

SHEIKO ELEMENTARY SCHOOL
PARENT TEACHER ORGANIZATION, INC.

EIN#: 42-1746156

BYLAWS

ARTICLE I - PURPOSE

The Sheiko School PTO shall strive to:

- a. Develop a closer connection between school and home by encouraging parent involvement.
- b. Enhance the educational experience by supporting academic and enrichment activities.
- c. Improve the environment at Sheiko Elementary by providing volunteer and financial support.

ARTICLE II - POLICIES

Section 1 - The program of this organization shall be educational and shall be implemented through committees, projects, and events.

Section 2 - This organization shall be non-commercial, non-sectarian. No commercial enterprise shall be endorsed by it. Neither the name of the organization nor the names of its officers in their official capacities shall be used in any connection with a commercial concern or for any purpose other than the regular work of the organization.

Section 3 - This organization shall not seek to direct the administrative activities of the school, or to control its policies.

Section 4 - This organization may cooperate with other organizations and agencies active in child welfare, provided they make no financial nor manpower commitments, which bind their members.

Section 5 - All funds shall be kept in a checking account in the name of Sheiko School PTO, requiring two signatures of the Executive Board and held at a local financial institution.

Section 6 - The organization shall leave a minimum of \$2,000.00 in the treasury at the end of each fiscal year.

Section 7 - Reimbursement requests must be made within 45 days of the expenditure, otherwise the request will be denied.

Section 8 – Contract signing authority is limited to the President or the President’s designee and Vice-President.

Section 9 – The Treasurer must be bonded to ensure integrity of fund management.

ARTICLE III - MEMBERSHIP & DUES

Section 1 - Membership is open to the teaching staff of Sheiko School and all parents or guardians of children attending Sheiko School; there shall be one vote per membership, one membership per household.

Section 2 - The Executive Board shall set the annual dues, which are payable to the PTO, through the treasurer.

ARTICLE IV - FISCAL YEAR

The fiscal year of Sheiko School PTO shall be from July 1 through June 31 of the following year.

ARTICLE V - OFFICERS AND THEIR ELECTION

Section 1 -

- a. The officers of this organization shall consist of one and only one President, up to two Vice-President(s), up to two Secretary(s), and Treasurer.
- b. Officers shall be elected annually in the month of May.
- c. Each position shall be voted for independently.
- d. The newly elected officers shall assume their duties August 1st and shall serve for a term of one year or until the election of their successors.
- e. The outgoing President shall be invited to serve as an advisor to the Executive Board for one year in order to ensure continuity.

Section 2 -

- a. There shall be a Nominating Committee composed of at least four (4) members, one of whom is a current officer or the immediate past president, as selected by the Executive Board, and at least three of whom are volunteers from the members at large.
- b. The Nominating Committee shall nominate at least one eligible person for each office to be filled and report its nominees at the April General Membership meeting. Additional nominations may be made from the membership at large. Voting shall take place in the month of May among the membership at large.
- c. The consent of each nominee shall be secured before his/her name is presented.
- d. Plurality elects.
- e. The outgoing Executive Board and the newly elected officers shall have a combined meeting in June so as to provide an orderly transfer of responsibility.

Section 3 - A vacancy occurring in any office shall be filled by a majority vote of all remaining members of the Executive Board. If the office of President becomes vacant, a Vice President shall assume the duty for the remainder of the school year, or until the office is filled.

Section 4 - By a two-thirds (2/3) vote of the entire Executive Board, an officer may be removed from office for failure to perform duties.

ARTICLE VI - DUTIES OF OFFICERS

Section 1 - President - Duties

- a. Preside at all meetings.
- b. Present any new business.
- c. Be the official spokesperson for the organization.
- d. Act as custodian of all records of the organization.
- e. Recruit committee chairpersons.
- f. Deliver to the successor in office, all records in his/her possession by fiscal year end.
- g. Create and publish the annual PTO calendar by the first PTO meeting of the school year.
- h. Submit a written report detailing responsibility and recommendations to the future board by fiscal year end.
- i. Contract signing authority
- j. Prepare the agenda for the General Membership meetings.

Section 2 - Vice President - Duties

- a. Aid the president.
- b. Perform the duties of the president in the event of that officer's absence or inability to serve.
- c. Act as liaison between committee and project chairs with the Executive Board.

- d. Deliver to the successor in office, all records in his/her possession by fiscal year end.
- e. Submit a written report detailing responsibility and recommendations to the future board by fiscal year end.
- f. Coordinate and organize fundraisers.

