

**GILBERT PUBLIC SCHOOL DISTRICT
HIGHLAND PARK ELEMENTARY
PARENT TEACHER STUDENT ORGANIZATION, INC. BYLAWS**

**ARTICLE I
NAME***

1.01 Name

The name of this corporation shall be Highland Park Elementary School Parent Teacher Student Organization, Incorporated of Gilbert, Arizona. The physical and mailing address is Highland Park Elementary, 230 N. Cole Drive, Gilbert, Arizona 85234. The business of the corporation may also be conducted as HPE PTSO, Highland Park PTSO, Inc., or Highland Park Elementary PTSO. Herein after known as HPE PTSO.

**ARTICLE II
DURATION**

2.01 Duration

The period of duration of the non-profit corporation is perpetual.

**ARTICLE III
PURPOSE***

3.01 Purpose

HPE PTSO is a non-profit corporation organized under authority granted by the Gilbert Public School District's Highland Park Elementary School Parent Teacher Student Organization, Incorporated and shall operate exclusively for educational, scientific, and charitable purposes as defined in Section 501 (c)(3) of the Internal Revenue Code, or the corresponding section of any future Federal tax code. This corporation is not a private foundation.

The purpose of the HPE PTSO is to promote, support, and enhance the general welfare and education experience at Highland Park Elementary, in home, at school, and within our community; to develop a closer connection between school and home by encouraging parent involvement and improve the parent environment at Highland Park Elementary through volunteer and financial support.

We are organized through committees, projects, and programs that include holding fundraising events in order to provide additional capital and fixed assets, consumables, materials, and programs, utilize various social media channels, communicate through the corporation's website to provide facts, statistics, and other related data on current and past efforts of the corporation, and to assist in the organization of a volunteer program to be deemed beneficial to the students, as well as provide assistance to as determined by the corporation.

HPE PTSO shall work with the school and administration to help provide quality experiences and activities for all members of Highland Park Elementary, which include all administration, staff, and students.

To maximize our impact on our current efforts, we may seek to request monetary or in-kind donations and/or collaborate with other non-profit organizations which fall under the 501(c)(3) section of the internal revenue code and exclusively for educational and charitable purposes.

**ARTICLE IV
NON-PROFIT NATURE***

4.01 Non-Profit Nature

HPE PTSO is organized exclusively for educational, scientific, and charitable purposes and shall not be operated for the private gain of any person. No part of the net earnings of HPE PTSO shall inure to the benefit of, or be distributable to its members, 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 in the purpose clause hereof.

*Indicates articles or sections required by the Gilbert Public School District Highland Park Elementary Parent Teacher Student Organization, Inc. in accordance with Internal Revenue Code Section 501(c)(3).

All capital and fixed assets purchased by this corporation shall be donated to Highland Park Elementary under the existing organization of the Gilbert Unified School District and within the guidelines of the Internal Revenue Code 501 (c)(3).

In selecting charitable causes to donate to, this corporation shall not favor a particular person, teacher, class or grade except as specified through the HPE Teacher Grant Program and to aid in the relief of the poor, distressed, or underprivileged at Highland Park Elementary. Any other funds designated for the purpose of a particular teacher, class, or grade need to be approved by the HPE PTSO Executive Board.

Funds raised through normal fundraising efforts may be used towards charitable causes in the amount of no more than \$2500 per incident, not exceeding two (2) incidents per fiscal year, unless a larger amount or increase number of incidents per fiscal year is approved by the HPE PTSO General Membership. The HPE PTSO Executive Board must pre-approve the charitable cause by way of majority vote prior to presenting the vote to the HPE PTSO General Membership for approval.

This corporation shall follow the guidelines of the Internal Revenue Code 501(c)(3) from *TITLE 26, SECTION 4911 of the IRS Code*.

4.02 Personal Liability

No executive officer or member of this corporation shall be personally liable for the debts or obligations of HPE PTSO of any nature whatsoever, nor shall any of the property or assets of the officers or directors be subject to the payment of the debts or obligations of this corporation.

4.03 Distribution, Expenditures, and Fundraisers

Any expenditures exceeding \$499 not specified in the approved budget will be given to the HPE PTSO General Membership for approval.

HPE PTSO can sponsor a sale (i.e.: bake sale, rummage sale, et. all) with all or part of the proceeds, as determined by the HPE PTSO Executive Board, going to a charitable cause as long as the HPE PTSO Executive Board unanimously agrees. A majority vote from the HPE General Membership must be approved prior to distribution of funds to the charitable cause.

