbursement.

The Treasurer(s) will report and pay sales tax to the State Comptroller each quarter, and file Form 990/990EZ with the IRS annually.

The Treasurer(s) will make a full report at the end of each year and provide the review committee with a complete set of books for the review.

In the absence or inability of the Treasurer(s) to serve, one of the other signatories may act as primary signatory.

Treasurer(s) shall also oversee the Paypal chairperson(s).

Section 5. Fundraising Director(s): shall research and oversee all projects which the Board may approve to raise funds, promote school spirit, or observe special events. Fundraising Director(s) shall gather and oversee committees for fundraising events, Bobcat Boosters, and business partnerships, which includes working with local businesses to coordinate community partnership events. This position may require additional duties such as, but not limited to, recruiting volunteers as needed for fundraising, filling in for positions under the director position if volunteers are not identified, and other duties as assigned by the board.

Section 6. School Store Director(s): shall be responsible for the School Supply presale and for the operation of the School Store throughout the year. They shall create an inventory list of items that remain on hand at the end of each school year. This position may require additional duties such as, but not limited to, recruiting volunteers as needed for school store, and other duties as assigned by the board.

Section 7. VIPS Director(s): shall be members of the HISD Volunteers in Public Schools (VIPS); shall serve as Director(s) of the Barbara P. Bush VIPS; and shall act as liaisons between the Board and VIPS. VIPS Director(s) shall oversee all volunteer chairpersons, including but not limited to Library, Art, Drama, Nature Center, Music, Birthday Book Club and Fifth Grade chairpersons. Directors shall also coordinate and communicate between the PTO board and Room Parents. This position may require additional duties such as, but not limited to, recruiting volunteers as needed for committees, filling in for positions under the director position if volunteers are not identified, and other duties as assigned by the board.

Section 8. Hospitality Director(s) : shall be responsible for coordinating with their committee(s), the provision of refreshments, food, and drinks, at functions deemed appropriate by the Board and/or Principal. Director(s) shall also coordinate any chairpersons they deem necessary as Staff Hospitality, Family Hospitality chairs. This position may require additional duties such as, but not limited to, recruiting volunteers as needed for hospitality, filling in for positions under the director position if volunteers are not identified, and other duties as assigned by the board.

Section 10. Publicity Director(s): shall coordinate all communications and pertinent PTO-related information to the school community and other relevant parties, using appropriate communications channels to publicize the information at appropriate times. They shall also be responsible for supervising a committee in creating an informational PTO Bobcat booklet to be distributed to each registered PTO member in the Fall semester. Publicity Director(s) shall oversee other committees under this title, including, but not limited to, Outreach, Website, Bobcat Booklet, and Yearbook. This position may require additional duties such as, but not limited to, recruiting volunteers as needed for communications, filling in for positions under the director position if volunteers are not identified, and other duties as assigned by the board.

Article X – Chairpersons

The Board may appoint chairpersons as needed, such as, but not limited to, Art Chairperson(s), Birthday Book Club Chairperson(s), Fifth Grade Chairperson(s), Library Chairperson(s), Music Chairperson(s), Website Chairperson(s), Outreach Chairperson(s), and Yearbook

Chairperson(s), Nature Center Chairperson(s), and Historian. Chairpersons must be PTO Members in good standing. These Chairpersons are not voting members of the PTO Board. The Historian will be limited to either a past President or a current PTO member who has ideally, 2 years prior BBE PTO board experience.

ARTICLE XI – Constitution

Section 1. Amendments and Parliamentary Authority. This Constitution may be amended at any general Meeting of the PTO. The Board shall review the proposed amendments before the Meeting. One week prior to the general Meeting, notice of the proposed amendments shall be provided to the membership by the President or his/her appointee. The proposed amendments shall be read at the general Meeting with a two-thirds majority vote of the members present required to ratify the amendments.

By September 30, copies of the constitution currently in force shall be available to all PTO members should they request them.

As previously stated, except as provided herein, the rules contained in Robert’s Rules of Order Newly Revised shall serve as the parliamentary authority for the Barbara P Bush Elementary School Parent Teacher Organization.

ARTICLE XII – Miscellaneous

Section 1. Books and Records. The PTO shall keep correct and complete records of its accounts. It shall also keep minutes of the proceedings of all Board Meetings and general Meetings. A current list of names and addresses of all Board members shall be kept in the school office. All books and records of the PTO shall be available for inspection by members of their agents.

Section 2. Fiscal Year. The fiscal year of the PTO shall begin on July 1, and end on June 30 of the following year.

Section 3. Use of Funds. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Section 4. Collection of Funds. Any monies collected via cash or check are required to be counted by two separate, non-related, individuals and documented by those individuals with at least one of those persons being a member of the PTO Board before leaving the school’s premises.

Article XIII – 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 a member of the Board 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 Board member, 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.

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 Board 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 Board Meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board members shall decide whether a conflict of interest exists.

c. Violations of the Conflict of Interest Policy.

i. If the Board 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 Board 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 Board shall contain: 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 Board's decision as to whether a conflict of interest in fact existed.

Section 5. Compensation. A voting member of the Board who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to that member's compensation.

Section 6. Annual Statements. Each Board member shall annually sign a statement (see Appendix 2) 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 inurement, 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.

