

BYLAWS
OF
ORCHARD PARK PARENT-TEACHER'S ORGANIZATION, INC.

ARTICLE I
Name and Location

The name of this Corporation is the Orchard Park Parent-Teacher's Organization, Inc. and it shall be known as "the PTO." The principal office shall be located at the District Office of the Orchard Park Central School District, or at another address within the State of New York as the Board of Directors may determine.

ARTICLE II
Purpose

The PTO is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code. The specific purposes of the PTO as set forth in the Certificate of Incorporation are:

1. To promote the welfare of children and youth in home, school and community.
2. To support laws helpful in the care and protection of children and youth.
3. To bring into closer relation the home and the school, that parents and teachers may cooperate intelligently in the development of the child.
4. To develop between educators and the general public such unified efforts as will secure for every child the highest advantage in physical, mental, social and moral education.

The objectives of the PTO may be amended by resolution of the Board of Directors.

ARTICLE III
Policies

Section 1. The PTO shall fulfill its purposes through fundraising, educational meetings, committees, projects, and activities as approved by Central Council.

Section 2. The PTO shall be non-commercial, non-sectarian, and non-partisan. The PTO shall not endorse any commercial enterprise or candidate for public office, including those running for the school board. The names of PTO officers in their official capacity shall not be used in connection with any commercial concern or partisan interest.

Section 3. The PTO may use donated monies to support local K-12 District events. The PTO shall not use donated monies to make donations to other not-for-profit organizations or community organizations.

Section 4. The PTO shall not use donated monies to purchase or award gifts to Directors, Officers, or Members in exchange for their volunteerism.

ARTICLE IV

Members

The members of the PTO consist of the six (6) individual building units formed to serve the parents, students, and teachers of each District school: the High School, the Middle School, Eggert Elementary School, Ellicott Elementary School, South Davis Elementary School, and Windom Elementary School. These individual building units shall be referred to in these Bylaws as “Local Units.”

ARTICLE V

Board of Directors

Section 1. Powers and Numbers. The affairs and property of the PTO shall be managed by a Board of Directors known as “Central Council.” Central Council shall operate in accordance with the purposes and limitations set forth in the Certificate of Incorporation and these Bylaws. Central Council shall be comprised of eleven (11) Directors: the four (4) Central Council Officers, the six (6) Local Unit Presidents, and the President of the Orchard Park Teachers’ Association, or their representatives. The number of Directors may be changed by a vote of two-thirds (2/3) of the entire Board of Directors.

Section 2. Election and Term. Except for the President of the Orchard Park Teachers’ Association, Directors shall hold office for the terms specified below and each shall continue in office until such Director’s successor shall have been elected or qualified, or until such Director’s death, resignation or removal.

- A. Central Council Officers shall be elected for a term of two (2) years by a majority vote of the entire Central Council at the June Central Council meeting. The term shall run from July 1st through June 30th. A Central Council Officer may be elected to additional terms of one (1) year if there is no other candidate interested in filling the position upon the expiration of his/her two (2) year term.
- B. Local Unit Presidents shall be Directors during their term as President of their Local Unit. Their term as Director shall run from July 1st through June 30th.

Section 3. Duties. Directors shall discharge the duties of their respective positions in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. The duties of Central Council shall include but are not limited to:

- A. Facilitating an information exchange between the six (6) Local Units.
- B. Coordinating all joint programs and meetings.
- C. Transacting any reasonable business referred to it by a Local Unit or members of a Local Unit.
- D. Establishing the annual Central Council dues of the Local Units.
- E. Establishing the annual membership dues of Local Unit members.

- F. Maintaining the PTO's tax-exempt status.
- G. Filing all required tax returns.
- H. Retaining all records of the PTO and Local Units according to the Records Retention Policy attached to these Bylaws as Exhibit A, and in accordance with applicable state and federal law.
- I. Ensuring that a yearly audit of at least one (1) Local Unit or Central Council takes place.
- J. Providing annual training for Local Unit Treasurers.
- K. Supporting a positive relationship with the Superintendent and Board of Education.

Section 4. Removal. A Director may be removed, with or without cause, at any duly noticed meeting by a vote of two-thirds (2/3) of the entire Board of Directors.