Fundraisers in which the customer will receive goods must be pre-paid. All monies must be collected at the time of ordering and/or receiving. Fundraisers that raise money through pledges would be collected at the time determined by individual fundraiser. The time determined shall be announced prior to the start of the fundraiser. All pledge monies must be collected before any prizes, incentives, or goods are distributed to the recipient, if award prizes are given.

4.04 Restricted Activities

No substantial part of the corporation's activities shall be the carrying on of propaganda, and the corporation shall not participate in, or intervene with any political campaign on behalf of or in opposition of any candidate for public office.

4.05 Prohibited Activities

Notwithstanding any other provision of these Articles, the corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax as an organization as described by Section 501 (c)(3) of the Internal Revenue Code.

4.06 Dissolution of Incorporation/501(c)(3) status

Upon termination or dissolution of HPE PTSO, Inc., all cash funds and assets lawfully available for distribution, shall be distributed to Highland Park Elementary Student Council. If the Highland Park Elementary Student Council does not exist, then in succession of order, all cash funds and assets will be distributed to Highland Park Elementary School, or to another non-profit organization as determined by the current Executive board members, pursuant of Internal Revenue Code 501(c)(3).

ARTICLE V MEMBERSHIP

5.01 General Membership

General membership shall consist of the parents or guardians of students, administrators, faculty members, teachers, students, and the staff of Highland Park Elementary. Individuals willing to uphold the policies and subscribe to these bylaws shall be known as an enrolled and registered member of the HPE PTSO as long as individuals meet the requirements set forth by section 5.02.

Memberships to the HPE PTSO shall be made available without regard to race, color, ethnicity, religion, or national origin. Annual enrollment of members shall be conducted during the first organized HPE PTSO event, but additional members may be admitted to membership at any time as set forth by section 5.02.

5.02 Membership Dues

Membership is open and available to any parent or guardian of students, administrators, faculty members, teachers, students, and the staff of Highland Park Elementary. Interested individuals are considered members when the Highland Park PTSO Order Form has been completed with their name, address, telephone number, and email address, annual membership dues of \$10 per individual or family has been paid. Student Council representatives are excluded from paying annual membership dues.

5.03 Members*

A list of registered memberships will be posted within 30 days as set forth by section 5.02 and in accordance described by 501(c)(3) Internal Revenue Code in the HPE PTSO Book of Records, under Membership tab, located in the front office. The HPE PTSO General Folder will be available to the general public during normal school hours and at all general meetings.

Members must be enrolled at least **30 days prior to election** of officers in order to vote in the election. Information concerning this policy must be available on the HPE PTSO website and available for review in the HPE PTSO General Folder located in the front office **at least 45 days prior to an election**. Registered members in good standing will have voting privileges, one per household.

ARTICLE VI ELECTED OFFICERS AND THEIR DUTIES

6.01 Officers

Officers of this corporation will consist of elected offices of: President(s), Vice-President(s), Secretary(s), and Treasurer(s). Officers must be HPE PTSO members of good standing as defined in Section V.

6.02 President/Co-Presidents

There shall be a minimum of one (1) president, with a maximum of two (2) co-president positions available for election. The president shall work under and in cooperation with the co-president (if applicable) and vice-president(s). The president shall: (a) attend, call, and preside all meetings of the corporation, to be a member *ex-officio* of all committees with the exception of the nominating committee, (b) with the Executive Board to appoint chairpersons of standing and special committees, (c) be versed and communicate the Articles of Incorporation and Bylaws to committee chairpersons and the General Board, (d) coordinate the work of officers and committees of the corporation so that objectives and Policies may be promoted, (e) is authorized to sign checks for the corporation, (f) shall assume responsibility in creation of the agenda for the all meetings, including the initial agenda for the summer planning meeting (g) review monthly financial statements with the Treasurer(s), and appoint an examiner to conduct the year-end financial examination of the corporation's books, (h) to submit an annual affiliation letter to the HPE PTSO Executive Board, General Board and General Membership to continue as a subordinate corporation under the 501(c)(3) tax exempt group status,* (i) attend District functions where individuals from your school are invited and/or honored, including but not limited to meetings requested by the district superintendent requesting the presence of a PTSO representative from the school such as the Parent Superintendent Council (PSC).