Section 3 - Secretary - Duties

- a. Prepare any materials needed for distribution or reference at General Membership meetings.
- c. Take minutes at Executive Board and General Membership meetings.
- d. Finalize minutes, obtain necessary approvals, and post minutes in a timely manner.
- e. Keep the files of communications, papers, and documents belonging to the organization.
- f. Deliver to the successor in office, all records in his/her possession by fiscal year end.
- g. Submit a written report detailing responsibility and recommendations to the future board by fiscal year end.

Section 4 - Treasurer - Duties

- a. Be custodian of all organization funds, and shall be authorized to disperse funds on behalf of the PTO.
- b. Give written monthly financial reports for review at all General Membership meetings.
- c. Provide a monthly cash-flow report at Executive Board Meetings.
- d. Prepare a year-end financial report by fiscal year end.
- e. Deliver to the successor in office, all records in his/her possession by fiscal year end.
- f. Submit a written report detailing responsibility and recommendations to the future board by fiscal year end.
- g. Prepare federal tax forms (Form 990 and Form 990EZ) as required by the IRS and submit by December 15 of each year. Renew the incorporation of the Sheiko PTO each year as required by the State of Michigan.
- h. Facilitate an annual audit of the financial records and practices during the summer of each year.

ARTICLE VII – EXECUTIVE BOARD

Section 1 - Composition

The Executive Board shall consist of the officers of the organization, the Principal (or representative to act on his/her behalf), and may include a representative from the teaching staff.

Section 2 - Responsibility

The Executive Board shall be subject to the orders of the organization and none of its acts shall conflict with action taken by the organization.

Section 3 - Duties of the Executive Board shall be:

- a. To transact necessary business in the intervals between general membership meetings.
- b. To approve the plans of the project committees.
- c. To present a report at the general membership meeting of any action taken by the Executive Board.
- d. To facilitate an annual audit of the treasurer's records after fiscal year end, and before the first fall general membership meeting.
- e. To prepare an annual budget for membership approval.
- f. To approve routine bills within the limits of the budget.
- g. To fill vacancies of elected positions.
- h. To oversee fundraising activities of the school year.

Section 4 - Executive Board Meetings

The Executive Board shall meet monthly prior to the general membership meeting. Special meetings may be called by the President or by a majority of the members of the board.

Section 5 - The Executive Board, by majority vote of all officers, may approve unbudgeted expenditures up to a maximum of \$200.00. Expenditures over \$200.00 must be put to a vote of the membership.

ARTICLE VIII – COMMITTEES

Committees shall be created by the Executive Board as needed to promote the purpose and interests of the organization. The need for specific committees will be reviewed annually.

Section 1 - The chairpersons of each committee shall present their plans to the membership and a yearly report to their successors. No committee work shall be undertaken without the approval of the Executive Board. The chairpersons shall report on committee activities to the Vice President monthly and at the general membership meetings as necessary.

Section 2 - Special committees may be established by the Executive Board, or by action taken at a general membership meeting.

ARTICLE IX - MEETINGS

Section 1 - Frequency

Regular meetings of the organization shall be held monthly during the school year or as designated by the Executive Board.

Section 2 - Quorum

- a. General Membership Meetings - 8 members shall constitute a quorum for the transaction of business at any general membership meeting.
- b. Executive Board Meetings - 4 Executive Board members shall constitute a quorum for the transaction of necessary business and/or approval of routine bills in the intervals between general membership meetings.

ARTICLE X - DISSOLUTION

Section 1 - Procedure

- a. The organization, by majority vote in a general membership meeting, shall authorize the appointment of a committee to consider the reasons for disbanding and the necessary steps to be taken.
- b. Notice of intent to disband shall be given to all members, in writing, at least 30 days prior to the general membership meeting.
- c. The committee shall submit a report at the next general membership meeting.
- d. A quorum for the purpose of dissolution shall be 25% of the current year's total membership.
- e. A 2/3 vote of those in attendance is required for passage.

Section 2 - Funds

The funds remaining in the treasury at the time of dissolution shall be submitted to the West Bloomfield School Board. These funds shall be earmarked for use at Sheiko School.

ARTICLE XI - PARLIAMENTARY AUTHORITY

The authority for this organization shall be "Robert's Rules of Order Newly Revised, 9th Edition".

ARTICLE XII - INDEMNIFICATION OF OFFICERS AND MEMBERS

Section 1: Indemnification of Directors and Officers: Claims Brought by Third Parties.