Section 5. Resignation. A Director may resign at any time by giving written notice to the Central Council President, or in the case of the President resigning to the Vice President. The resignation shall take effect at the time specified therein, and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancy. In the case of removal or resignation of a Director, the vacancy shall be filled according to Article VII, Section 3 of these Bylaws if the Director was a Central Council Officer, and according to Article XI, Section 4(c) of these Bylaws if the Director was a Local Unit President.

Section 7. Meetings. Central Council shall hold at least four (4) regular meetings each year in addition to an organizational meeting in June. The Central Council President shall schedule the meetings and shall announce the dates at the June meeting. Directors shall regularly attend all meetings. Central Council meetings shall be open to the public. Special meetings may be called at any time upon three (3) days' notice by the Central Council President or any two (2) Directors.

Section 8. Notice of Meetings. Regular meeting dates shall be announced at the June meeting. Notice of a special meeting must be given to each Director at least three (3) days before such meeting. Notice may be made in writing, electronically or otherwise, or by telephone, and shall state the time and place where the meeting is to be held and the purpose(s) for which the meeting is called.

Section 9. Quorum. At each Central Council meeting, the presence of one-half (1/2) of the total number of Directors shall constitute a quorum for the transaction of business.

Section 10. Manner of Acting. Central Council may act by a majority vote of the Directors present at any meeting at which there is a quorum, unless otherwise specified in these Bylaws.

Section 11. Meeting by Conference Telephone. Any one or more Directors may participate in a Central Council meeting by means of a conference telephone or similar communication equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 12. Action Without a Meeting. Any action required or permitted to be taken by Central Council may be taken without a meeting if all Directors consent in writing, electronically or otherwise, to the adoption of a resolution authorizing the action. The resolution and written consents thereto by the Directors shall filed be with the minutes of the proceedings.

Section 13. Compensation of Directors. The PTO shall not pay compensation to Directors for services rendered to it in their capacity as Directors, except that Directors may be reimbursed for reasonable expenses incurred in the performance of their duties to the PTO upon prior approval by Central Council. This shall not in any way limit reimbursement of or payment for services provided to the PTO by the Director in any capacity separate from his or her responsibilities as a Director, provided that there is full disclosure of the terms of such compensation and the arrangement has been approved in advance by Central Council. The provisions of this section shall not in any way limit reimbursement of or payment for services provided to the PTO by any organization in which a Director is affiliated, subject to the PTO's conflict of interest policy attached to these Bylaws as Exhibit B.

ARTICLE VI Advisory Board

The PTO shall have an Advisory Board consisting of the six (6) building principals and the Superintendent. Advisory Board members or their representatives shall regularly attend Central Council meetings and shall advise Central Council on various matters brought before it. The Advisory Board shall not have or purport to exercise any powers of Central Council, nor shall it have the power to bind the PTO in any manner.

ARTICLE VII Central Council Officers

Section 1. Officers. The Officers of Central Council shall be President, Vice President, Treasurer, and Secretary. Additional officers shall be elected by a majority vote of the entire Board of Directors, which shall establish a job description for any such officer consistent with these Bylaws.

Section 2. Election, Term of Office, and Qualifications. Central Council Officers shall be elected and serve according to Article V, Section 2 of these Bylaws. The same person may hold more than one office, except for the President who may hold only that office. A Central Council Officer may serve concurrently as a Local Unit Officer, except for the Central Council Treasurer who may not concurrently serve as a Local Unit Treasurer, however the preference is that Local Unit Officers not serve concurrently as Central Council Officers. A Local Unit Board may not concurrently comprise the full slate of Central Council Officers.

Section 3. Vacancies. In the event that a Central Council Officer position becomes vacant, Central Council shall elect a replacement officer for the remainder of the term as soon after the vacancy as possible. A mid-year term will not be considered part of the two (2) year term restriction for Central Council Officers.

Section 4. Duties of Officers.