*Indicates articles or sections required by the Gilbert Public School District Highland Park Elementary Parent Teacher Student Organization, Inc. in accordance with Internal Revenue Code Section 501(c)(3).

The president can serve as a program chairperson, coordinator for projects, can be involved in several committees.

6.03 Vice-President/Vice-Presidents

There shall be a minimum of (1) vice-president with a maximum of two (2) co-vice president positions available for election. The vice-president shall act as an assistant to the president(s) and shall perform the duties of the president in the absence or inability of that office to act. If the members elect a co-vice president, the co-vice presidents must work together to assist the president. The vice-president shall: (a) make a thorough study of the president's duties and responsibilities and be familiar with the work of HPE PTSO, (b) act as an assistant to the president and assumes responsibility for duties assigned by the president, (c) represent the president upon request, (d) gather monthly reports of all active standing committees as assigned, (e) and supervise the chairpersons of all standing committees as assigned by the Executive Board.

The vice-president can serve as a program chairperson, coordinator for projects, can be involved in several committees. In the event of multiple vice-presidents, it is recommended that each vice-president is assigned oversight of the committees that have connecting areas of responsibility.

6.04 Secretary

There shall be one (1) secretary. The secretary shall keep accurate records of the proceedings of all meetings of the corporation and conduct all necessary correspondence of the organization: The secretary shall: (a) record, transcribe, and distribute minutes of proceedings of all meetings of the organization and the Executive and General Board. Copies of these records shall be made available to the public on the HPE PTSO website and Highland Park Elementary front office in the HPE PTSO Book of Records after minutes have been approved as per Article XI Section 11.03, (c) maintain and keep a current copy of the bylaws*, (d) be prepared to refer to minutes of a previous meeting, (e) prepare a list of all unfinished business for use of the President, (f) keep a current list of registered members as set forth in Article V Membership*, (g) maintain a current list of the Executive and General Board and the Committee Chairpersons, (h) notify officers and all committee chairpersons of upcoming meetings, (i) prepare typed copies of the minutes to be distributed at general meetings, and produce monthly newsletter as assigned, and (j) responsible for the upkeep and updated information placed into the HPE PTSO Book of Records.

In the event that the Secretary is unable to record the proceedings of a meeting, the Secretary should appoint a temporary scribe to uphold the responsibilities of the Secretary. Such appointment must be an Executive Board member, General Board member or committee chairperson and temporary appointment should be announced and accepted by the General Board prior to the start of the meeting.

The secretary can serve as a program chairperson, coordinator for projects, and can be involved in several committees.

6.05 Treasurer/Treasurers

There shall be a minimum of one (1) treasurer, with a recommended and maximum of two (2) treasurer positions available for election. The treasurer shall keep accurate and permanent books of account and records in accordance as a subordinate organization under the 501(c)(3) tax exempt group status*. Such books of account and records shall be available at all reasonable times for inspection. The treasurer shall: (a) have on record HPE PTSO's tax ID number and bank account number, (b) have updated financial records made available to the public on the HPE PTSO website and in the HPE PTSO Book of Records located in the school's front office*, (c) receive, deposit, and disburse the funds of the organization as authorized by the Executive and General Board in accordance to these bylaws, (d) review recurring subscriptions and cost such but not limited to the HPE PTSO website domain name registration and hosting website, to be presented the Executive and General Boards for review, such renewals, review and advise the ~~Executive~~ General Board on any fees, or paperwork associated with the continuing renewal of our incorporation and non-profit status, if any, and have all expenditure checks signed by two authorized persons (e) maintain and reconcile the corporation's checkbook with bank records, (f) have all monies counted by at minimum two (2) committee members per Gilbert Public School District Policy, (g) giving receipt therefore and deposit them in the name of the organization in the bank approved by the Executive Board, (h) pay bills as authorized by the Executive and General Board, (i) present a state of account at every meeting of the general organization and at other times when requested by the Executive and General Board, (j) prepare and submit monthly financial statements to the ~~Executive~~ General Board prior to the next meeting, (k) to prepare the annual budget in conjunction with the Budget Committee for approval by the Executive and General

*Indicates articles or sections required by the Gilbert Public School District Highland Park Elementary Parent Teacher Student Organization, Inc. in accordance with Internal Revenue Code Section 501(c)(3).