The organization shall, to the fullest extent authorized or permitted by the Michigan Nonprofit Foundation Act or other applicable law, as the same presently exists or may hereafter be amended (the "Act"), indemnify a member or officer (the "Indemnity") who was or is a party or is threatened to be made a party to a threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, other than an action by or in the right of the Foundation, by reason of the fact that he or she is or was a member, officer, employee or agent of the organization, or is or was serving at the request of the organization as a member, officer, partner, trustee, employee or agent of another foreign or domestic organization, business organization, partnership, joint venture, trust, or other enterprise, whether for profit or not for profit, against expenses, including attorneys' fees, judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by the Indemnity in connection with the action, suit, or proceeding, if the Indemnity acted in good faith and in a manner the Indemnity reasonably believed to be in or not opposed to the best interests of the organization, and with respect to any criminal action or proceeding, if the Indemnity had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, does not, of itself, create a presumption that the Indemnity did not act in good faith and in a manner which the Indemnity reasonably believed to be in or not opposed to the best interests of the organization, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

Section 2: Indemnification of Directors and Officers: Claims Brought by or in the Right of the Foundation.

The organization shall, to the fullest extent authorized or permitted by the Act or other applicable law, as the same presently exists or may hereafter be amended, indemnify a member or officer who was or is a party to or is threatened to be made a party to a threatened, pending, or completed action or suit by or in the right of the organization to procure a judgment in its favor by reason of the fact that the Indemnity is or was a member, officer, employee or agent of the organization, or is or was serving at the request of the organization as a member, officer, partner, trustee, employee or agent of another foreign or domestic organization, business organization, partnership, joint venture, trust, or other enterprise, whether for profit or not, against expenses, including actual and reasonable attorneys' fees, and amounts paid in settlement incurred by the person in connection with the action of suit, if the Indemnity acted in good faith and in a manner the Indemnity reasonably believed to be in or not opposed to the best interests of the organization. However, indemnification under this Section shall not be made for a claim, issue, or matter in which the Indemnity has been found liable to the organization unless and only to the extent that the court in which the action or suit was brought has determined upon application that, despite the adjudication of liability but in view of all circumstances of the case, the Indemnity is fairly and reasonably entitled to indemnification for the expenses which the court considers proper.

Section 3: Actions Brought by the Indemnity.

Notwithstanding the provisions of Sections 1 and 2 of this Article, the organization shall not indemnify an Indemnity in connection with any action, suit, proceeding or claim (or part thereof) brought or made by such Indemnity; unless such action, suit, proceeding or claim (or part thereof) (i) was authorized by the members of the organization, or (ii) was brought or made to enforce this Article and such Indemnity has been successful in such action, suit, proceeding or claim (or part thereof).

Section 4: Approval of Indemnification.

An indemnification under Sections 1 or 3 of this Article, unless ordered by a court, shall be made by the organization only as authorized in the specific case upon a determination that indemnification of the Indemnity is proper in the circumstances because the Indemnity has met the applicable standard of conduct set forth in Sections 1 and 3 of this Article. This determination shall be made promptly in any of the following ways:

- a. By a majority vote of a quorum of the organization consisting of members who were not parties to the action, suit, or proceeding.
- b. If the quorum described in subdivision (A) is not obtainable, then by a majority vote of a committee of members who are not parties to the action. The committee shall consist of not less than two (2) disinterested members.
- c. By independent legal counsel in a written opinion.

Section 5: Advancement of Expenses.

Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Sections 1 or 3 of this Article shall be paid promptly by the organization in advance of the final disposition of the action, suit, or proceeding upon receipt of any undertaking by or on behalf of the Indemnity to repay the expenses if it is ultimately determined that the Indemnity is not entitled to be indemnified by the organization. The undertaking shall be by unlimited general obligation of the person on whose behalf advances are made but need not be secured.

Section 6: Partial Indemnification.

If an Indemnity is entitled to indemnification under Sections 1 or 3 of this Article for a portion of expenses including attorneys' fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount thereof, the organization shall indemnify the Indemnity for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the Indemnity is entitled to be indemnified.

Section 7: Indemnification of Employees and Agents.

Any person who is not covered by the foregoing provisions of this Article and who is or was an employee or agent of the organization, or is or was serving at the request of the organization as a member, officer, employee or agent of another foreign or domestic organization, business organization, partnership, joint venture, trust, or other enterprise, whether for profit or not for profit, may be indemnified to the fullest extent authorized or permitted by the Act or other applicable law, as the same exist or may hereafter be amended, but in the case of any such amendment, only to the extent such amendment permits the organization to provide broader indemnification rights than before such amendment, but in any event only to the extent authorized at any time or from time to time by the organization.