A. The President shall:

1. Schedule regular meetings and notify all Local Units and the District of the meeting schedule.
2. Prepare agendas for and preside at all Central Council meetings.
3. Be a member ex-officio of all Central Council committees, if any.
4. Appoint chairpersons for committees or activities approved by Central Council.
5. Arrange for the annual training of Local Unit Treasurers.
6. Maintain a Central Council address and mailbox at the District Office of the Orchard Park Central School District.
7. Exercise general charge and supervision of the affairs of the PTO.
8. Perform such duties as Central Council may assign.
9. Keep Central Council and Local Units fully informed about the activities of the PTO, including updates pertaining to insurance and other matters impacting the Local Units.
10. Have the power to sign and execute alone in the name of the PTO all contracts authorized by Central Council, unless otherwise specified by a resolution of Central Council.
11. Review and approve, electronically or otherwise, all checks prepared by the Treasurer for disbursement.

B. The Vice President shall:

1. Preside at all meetings in the absence of the President.
2. Perform duties assigned by the President.

C. The Treasurer shall:

1. Maintain all financial records for Central Council and the Local Units.
2. Provide a Treasurer's Report at all Central Council meetings.

3. Prepare an annual Central Council budget for approval at the June Central Council meeting.
4. Collect Central Council dues from Local Units.
5. Review financial records of Local Units, including monthly bank statements and monthly Treasurer Reports.
6. Reserve all monies allocated to any fund established by Central Council.
7. Maintain the Central Council checkbook and make all payments authorized by Central Council, upon the approval of the President.
8. Compile all tax forms for income tax filing and provide them to a CPA approved by Central Council, and keep Local Units apprised of any relevant changes in tax law that the CPA may report.
9. Oversee an annual audit of at least one (1) Local Unit or Central Council.
10. Keep Local Units apprised of financial best practices.
11. Perform all duties incident to the office and such other duties as Central Council may assign.

D. The Secretary shall:

1. Record and keep the minutes of all Central Council meetings.
2. Arrange for Central Council meeting minutes to be posted on the District website.
3. Perform all duties incident to the office and such other duties as Central Council may assign.

ARTICLE VIII
Annual Audit

Central Council shall conduct an annual audit of at least one (1) Local Unit or Central Council. The audits shall occur on a rotating basis so that each Local Unit and Central Council is the subject of the audit every seventh year, unless Central Council determines that deviation from this schedule is necessary. The Central Council Treasurer shall schedule the date of the audit to take place in September, or as Central Council otherwise determines. All Local Unit Treasurers shall be invited to participate in the audit and each shall participate in at least one (1) audit every two (2) years. At least three (3) Local Unit Treasurers and the Central Council Treasurer shall be present at the time of the audit.

ARTICLE IX
Dues & Assessments

Section 1. Central Council Dues. Central Council shall determine the annual dues each Local Unit shall contribute at the May Central Council meeting. Payments by each Local Unit shall be made to the Central Council Treasurer by October 31st of each year except as otherwise determined by Central Council. Annual Central Council dues may include, but are not limited to:

- A. Transportation Breakfast Costs.
- B. Payments for income tax preparation.
- C. Payments for insurance.
- D. Donations for local K-12 District events, subject to the availability of funds and at the discretion of Central Council.

Section 2. Local Unit Membership Dues. Central Council shall determine the annual membership dues that each Local Unit may charge its members at the May Central Council meeting. The membership dues must be the same for all six (6) Local Units. Local Units may not offer tiered membership levels to its members.

ARTICLE X
General Provisions

Section 1. Fiscal Year. Central Council shall fix the fiscal year of the corporation.

Section 2. Seal. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words “Corporate Seal, Not-for-Profit, New York.” The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

Section 3. Books and Records. The PTO shall keep correct and complete books and records of the activities and transactions of Central Council and the Local Units according to the Records Retention Policy included in these Bylaws as Exhibit A.

ARTICLE XI
Local Units

Section 1. Policies.

- A. Local Units shall fulfill its purposes through fundraising, educational meetings, committees, projects, and activities as approved by the Local Unit Board.
- B. Local Units shall be non-commercial, non-sectarian, and non-partisan. Local Units shall not endorse any commercial enterprise or candidate for public office, including those running for the school board. The names of Local Unit Officers in their official capacity shall not be used in connection with any commercial concern or partisan interest.

- C. Local Units may use donated monies to support events that support the entire student body of the Local Unit building. Local Units shall not use donated monies to make donations to other not-for-profit organizations or community organizations.
- D. Local Units shall not use donated monies to purchase or award gifts to Officers, Committee Chairpersons, or Members in exchange for their volunteerism.