THIS CONSTITUTION, IN ITS CURRENT FORM, AS REVISED, AMENDED, AND APPROVED BY THE BARBARA P. BUSH ELEMENTARY PARENT TEACHER ORGANIZATION MEMBERS ON APRIL 21, 2022, SUPERSEDES AND MERGES ANY AND ALL PREVIOUS CONSTITUTIONS, AND ENCOMPASSES THE TOTALITY OF THE REGULATIONS BINDING UPON THIS ORGANIZATION AND ITS MEMBERS.

Appendix 1: Procedure for Removing a BBE PTO Board Member or Member.

If there is reason to consider the removal of a Board member or member for misconduct, the Board shall hold a hearing on the Board member or member's removal. Hearings shall be conducted informally and in such a manner as to preserve the substantial rights of the parties. The hearing shall be held at a Board meeting for which the item shall be placed on a written agenda distributed at least two weeks ahead; the Board member/member shall receive written notice of the reason for the hearing at least two weeks prior to the hearing (see SAMPLE LETTER INFORMING A BOARD MEMBER/MEMBER OF A HEARING^[1]), and the Board member/member and any interested party is entitled to appear at the hearing. Prior to the hearing, the Board member/member may examine all evidence against him/her.

The hearing shall be held de novo (as if the case was being heard for the first time). At the beginning of the hearing, the grievances will be read, and the individual will be asked how he or she responds. If the individual agrees with the grievances, there is no reason to proceed with the hearing. If he or she does not agree, the members will proceed with opening statements by both sides. Next, witnesses can be presented by both sides. If needed, rebuttal of the witnesses can take place by either side, followed by closing arguments on both sides.

After closing arguments, the individual will leave the room. The Board will then discuss the proceedings and take a vote. Each grievance will be read, debated, and voted on. If the grievances are found to be valid, the next business in order is determining the consequence. The entire Board, by its majority vote, may discipline, suspend, or expel a Board member/general member. After the response is decided, the individual is brought back into the room and told the results. The Board shall have the sole power, in its discretion, to determine if cause exists for removal of a Board member or member. The Board's decision following a hearing is final; there are no procedures for appeal.

Following the hearing, the Board shall provide, in writing, to the Board member/member the findings of the hearing, e.g. the fact upon which the decision for removal is based. The Board has the right, for its own protection, to give public notice that the person has ceased to be a Board member/member. But, the Board has no right to go beyond what is necessary for self-protection and publish the charges against the Board member/member.

[1] At the trial, the secretary should have on-hand a copy of the letter that was sent to the accused and a signed return receipt to prove that he or she received the letter.

SAMPLE LETTER INFORMING A BOARD MEMBER/MEMBER OF A HEARING

Private and Confidential

Dear (Name),

Further to our discussion on (date when member was informed that they may face a hearing), I am now writing to inform you that a hearing is to be held. This is scheduled to take place at (time) on (date) in (room). You should report to (room) where you should wait until invited into the hearing. If this date is not convenient for you then you should contact (name) immediately to arrange an alternative. Please note that the time delay is to give you an opportunity to prepare; the hearing can be held sooner by mutual agreement. If you fail to attend without good reason, the meeting will go ahead in your absence. If you seek to delay the meeting, you can do so but only by up to a further five (5) working days.

The hearing is being called to consider (specific nature of the concern). The meeting will be chaired by (name). Copies of all documents that will be considered at the hearing are enclosed. Any documents that you intend to refer to should be forwarded immediately, addressed to me by (date). You have the right to be accompanied, but the name(s) of any person who will speak on your behalf must be submitted to me, in writing, by (date). Additionally, please direct any questions, in writing, to me by (date).

Please remember that this matter is confidential; it is not appropriate that it should be discussed at anything other than a formal meeting called for that specific purpose.

Sincerely,
(signature)

Appendix 2: Conflict of Interest Policy

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 a member of the PTO Board or might result in the 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.

Definitions:

Interested person. Any Board member, who has an direct or indirect financial interest, as defined below, is an interested person.

Financial interest. A person has a financial interest if the person has an interest, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the PTO has a transaction or arrangement,
2. A compensation arrangement with the organization or with any entity with which the PTO has a transaction or arrangement;
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the PTO is negotiating a transaction or arrangement. "Compensation" includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

Procedures:

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 Board who are considering the proposed transaction or arrangement.

Determining Whether a Conflict of Interest Exists. After disclosure of the financial interests and all material facts, and after any discussion with the interested person, he/she shall leave the Board Meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board Members shall decide whether a conflict of interest exists.

Violations of the Conflict of Interest Policy.

1. If the Board has reasonable cause to believe a member has failed to disclose a conflict 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 a member's response and after making further investigation as warranted by the circumstances, the Board determined that the member failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Records of the Proceedings: The minutes of the Board shall contain: the names of the members who disclosed or otherwise were found to have a financial interest in connection with 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 Board's decision whether a conflict of interest in fact exists.

Compensation. A voting member of the Board who receives compensation directly or indirectly from the organization for services is precluded from voting on matters pertaining to that member's compensation.

Annual Statements. Each Board member shall annually sign a statement which affirms that such a person:

- Has received a copy of the Conflict of Interest Policy;
- Has read and understood the Conflict of Interest Policy;
- Has agreed to comply with the Conflict of Interest Policy; and
- Understands that the organization is charitable and that to retain its federal tax-exempt status, it must engage primarily in activities which accomplish one or more of these tax-exempt purposes.

Printed Name

PTO Board Position

Signature

Date

Conflict of Interest Disclosures