Section 8: Other Rights of Indemnification.

The indemnification or advancement of expenses provided under Sections 1 to 7 of this Article is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under the articles of incorporation, bylaws, or a contractual agreement. However, the total amount of expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement or expenses. The indemnification provided for in Sections 1 to 5 of this Article continues as to a person who ceases to be a member, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of the person.

Section 9: Liability Insurance.

The organization shall have the power to purchase and maintain insurance on behalf of any person who is or was a member, officer, employee or agent of the organization, or is or was

serving at the request of the organization as a member, officer, employee or agent of another organization, business organization, partnership, joint venture, trust or other enterprise against any liability asserted against the person and incurred by the person in any such capacity or arising out of the person's status as such, whether or not the organization would have the power to indemnify the person against such liability under the provisions of the Act.

Section 10: Severability.

Each and every paragraph, sentence, term and provision of this Article shall be considered severable in that, in the event a court finds any paragraph, sentence, term or provision to be invalid or unenforceable, the validity and enforceability, operation, or effect of the remaining paragraphs, sentences, terms, or provisions shall not be affected, and this Article shall be construed in all respects as if the invalid or unenforceable matter had been omitted.

Section 11: Definitions.

"Other enterprises" shall include employee benefit plans; "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and "serving at the request of the organization" shall include any service as a member, officer, employee, or agent of the organization which imposes duties on, or involves services by, the member, officer, employee, or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he or she reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be considered to have acted in a manner "not opposed to the best interests of the organization as referred to in Sections 1 and 2."

ARTICLE XIII: CONFLICTS OF INTEREST

Section 1: Statement of Policy.

It is the policy of the organization that all officers, committee members and employees of the organization shall avoid any conflict between their own respective individual interests and the interests of the organization, in any and all actions taken by them on behalf of the organization in their respective capacities.

Section 2: Dealing with the Organization.

A contract or other transaction between the organization and one or more of its officers or members, or between the organization and a domestic or foreign corporation, firm or association of any type or kind in which one or more of the organization's officers or members, are trustees or officers, or are otherwise interested, is not void or voidable solely because of such common trusteeship, officership or interest, or solely because such members are present at the meeting of the organization or committee thereof at which such contract or transaction is acted upon, or solely because their votes are counted for such purpose, if any of the following conditions is satisfied:

- a. The contract or other transaction is fair and reasonable to the organization when it is authorized, approved or ratified; or
- b. The material facts as to such trustee's relationship or interest and as to the contract or transaction are disclosed or known to the organization or committee thereof and the organization or committee thereof authorizes, approves or ratifies the contract or transaction by a vote sufficient for the purpose without counting the vote of any common or interested member.

Section 3: Procedure in Event of Potential Conflict of Interest.

In the event that any officer, trustee, committee member or employee of the organization shall have any direct or indirect interest in, or relationship with, any individual or organization which proposes to enter into any transaction with the organization, such officer, committee member or employee shall give the organization notice of such interest or relationship and shall thereafter refrain from voting or otherwise attempting to exert any influence on the organization, or its committees, to affect its decision to participate or not to participate in such transaction.

Section 4: Special Voting Rules.

Any member of the organization who has a conflict of interest on any matter involving the organization shall not be counted in determining the quorum for the meeting at which the matter is to be acted upon, even when permitted by law. The minutes of the meeting shall reflect that a disclosure was made, the abstention from voting, and the quorum situation.

ARTICLE XIV - REVISION OF BYLAWS

Section 1 - Revision Procedure

- a. 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 general membership meeting, or by a 2/3 vote of the entire Executive Board.
- b. Amendments and/or revisions must be posted in the PTO display case at least one general membership meeting prior to the general membership meeting in which all proposed changes are read and discussed.
- c. Bylaws may be amended or revised by the affirmative vote of 2/3 of the members present and voting at any general membership meeting provided that the proposed amendment has been presented at a previous regular meeting.

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Section 2 - Revision Schedule

These bylaws may be revised on a three year schedule, or as needed.

These Bylaws were adopted by the newly incorporated Sheiko PTO on March 4, 2008.

The Executive Board unanimously approved the original Bylaws on February 5, 2008.

Revisions were approved on the following dates:

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