Section 2. Membership. Any parent, guardian, teacher or administrator may become a member of a Local Unit upon the payment of dues to that Local Unit as established according to Article IX, Section 2 of these Bylaws. Members of a Local Unit shall have voting rights on matters brought before that Local Unit. Members have one (1) vote per household.

Section 3. Local Unit Board. Each Local Unit shall have a Local Unit Board comprised of at least four (4) Officers: a President, Vice President, Treasurer, and Secretary. Additional officers may be elected by majority vote of the Local Unit, which shall establish a job description for any such officer consistent with these Bylaws. All Local Unit Officers comprise the Local Unit Board.

Section 4. Election and Term. Local Unit Officers shall hold office for a term of two (2) years and each shall continue in office for such term and until such Officer's successor shall have been elected or qualified, or until such Officer's death, resignation or removal. The terms shall run from July 1st through June 30th.

- A. Nominating Chairperson or Committee. Each Local Unit shall have a Nominating Chairperson or Committee charged with preparing a slate of Officers and Committee Chairs, consisting of at least one (1) name for each office and committee chair, to be submitted at the April Local Unit meeting. The Nominating Chairperson or Committee shall publish a list of all open positions in the Local Unit newsletter no later than March. An open position is one in which the current holder has served in that capacity for two (2) or more years. The consent of each candidate is required before his/her name may be placed in nomination. Additional nominations may be made from the floor at the April meeting. If a Local Unit is unable to fill the position of Nominating Chairperson or seat a Nominating Committee, the Local Unit Board shall perform these duties.
- B. Vote. The slate of Local Unit Officers and Committee Chairs shall be voted upon at the May Local Unit meeting. All positions shall be voted upon even if there is only a single candidate. A Local Unit Officer may be elected to an additional term of one (1) year if there is no other candidate interested in filling the position upon the expiration of his/her two (2) year term.
- C. Unfilled Positions. If a position remains vacant after the May vote or subsequently becomes vacant, it may be filled by a vote of the Local Unit membership at any time thereafter or by appointment by the Local Unit Board.

Section 5. Duties of Local Unit Board. The members of the Local Unit Board shall discharge the duties of their respective positions in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. The duties of the Local Unit Board may include by are not limited to:

- A. Transact the necessary business of the Local Unit.
- B. Share all decisions and records with the Local Unit membership.
- C. Approve plans of Local Unit committees.
- D. Monitor Local Unit committee budgets.
- E. Approve out-of-budget expenses or fundraisers between Local Unit meetings up to \$500 in expense or projected profits, by a vote of three (3) Local Unit Board members.

Section 6. Duties of Local Unit Officers. The specific duties of the Local Unit Officers shall include but not be limited to the following:

- A. President. The President shall set agendas and preside at all meetings of the Local Unit; shall be a member ex-officio of all committees except the Nominating Committee; and shall perform all other duties usually pertaining to the office. The President shall also be a Director of Central Council during his/her term as Local Unit President.
- B. Vice President. The Vice President shall act as an aid to the President; shall perform the duties of the President in the absence of that officer; and shall perform all duties assigned by the President.
- C. Treasurer. The Treasurer shall receive all monies of the Local Unit; shall keep an accurate record of receipts and expenditures; shall maintain a Local Unit bank account from which all expenditures are paid in accordance with the approved budget as voted upon by the Local Unit membership and upon the approval of the Local Unit President; shall prepare and submit the annual report to the Local Unit Officers, membership, and the Central Council Treasurer.
- D. Secretary. The Secretary shall keep accurate records of all meetings of the Local Unit; and shall post the meeting minutes in the Local Unit newsletter and on the District website in a timely manner.

Section 7. Removal. A Local Unit Officer may be removed, with or without cause, at any duly noticed meeting by a vote of two-thirds (2/3) of the Local Unit.

Section 8. Resignation. A Local Unit Officer may resign at any time by giving written notice to the Local Unit President, or in the case of the President resigning to the Vice President. The resignation shall take effect at the time specified therein, and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

Section 9. Vacancy. In the event that a Local Unit Officer is removed or resigns, the vacancy shall be filled according to Article XI, Section 4(c) of these Bylaws. A mid-year term will not be considered part of the two (2) year term restriction for Local Unit Officers.