Board and ratification by the General Membership*, (l) submit financial records to the General Board for examination fifteen (15) days after the end of the fiscal year *, to be reviewed at the first general meeting in August, (m) shall have the treasury book audited by an independent third party who shall provide a letter at the end of the audit stating that the Treasurer's report is correct and acceptable to the best of their knowledge, at the end of the fiscal year, and (n) to file or appoint qualified person to file annual tax returns to the Internal Revenue Service (Form 990-N, Form 990EZ, or Form 990 with Schedule A and Schedule B, and or Schedule O if deemed necessary) as determined by the Internal Revenue Service in pursuant of Section 501(c)(3), no later than the 15th day of the 5th month after the ending of the fiscal year, (o) to file or appoint a qualified person to file all Annual Reports to the State of Arizona Corporation Commission Office schedules, regardless of income, on or before incorporation date of this corporation.*

6.06 Terms of Office

All Officers with the exception of the Treasurer shall hold office for the term of one (1) year following the company's fiscal year or until their successors is elected. An officer may be re-elected to the same office with a limit of two (2) consecutive terms.

The duties of the treasurer(s) will be succeeded by their newly elected officer when the new Executive Officers are sworn into office in June, following the corporation's fiscal year, but will continue to be an honorary officer for the sole purpose of overseeing the completion to file Federal and State documents from the term they held office to not exceed five (5) months after the end of the fiscal year. When Federal and State documents have been filed, their honorary status will be vacated. An honorary treasurer(s) will not assume any part of the position of the sworn treasurer and is not considered a voting member of the Executive Board but may be a member with voting privileges of the HPE PTSO as set forth in Article V.

6.07 Removal of Office

An officer can be removed from office for failure to fulfill his/her duties after reasonable notice, by a majority vote of the General Board.

6.08 Vacancy

If a vacancy occurs on the Executive Board, the President shall appoint an HPE PTSO member in good standing to fill the vacancy for the remainder of the officer's term. If there is a co-officer in the position of the co-position vacancy, the vacancy shall not be filled.

If the position of the president becomes vacant, the co-President shall succeed as president if a co-president exists. If the co-president position does not exist, the vice-president shall succeed as president. If there are co-vice-presidents, the existing members of the Executive officers shall appoint one of the co-vice-presidents by unanimous vote, with a minimum of three (3) votes. If a unanimous decision cannot be determined or if there is not enough members to quality a total of three (3) votes, a special election shall take place and voted by the General board. Should the elections result in a tie vote, a special general meeting should be held and the members of HPE PTSO will determine the successor.

ARTICLE VII ELECTION OF OFFICERS

7.01 Nominating Committee

The Nominating Committee shall consist of an uneven number, of which one member must be from the Executive Board. The General Board shall appoint the nominating committee two months prior to the elections. The Nominating Committee shall ensure that: only those members consenting to service, if elected, shall be nominated, a nominating report be submitted to the membership prior to elections, nominations may only be submitted from the floor if no name was nominated for a particular office, those names nominated must be posted on the HPE PTSO Website and an email sent to the families of HPE through the school's email system, two weeks prior to the election, those nominated are registered members prior to the elections, information on all candidates is distributed without bias and/or endorsement, campaigning is not appropriate, nominating committee shall count the votes.

7.02 Candidates

*Indicates articles or sections required by the Gilbert Public School District Highland Park Elementary Parent Teacher Student Organization, Inc. in accordance with Internal Revenue Code Section 501(c)(3).

Candidates must be a registered member of good standing of the HPE PTSO at least **30 days prior to election** of officers as set forth in Section V. Candidates must be enrolled at least **30 days prior to the election** in order to vote in an election. Information concerning this policy and the procedures for joining the organization must be made available on the HPE PTSO website and in the HPE PTSO Book of Records located in the front office at least **45 days prior to an election**.

Candidates interested in running for an officer position must turn in an HPE Nomination Form between the dates of the March and April board meetings. All applications must be acknowledged at the April board meeting. The general election meeting must be held at least 30 days after the final board meeting in April.

7.03 Elections

Elected officers shall be elected by secret ballot at the election. There will no absentee ballots; a member must appear in person to cast a vote. Election shall be by voice vote and recorded by the secretary if there is only one nominee for office. If more than one candidate is nominated for an office (a co-officer is considered more than one candidate), the election shall be by a plurality of those present and voting at the general meeting by a written vote. The term of the elective office shall be one (1) year. The election shall be held in the spring and newly elected officers shall assume office in accordance with our fiscal year as set forth in Article XII. No member shall hold more than one office at a time. No member of the same immediate family shall hold an executive office at the same time. A member of the same household shall not succeed the position of treasurer. A person elected by the Elective Board shall fill a vacancy occurring in any office for the unexpired term. In case a vacancy occurs in the position of the President, the Vice-President shall assume the position as President.

