# BY-LAWS OF

NORTH COVENTRY PARENT TEACHER ORGANIZATION,

INC.

## a Pennsylvania nonprofit corporation

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**BY-LAWS OF**

**NORTH COVENTRY PARENT TEACHER ORGANIZATION, INC.**

**ARTICLE I**

**General**

Section 1. **Name.** The name of the Corporation shall be as set forth in the Articles of Incorporation, as from time to time amended. The Corporation shall be further referred to in these Bylaws as the "PTO".

Section 2. **Office.** The principal office of the PTO shall be at such place or places as the officers, as hereinafter identified as Directors, may determine from time to time. The address of the initial principal office of the PTO shall be 475 Kemp Road, Pottstown, Pennsylvania 19465.

Section 3. **Fiscal Year.** The fiscal year of the PTO shall, unless otherwise determined by resolution of the officers, end on June 30 of each year. The PTO shall maintain an adequate balance in its bank account at the conclusion of each fiscal year.

**ARTICLE II**

**Description & Mission**

Section 1. **Description.** The PTO is organized and operated exclusively for charitable, scientific, literary and educational purposes within the scope of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future federal tax code.

Section 2. **Mission.** The mission of the PTO is to enhance and support the educational experience at North Coventry Elementary School, to develop a closer connection between school and home by encouraging parental involvement, and to improve the environment at North Coventry Elementary School through volunteer and financial support.

**ARTICLE III**

**Government**

Section 1. **Members.** Except as otherwise required by the Pennsylvania Nonprofit Corporation Law of 1988, as amended, the government of the PTO shall be vested in its members, who shall be comprised of parents and legal guardians of students enrolled during the school year at North Coventry Elementary School, as well as the staff of North Coventry Elementary School, and which shall include the officers of the PTO. No certificates of membership shall be issued at any time. The membership year shall coincide with the fiscal year of the PTO.

Section 2. **Voting Limitation.** Except as otherwise provided in Article IV, Section 2.(g), each member of the PTO is entitled to one vote, and, in the case of parents and legal guardians of school students, one vote per household, regardless of the number of students in said household. Dues for voting membership shall be determined annually by the officers. Voting by proxy is prohibited.

Section 3. **Meetings.** Business meetings of the members shall be held as follows: (a) an annual meeting of the PTO, the primary purpose of which shall be to receive, review and adopt the annual PTO budget as prepared by the officers; and (b) regular meetings of the members, all as scheduled by the officers of the PTO. A special meeting of the PTO may be called at any time by the President, or in the absence of the President, by a majority of the members of the PTO. With regard to the budgetary annual meeting, members shall be notified at least 10 days in advance by announcement in a PTO website, newsletter or bulletin notification. With regard to any special meeting, written notice shall be given by, or at the direction of, the person or persons calling the meeting at least three (3) days prior to the day named for the meeting. A waiver of notice, in writing, signed by the person or persons entitled to such notice, whether before or after the date stated therein, shall be deemed equivalent to the giving of such notice, and attendance at any meeting of the members of the PTO shall be a waiver of notice thereof. Except in the case of a special meeting, neither the business to be transacted nor the purpose of a meeting need be specified in the notice of such meeting.

Section 4. **Quorum.** Eight (8) members of the PTO shall be necessary to constitute a quorum for the transaction of business and the acts of a majority of the members present at a meeting at which a quorum is present shall, unless otherwise specifically provided by law or by the Articles of lncorporation, be the acts of the PTO.