Section 10. Local Unit Committees. Local units may establish standing or temporary committees as determined by the Local Unit Board. Committee chairpersons may serve for up to two (2) years, after which time the position must be opened to other interested persons and included in the slate prepared by the Nominating Committee. A Committee Chairperson may be elected to an additional term of one (1) year if there is no other candidate interested in filling the position upon the expiration of his/her two (2) year term.

Section 11. Meetings. Regular meetings of the Local Unit shall be scheduled by the Local Unit President in consultation with the building principal. Each local unit shall notify the District by June of each year, or as otherwise requested by the District, of the meeting and event dates for the upcoming school year. Local Unit meetings shall be open to the public. Special meetings may be called at any time upon three (3) days' notice to all members by the Local Unit President or any two (2) Local Unit members.

Section 12. Notice of Meetings. The Local Unit shall notify its membership of regular meeting dates throughout the school year. Notice of a special meeting must be given to the Local Unit membership not less than three (3) days before such meeting. Notice may be made in writing, electronically or otherwise, or by telephone, and shall state the time and place where the meeting is to be held and the purpose(s) for which the meeting is called.

Section 13. Quorum. At each Local Unit meeting, the presence of five (5) members, excluding the Local Unit Officers, shall constitute a quorum for the transaction of business.

Section 14. Manner of Acting. The Local Unit may act by a majority vote of those present at any meeting at which there is a quorum, unless otherwise specified in these Bylaws.

Section 15. Compensation of Local Unit Officers. Local Unit Officers shall not be paid for services rendered to it in their capacity as Officers, except that Officers may be reimbursed for reasonable expenses incurred in the performance of their duties to the local unit upon prior approval by the Local Unit. This shall not in any way limit reimbursement of or payment for services provided to the Local Unit by the Officers in any capacity separate from his or her responsibilities as an Officer, provided that there is full disclosure of the terms of such compensation and the arrangement has been approved in advance by the Local Unit. The provisions of this section shall not in any way limit reimbursement of or payment for services provided to the local unit by any organization in which an Officer is affiliated, subject to the PTO's conflict of interest policy contained in these Bylaws.

Section 16. Financial Procedures. Each local unit shall adhere to the following financial procedures:

- A. Set up a bank account with the President and Treasurer as co-signors with full access to online banking. The President and Treasurer shall review the account on a monthly basis.
- B. The Treasurer shall bring the most recent monthly bank statement to each Local Unit meeting and the Local Unit Board must review it together either before or after the meeting.
- C. The Treasurer shall provide copies of monthly Local Unit bank statements to the Central Council Treasurer on a monthly basis.
- D. The Treasurer shall maintain the Local Unit checkbook and shall make all payments authorized by the Local Unit, upon the in-person or electronic approval of the President.
- E. At least two (2) people unrelated to each other shall be present whenever monies are collected at an event.
- F. Money shall never be left unattended.
- G. At the end of an event, monies shall be held in the school safe. The Treasurer shall deposit the money in the bank account on the next business day or as soon thereafter as possible. The money shall remain in the school safe until the time of the deposit.
- H. A “cash received” form shall be prepared by the event chairperson at the end of each event. It shall include the total amount of money received and the breakdown of cash and checks received. At least two (2) people unrelated to each other must be present when money is counted and both people must sign the cash received form submitted with the money. The Treasurer shall verify the total amount of money received and shall also sign the form.
- I. Any purchase made by a Local Unit for an item that will not be within its control, such as an item that will be used in a classroom, is considered a donation to the District and shall be reported pursuant to subsection K, below.
- J. An annual budget must be presented to the Local Unit membership for approval at the May or June meeting. The budget shall be prepared in consultation with the building principal. The Treasurer shall provide a copy of the approved budget to the Central Council Treasurer by June 30th of each year.
- K. Upon completion of the budget, or by October 31st of the school year that is the subject of the budget, the Local Unit Board shall submit a Donation Acceptance Request form to the Board of Education setting forth an approximate amount of the total donations expected to be made during that school year. The Local Unit Board shall then submit to the Board of Education by June 30th of that school year a list of all items donated to the

District during that school year. A copy of the Donation Acceptance Request form and list of items purchased shall also be given to the Central Council Treasurer.