Following the election, a transition meeting should commence as specified in Article X Section 10.03.

ARTICLE VIII BOARD COMPOSITION

8.01 Executive Board

The HPE PTSO Executive Board shall consist of: President(s), Vice-President(s), Secretary(s) and Treasurer(s). All officers shall perform the duties outlined in these bylaws and those assigned. Upon expiration of the term of office or in case of resignation, each officer shall turnover to the President, without delay, all records, books, and other materials pertaining to the office and shall return to the Treasurer, without delay, all funds pertaining to the office. Executive Board term coincides with the HPE PTSO fiscal year. Only the Executive Board and general board members shall have voting power during Board Meetings.

The duties of the Executive Board shall be: (a) to transact necessary business in the interval between organization meetings and such other business may be referred to it by the organization, (b) create special standing committees, (c) approve the plans of the standing committees, present a report at the general meeting of the organization, (d) prepare and submit to the organization a budget for adoption for the year, (e) approve routine bills of \$499 and under within the limits of the budget; any single expenditure that will exceed \$499 must have the approval of the General Membership if it is not budgeted, (f) hold regular open meetings of the General Board during the year, the time to be fixed by the Board at its first meeting of the fiscal year, and (g) 51% or more of the General Board members present shall constitute a quorum for the transaction of business, by the Board, providing ample notification has been sent to all General Board members; special meetings of the General Board may be called by the president or by three (3) members of the board as soon as a quorum can meet.

8.02 General Board

The HPE PTSO General Board shall consist of the Executive Board, chairpersons of standing and special committees, the principal of the school and two faculty representatives (primary and secondary representatives). All general board members shall perform the duties outlined in these bylaws and those assigned. Upon expiration of the term or in case of resignation, each board member shall turnover to the President, without delay, all records, books, and other materials pertaining to the office or committee and shall return to the Treasurer, without delay, all funds pertaining to the position. General Board term coincides with the HPE PTSO fiscal year.

No member of the General Board shall engage as a vendor of the PTSO or act in any capacity with the PTSO that

would constitute a conflict of interest, without the expressed approval of the General Board. The General Board will decide on the items and issues that need to be voted on in the general meeting and voting shall be by a show of hands and recorded by the Secretary, unless any member requests a written vote or roll call.

8.03 Principal

The duties of the principal shall provide counsel to the Executive and General Board regarding school and/or district policy. The principal may raise issues that affect the HPE faculty and students, and coordinate access to campus facilities for meetings and activities.

8.04 Teacher Representatives

There shall be two (2) teacher representatives; a teacher representative for primary grades: preschool, kindergarten, first grade, second grade, and third grade, and a teacher representative for intermediate grades: fourth grade, fifth grade, and sixth grade.

The duties of the teacher representatives shall be: to inform the staff and faculty of events and activities, to poll the faculty as represented by the General Board and advise the General Board according to the results, and to act as a liaison between the HPE PTSO and the HPE faculty.

The principal shall appoint the teacher representatives and use his/her discretion on the process of how that appointment is made.

8.04 Student Council Advisor/Representatives

The Student Council Representative shall include the Student Council Advisor and/or a Student Council representative, herein referred to as the Student Council representative. The duties of the Student Council Representative shall: inform the HPE Student Council of events and activities, poll the Student Council as requested by the General Board and advise them of the results, act as a liaison between HPE PTSO and HPE Student Council, and inform the General Board of HPE Student Council events and activities.

Student Council representatives are chosen through their own voting procedures. HPE PTSO is not involved with the selection of their advisor or representative. If an HPE student council does not exist, the request for a student representative may be appointed by the General Board or the vacancy seat may be removed by the General Board.

ARTICLE VIII COMMITTEES

9.01 Permanent Committees

The Student Council committee shall exist as a permanent committee, which shall include the Student Council Advisor and/or a Student Council representative(s), herein referred to as the Student Council committee. The chairperson of each committee shall be totally responsible for planning and initiating all the necessary requirements to fulfill the assigned purpose of the committee. The chairperson shall report committee progress to the General Board and shall submit a monthly report to the vice-president. A permanent committee chairperson and its representatives must be a registered member of the HPE PTSO as set forth in Article V and is considered to be a member of the General Board.