### ARTICLE IV

### PTO Officers (Directors of the Corporation)

Section 1. **Number and Election.** The initial officers appointed by the Incorporator shall serve until the expiration of the initial fiscal year of the PTO, notwithstanding if said initial fiscal year is less than 12 months. Thereafter, officers shall be appointed as follows: (a) elections of officers shall be held annually during the month of May, at the regular meeting of members, to be seated in the month of July; (b) the PTO shall issue notice to all parents and legal guardians of students enrolled during the school year at North Coventry Elementary School, as well as the staff of North Coventry Elementary School, at least two (2) weeks prior to said May meeting of PTO members, for the purpose of soliciting nominations to be put forth prior to the May meeting; (c) votes cast at the May meeting shall be tabulated by one ex oficio member and/or past officer of the PTO; and (d) for each officer position, a majority of votes shall be required to fill such position, unless there shall be only one

1. vote for said position. The officers of the PTO shall be not less than three (3) in number, which

shall include a President, Recording Secretary (as hereinafter provided), and Treasurer. Officers shall serve a one (1) year term coinciding with the fiscal year of the PTO and until their successors shall have been duly appointed and approved, or until their earlier death, resignation or removal from office.

Section 2. **Duties.**

* 1. The President shall preside at all PTO meetings; shall generally supervise the business of the PTO; and shall execute documents on behalf of the PTO.
  2. The Vice President I shall have such powers and perform such duties as the President may designate, and, in the absence of the President, preside at all PTO meetings.
  3. The Vice President II shall have oversee events sponsored by the PTO and shall perform such other duties as the President may designate.
  4. The Recording Secretary shall assure that minutes are prepared and maintained for all PTO meetings; shall assure that appropriate notice is given for all PTO meetings; and shall perform such other duties as the President may designate.
  5. The Corresponding Secretary shall oversee management of PTO marketing communications and shall perform such other duties as the President may designate.
  6. The Treasurer shall assure that accurate accounts of the receipts and disbursements of the PTO are maintained; shall provide financial reports to the officers and members of the PTO as requested, but not less than once a year; and shall perform such other duties as the President may designate.
  7. The Assistant Treasurer shall act as an aide to the Treasurer and shall serve in case of absence or disability of the Treasurer; shall assist with counting funds and proper recording, depositing checks and filling out the deposit slips, cashier duties, and shall assist with enlisting volunteers. The Assistant Treasurer is an appointed position whose term lasts one year.

(h) The Principal or a designee of the Principal of North Coventry Elementary School shall be an ex officio member of the PTO, with voting rights, and without regard to the payment of membership dues. Additionally, the Head Teacher or a designee of the Head Teacher of North Coventry Elementary School shall be an ex officio member of the PTO, with voting rights.

Section 3. **Resignations.** Any officer may resign at any time, such resignation to be made in writing and to take effect from the time of its receipt by the PTO, unless some later time may be fixed in the resignation, and then from that date. The acceptance of the resignation by the remaining officers shall not be required to make it effective.

Section 4. **Vacancies.** Whenever any vacancy occurs during the term of any officer or officers of the PTO, whether caused by the resignation, removal, or the death of any such officer or officers, or for any other reason whatsoever, the President shall choose a person or persons who shall hold office for the remaining term.

Section 5. **Removal.** Any officer may be removed, with or without cause, by majority vote of the remaining officers or members, as the case may be, at a duly convened meeting of the PTO, provided that written notice of the intention to consider removal has been included in the notice of the meeting. No officer may be removed without having the opportunity to be heard at such meeting, but no formal hearing procedure need be followed.

Section 6. **Pennsylvania Law.** The officers of the PTO are hereby designated as the Directors of the Corporation as the term is defined and used in the Pennsylvania Nonprofit Corporation Law of 1988, as amended.

### ARTICLE V

### Limitation of Liability

Section 1. **Limitation of Personal Liability of Officers.** To the fullest extent that the laws of the Commonwealth of Pennsylvania, as in effect on the date of the adoption of this Section 1 or as such laws are thereafter amended, permit elimination or limitation of the liability of Directors, no officer of the Corporation shall be personally liable as such for monetary damages for any action taken, or any failure to take any action, as an officer. Specifically, an officer shall not be personally liable for monetary damages, unless: (a) the officer has breached or failed to perform the duties of his office; and (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. Any amendment or repeal of this Section 1 or adoption of any other provision of these Bylaws or the PTO 's Articles of Incorporation which has the effect of increasing Director liability shall operate prospectively only and shall not have any effect with respect to any action taken, or failure to act, prior to the adoption of such amendment, repeal or other.