- L. Any purchase made on behalf of the Local Unit must be made with the PTO tax-exempt form. The Treasurer shall not reimburse any sales tax paid on any purchase except in rare cases upon Board approval.
- M. Goods/supplies purchased by the Local Unit are the property of the Local Unit. All unused goods/supplies shall be stored in a secure area. The Local Unit Board shall decide what to do with leftover goods/supplies and may either donate them or sell to a third party for a pre-determined price.
- N. Local Units may not have a debit or credit card.

Section 17. Events and Fundraisers. Each Local Unit may select events and fundraisers based upon the projected needs of its annual budget, subject to the following:

- A. All donated money raised through an event or fundraiser shall be used for the benefit of the students and school community of the Local Unit within the school year in which it is raised, except as follows:
 - i. The Local Unit may carry over an amount necessary as a startup fund as determined by the Local Unit Board but usually no more than ten percent (10%) of its normal operating expenditures.
 - ii. In the event that the Local Unit is raising money towards a large purchase, money carried over for that purpose shall be earmarked and noted on all financial records, and shall not be included in the amount the Local Unit may carry over.
- B. All events and fundraisers held at any District building shall abide by school rules and the Local Unit shall obtain a building use permit.
- C. Events or fundraisers held outside of the District buildings are the responsibility of the Local Unit and the establishment owner.

ARTICLE XII Bylaws and Amendments

These Bylaws or any provision thereof may be amended or repealed by a vote of two-thirds (2/3) of the entire Central Council present at any duly noticed Central Council meeting at which a quorum is present, provided that the amendment was discussed at the previous Central Council meeting or written notice of the amendment was provided to all Directors at least thirty (30) days prior to the vote. Voting on Bylaw amendments may be conducted between regularly scheduled meetings pursuant to the Article V, Section 12 of these Bylaws provided that the notice requirements in this Article are met. All approved amendments shall become immediately effective.

ARTICLE XIII
Conflicts of Interest

Any potential conflict of interest which could result in a direct or indirect financial or personal benefit to a Central Council Director or Local Unit Officer must be disclosed on good faith and must be resolved pursuant to the Conflict of Interest Policy adopted by the PTO and which is attached to these Bylaws as Exhibit B.

ARTICLE XIV
Dissolution

The PTO shall be dissolved upon the adoption of a dissolution plan by a vote of two-thirds (2/3) of the entire Central Council. The dissolution plan shall comply with all relevant federal and state laws and shall direct that all unencumbered funds be donated to another organization which operates for a charitable or educational purpose and which has been designated tax exempt under Section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code

Adopted: May 3, 2019

Exhibit A
Records Retention Policy

The following types of documents (hard copy, electronic, or other) will be retained by the PTO for the specified period of time in a protected environment at a secure location determined by the Central Council.

Corporate Records

Articles of Incorporation	Permanent
IRS Form 1023 (application for tax-exempt status)	Permanent
IRS Letter of Determination (grant of tax-exempt status)	Permanent
Bylaws (all versions)	Permanent
Board Policies	Permanent
Resolutions	Permanent
Board Meeting Minutes	Permanent
Sales Tax Exemption Documents	Permanent
Tax or Employee Identification Number Documents	Permanent
Annual Corporate Filings	Permanent
Insurance Policies and Claims	Permanent
Contracts	Permanent
Correspondence	7 years

Financial Records – PTO and Local Unit

Fiscal Policies and Procedures	Permanent
Audits	Permanent
Financial Statements	Permanent
General Ledger	Permanent
Check Register / Books	7 years
Bank Deposit Slips	7 years
Cancelled Checks	7 years
Invoices / Receipts	7 years

Tax Records

Annual Tax Filings	Permanent
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Donations / Funder Records

Donor Lists	7 years
Grant applications	7 years
Donor Acknowledgements	7 years

Exhibit B
Conflict of Interest Policy

The PTO is subject to the New York State Not-for-Profit Corporation Law with respect to its governance, including dealing with conflicts of interest, and Central Council Directors and Local Unit Officers are responsible for upholding a public trust. Areas of behavior to be avoided include personal conflicts of interest by Directors or Officers, their families and business associates, questionable investments, improper treatment of consumers, improper use of funds raised (especially for personal remuneration), expensive and inefficient fundraising practices, failure to meet legal requirements and similar offenses. This policy applies to both the PTO and the Local Units.