9.02 Standing Committees

Standing committees shall be created as deemed necessary by the General Board. A standing committee is one that will generally continue to exist from year to year. The chairperson of each committee shall be totally responsible for planning and initiating all the necessary requirements to fulfill the assigned purpose of the committee. The chairperson shall report committee progress to the General Board and shall submit a monthly report to the vice-president. A standing committee chairperson must be a registered member of the HPE PTSO as set forth in Article V and is considered to be a member of the General Board.

9.03 Special Committees

Special committees shall be created as deemed necessary by the General Board. A special committee is one that may be formed for a specific task as determined by the General Board. It may or may not continue to exist from year to year, depending on the task. The chairperson of each committee shall be totally responsible for planning and initiating all the necessary requirements to fulfill the assigned purpose of the committee. The chairperson shall report committee progress to the General Board and shall submit a monthly report to the vice-president. A special committee chairperson must be a registered member of the HPE PTSO as set forth in Article V and is considered to be a member of the General Board.

ARTICLE X MEETINGS

10.01 General Meetings

General meetings of the membership will be held on the dates selected by the Executive Board. At least four (4) general meetings shall be held on days established by the Executive Board. General meetings shall be open to the public and the highest-ranking Executive Board member present shall conduct the meeting.

A quorum of the General Board or equivalent number of the General Board and registered members shall constitute a quorum. A majority vote of members present shall be deemed adequate and acceptable for conducting or transacting business, providing at least two (2) separate notifications were made.

Executive Officers should attend all regularly scheduled meetings during the year and may not be absent for more than three (3) meetings. Failure to comply may constitute a vacancy. Exceptions to this policy may be appealed to the General Board.

The treasurer shall prepare and present a budget report for approval at the first general meeting of the year, generally held in August.

The secretary shall keep the minutes at all general meetings.

10.02 Special Meetings

Special Meetings may be called by the President, three (3) General Board members, or 10% of registered members. Special meetings follow the bylaws of general meetings with the exception of that there are no required meetings times set for a special meeting. They are called upon as requested.

Executive Officers should attend all special meetings called during the year and may not be absent for more than one (1) special meeting. Failure to comply may constitute a vacancy. Exceptions to this policy may be appealed to the Executive Board.

The secretary shall keep the minutes at all special meetings.

10.03 Transition Meeting

A transition meeting will take place before the last day of school, determined by the Executive Board consisting of the old and new officers. The purpose of the transition meeting is to review procedures, reiterate important sections of the bylaws, discuss goals, current projects that are underway, and other broad issues.

10.04 Summer Planning Meetings

After the end of the fiscal year, a summer planning meeting will be held at the determination of the newly elected officers within a reasonable amount of notice. The purpose of the meeting is to discuss and plan events, fundraisers, and finalize business of the upcoming school year.

Executive officers should be in attendance for the meeting and sworn into office prior to the start of the meeting. The preceding president shall assume responsibility for the initial agenda of the meeting, as set forth in Article VI section

6.02. The secretary shall record the minutes of the meeting.

ARTICLE XI OPERATING PRINCIPLES AND POLICIES*

11.01 Operating Principles

The corporation shall not engage in or endorse any commercial activities. This does not, however, prevent the corporation from carrying on fund raising activities related to its purpose. Nor does it prevent a commercial enterprise from sponsoring an activity related to the corporation's purpose.

TITLE 26, SECTION 4911 of the IRS Code

A Parent Teacher 501(c)(3) Tax-Exempt Organization **is allowed**: to participate in political activities and supporting or influencing legislation, such as a school budget issue or a referendum, to participate in activities to influence legislation that may be considered as directly connected to the "survival" of the organization, such as a referendum supporting education, to have a speaker come and present information for or against proposed legislation.

A Parent Teacher 501(c)(3) Tax-Exempt Organization is **not allowed**: (a) to expend monies to have a candidate running for election as a speaker at a meeting, or to endorse a political candidate, (b) to expend a "substantial" amount of their funds on activities to influence legislation. A conservative rule of thumb is that the PTO spend no more than five percent (5%) of its annual expenditures in support of election activities, (c) no part of the net earnings of the organization shall inure to the benefit of its members, directors, officers or other private persons. The organization may carry on only those activities permitted under the Internal Revenue Code, Section 501(c)(3) and (d) upon the dissolution of this organization and after paying for the debts of the organization, the remaining assets shall be distributed as per which are tax exempt under Section 501(c)(3) of the Internal Revenue Code.