Section 2. **Good Faith Reliance.** In performing his or her duties, an officer may rely in good faith upon information, opinions, reports or statements, including financial statements and other financial data, prepared or presented by: (a) one or more officers or members of the PTO whom the officer reasonably believes to be reliable and competent in the matters presented; or (b) counsel, public accountants or other persons as to matters which the officer reasonably believes to be within the professional or expert competence of such person. With respect to reliance on officers or members, matters relied upon by the officer must reasonably be within the officer or member's designated authority. An officer shall not be considered to be acting in good faith, however, if he or she has knowledge concerning a matter which would cause his or her reliance on any of the foregoing to be unwarranted.

Section 3. **Exclusions.** This Article shall not apply to an officer's responsibility or liability under any criminal statute or an officer's liability for payment of taxes under any local, state or federal law.

### ARTICLE VI

### Indemnification of Officers

Section 1. **Judgments, Fines, and Settlements.** The PTO shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is or was an officer of the PTO, against judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if the act or failure to act giving rise to the claim for indemnification is determined by a court of competent jurisdiction to have not constituted self-dealing, willful misconduct, or recklessness.

Section 2. **Expenses.** To the extent that an officer of the PTO has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 of this Article VI or in defense of any claim, issue or matter therein, such person shall also be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

Section 3. **Advancement of Expenses.** Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the PTO in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the PTO pursuant to this Article VI.

Section 4. **Non-exclusivity of Article VI.** The indemnification provided by this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled and shall continue as to a person who has ceased to be an officer of the PTO and shall inure to the benefit of the heirs, executors and administrators of such a person.

### ARTICLE VII

**Conflict of Interest Policy**

Section 1. **Purpose.** The purpose of this Conflict of Interest Policy is to protect the PTO's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or member of the PTO 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.**

1. Interested Person: Any officer or PTO member who has a direct or indirect financial interest, as defined below, is an interested person.
2. 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 PTO has a transaction or arrangement; or
   2. A compensation arrangement with the PTO or with any entity or individual with which the PTO 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 PTO 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. A person who has a financial interest may have a conflict of interest only if the officers and members decides that a conflict of interest exists.

Section 3. **Procedures.**

1. 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 officers and members considering the proposed transaction or arrangement.
2. 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 or she shall leave the meeting while the determination of a conflict of interest is discussed and voted upon. The remaining officers and members shall decide if a conflict of interest exists.
3. Procedures for Addressing the Conflict of Interest. An interested person may make a presentation at the meeting, but after the presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest. The President shall, if appropriate, appoint a disinterested person to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the officers and members shall determine whether the PTO 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. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the officers and members shall determine by a majority vote of the disinterested officers and members whether the transaction or arrangement is in the PTO's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination the PTO shall make its decision as to whether to enter into the transaction or arrangement.

### ARTICLE X

**Amendments**

Section 1. **Amendments to Articles of lncorporation.** The Articles of Incorporation of the PTO may be amended by the affirmative votes of a two-thirds (2/3) majority of the votes represented at a duly-held meeting of the members of the PTO after written notice of not less than 10 days of such purpose has been given, including a copy of the proposed amendment or a summary of the changes to be effected thereby.

Section 2. **Amendments to By-Laws.** These Bylaws may be amended, repealed, or replaced by the affirmative votes of a two-thirds (2/3) majority of the votes represented at a duly­ held meeting of the members of the PTO, or, to the extent not prohibited by law, by vote of the majority of officers, at a duly convened meeting of the PTO, after written notice of such purpose has been given, including a copy of the proposed amendment or a summary of the changes to be effected thereby. Any amendment, repeal, or replacement of these Bylaws shall take effect when adopted unless otherwise provided in the resolution effecting the amendment, repeal or replacement.

On this day of , 2018, the Bylaws of the North Coventry Parent Teacher Organization, Inc. have been approved as written or revised.

By:

President

By:

Vice President I

By:

Vice President II

By:

Treasurer

By:

Secretary

By:

Principal