The purpose of this policy is to insure that decisions about operations of the PTO/Local Units and the use and disposition of their assets are made solely in terms of benefits to the PTO/Local Units and are not influenced by any private profit or other personal benefit to the individuals affiliated with the PTO/Local Units who take part in the decision.

In addition to actual conflicts of interest as defined by this policy, Directors and Officers are also obligated to avoid actions that could be perceived or interpreted to be in conflict with the PTO's/Local Unit's interest. While these situations are not specifically covered by this policy, such individuals should disclose these situations as they arise for consideration by Central Council/Local Unit Boards to determine whether the individual should be recused from deliberations and voting.

This Policy is intended to contain the relevant legal rules and best practices which govern the PTO and the Local Units and the handling of conflicts of interest. No policy can anticipate the full range of factual circumstances which may entail a conflict of interest. Accordingly, this Policy should be interpreted in a way which best assists the PTO's Board of Directors/Local Unit Board of Directors and others in meeting their obligations under the law.

Those Subject to This Policy

Any person who currently serves or has served in the following capacities within the past five (5) years is deemed a Related Party subject to this Policy:

- (a) A Central Council Director or Local Unit Officer;
- (b) Any individual who has ultimate responsibility (individually or shared) for implementing the decisions of the PTO/Local Unit, for supervising the management, administration, or operation of the PTO/Local Unit, or for managing the finances of the PTO/Local Unit;
- (c) Any relative of those persons listed in (a) above, including a spouse, domestic partner as defined in New York Public Health law Section 2954-A, ancestors, siblings (whether whole or half-blood), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses of siblings, children, grandchildren, and great-grandchildren.
- (d) Any entity in which an individual listed in (a), (b) or (c) has a controlling interest.

A controlling interest is defined as:

- (1) for corporations, ownership (direct or indirect) of more than 35% of the combined voting power;
- (2) for partnerships or personal service corporations, ownership (direct or indirect) of more than 5% of the profit interest; and
- (3) for trusts or estates, ownership (direct or indirect) of more than 35% of the beneficial interest.

Transactions/Relationships Subject to This Policy

This Policy applies to any Related Party Transaction, which is any transaction, agreement or other arrangement in which a Related Party has a financial interest, and in which the PTO/Local Unit is a participant.

Procedure:

The PTO/Local unit shall approve a Related Party Transaction only when Central Council/Local Unit Board determines that the transaction is fair, reasonable and in the PTO's/Local Unit's best interests. Central Council/Local Unit Boards shall utilize the following process to approve transactions subject to this Policy:

- (1) Central Council/Local Unit Boards must approve the Related Party Transaction in advance. Any member who is determined to have a conflict of interest as defined in this Policy may not participate in the vote, nor may he or she be present during deliberations or voting. Central Council/Local Unit Boards may, however, request that the member determined to have conflict of interest present information concerning the transaction to it prior to deliberation and voting. Central Council Directors/Local Unit Board Members who attend a meeting but who are unable to participate in voting or deliberations as a result of a conflict of interest are deemed present for purposes of establishing a quorum.
- (2) Central Council/Local Unit Board must make its decision with reliance on appropriate data about comparable arrangements to the extent they are available.
- (3) Central Council/Local Unit Board must adequately document its decision and deliberations in the corporate records, including the determination that a conflict of interest exists and the resolution thereof.

Annual Disclosure Statements:

Prior to initial election and annually thereafter, all Central Council Directors and Local Unit Officers shall complete, sign, and submit to the Central Council Secretary a written statement identifying, to the best of his or her knowledge, any entity of which he or she is an officer, director, trustee, member, owner, or employee, and with which the PTO/Local Unit has a relationship, and whether there is a conflict of interest. The disclosure of a relationship shall not, by itself, constitute a conflict of interest. The Central Council Secretary shall maintain all completed disclosure statements.

Oversight/Administration:

This policy shall be overseen and administered by Central Council, including the adoption of any amendments to this policy.