11.02 Bylaws

At the beginning of each term of office, each officer shall be given a copy of these bylaws and shall be responsible for making a thorough study of them. A copy of these bylaws shall be made available to any member of the organization upon request.

11.03 Records

The records of this organization are open for public review. The HPE PTSO Book of Record will be kept in the office and made available upon request for public inspection. This notebook will contain: (a) the original bylaws, revised bylaws, and amendments to the bylaws (b) Articles of Incorporation, (c) minutes to all of the meetings (d) operating budget, approved revisions, and monthly financial reports, (e) current membership enrollment list of names.

11.04 Loaning Assets/Equipment

Purchased items shall not be loaned or leave the campus of Highland Park Elementary unless it has been approved by the Executive Board and except for organizational functions approved by the Executive Board. Purchased items shall be kept in the HPE PTSO room located in the multi-purpose room, the HPE PTSO Safe or the storage shed.

ARTICLE XII FINANCIAL POLICIES*

12.01 Fiscal Year

The fiscal year shall begin on June 1st and end on May 31th of the following year.

12.02 Banking

All funds shall be kept in a checking account in the name of Highland Park PTSO, Inc requiring two signatures of the Executive Board and held at a local financial institution.

12.03 Reporting

*Indicates articles or sections required by the Gilbert Public School District Highland Park Elementary Parent Teacher Student Organization, Inc. in accordance with Internal Revenue Code Section 501(c)(3).

All financial activity shall be recorded in a manual or computer-based accounting system. The Treasurer shall reconcile the account monthly and report all financial activity monthly. The HPE PTSO shall leave a minimum of \$3000 to remain the HPE PTSO budget at the end of each fiscal year. All monies must be assigned to a budget category.

12.04 Contracts

Contract signing authority is limited to the members of the executive board.

ARTICLE XIII QUORUM AND VOTER ELIGIBILITY

13.01 Quorum

The Executive Board and General Board members present at any board meeting shall be entitled to vote for the purpose of transacting the business of the organization. All eligible voters at a meeting shall constitute a quorum. Unless otherwise required in the bylaws, a majority vote shall decide all matters at the meeting. The President shall vote only in the event of a tie vote.

13.02 Voter Eligibility

Registered members in good standing shall be eligible to vote in the general meeting and election of officers as determined in Section V. Members must be registered at least **30 days prior to Election of Officers** in order to vote in the election. Information regarding this policy must be posted on the HPE PTSO website and made available in the HPE PTSO General Folder located in school's front office at least **45 days prior** to an election. One (1) vote per family will be granted.

ARTICLE XIII AMENDMENTS

14.01 Amendments

Bylaws shall be reviewed by the General Board annually. The bylaws may be amended at the general meeting by two-thirds vote of the registered members present and voting. An amendment shall be proposed in writing to the President(s) and shall be read at the first general meeting after the President(s) receives the request. When a revision in the bylaws is being considered, a committee may be appointed to submit a revised set of bylaws as a substitute for the existing bylaws by a majority vote at a meeting of the corporation, by a two-thirds vote of the General Board. The requirements for adoption of that revised set of bylaws shall be the same as in the case of an amendment. Notice of a vote on an amendment or revised bylaws will be made available for public review within seven (7) days on the HPE PTSO website and in school office during normal school hours, prior to the meeting.

ARTICLE XV DISTRIBUTION OF RESOURCES*

15.01 Boundary Change

In the event school attendance boundaries change and membership is divided, a fair and equitable amount of funds will be divided among the schools. Monies will be divided according to the percentage of students divided off. A matching percentage of monies will follow the same percentage of students. In the example, if 5% of the students are divided off, 5% of the HPE PTSO monies follow those students. Current Internal Revenue code 501(c)(3) rules and regulations must be applied prior to distribution of assets and monies.

ARTICLE XVI PARLIAMENTARY AUTHORITY

16.01 Robert's Rules of Order

Robert's Rule of Order, shall guide this corporation in all cases in which they are applicable, not in conflict with these bylaws, and not in conflict with the pursuant of Internal Revenue code 501(c)(3) or the rules of society.

*Indicates articles or sections required by the Gilbert Public School District Highland Park Elementary Parent Teacher Student Organization, Inc. in accordance with Internal Revenue Code Section 501(c)(3).