

**GOVERNING RULES FOR
CAPTAIN PARENT TEACHER ORGANIZATION
CLAYTON SCHOOL DISTRICT**

PREAMBLE: This CAPTAIN Parent-Teacher Organization (“PTO”), a subgroup of the Clayton School District Parent Teacher Organization Council (“PTO Council”), shall be governed by the By-Laws of the PTO Council (“By-Laws”) and herein adopts the Governing Rules of this PTO. The PTO may also adopt additional rules or regulations as needed, so long as they are not inconsistent with the By-laws and these Governing Rules.

ARTICLE I – PURPOSE

The PTO is organized for the purpose of supporting and enhancing the education of children at Ralph M. Captain Elementary ("Captain" or "School") through volunteer service, fundraising and fostering relationships among members of the school community. The PTO helps to further educate, inspire and empower Captain students and to reinforce the mission, vision and core values of the School District of Clayton by modeling and promoting excellence, trust, inclusiveness, innovation and accountability in all it does,

ARTICLE II - LOCATION AND OFFICES

Section 2.1 Principal PTO Office

For purposes of legal notice for and service upon the PTO, the principal office of this PTO shall be #2 Mark Twain Circle, 6345 Northwood, Clayton, Missouri 63105. For any other purpose, the principal office of this PTO shall be the School, which is currently located at 6345 Northwood, Clayton, Missouri 63105.

ARTICLE III – PTO MEMBERS AND MEETINGS

Section 3.1 Membership

All parents or legal guardians of a student attending Captain, and all members of the administrative and teaching staff of Captain shall automatically be Members of the PTO, so long as they are willing to uphold the policies and rules of the PTO and abide by the By-Laws and other laws, rules and regulations governing the PTO.

Section 3.2 Voting

Members shall be entitled to vote at the PTO meetings. For any motion requiring a vote, the Member must be present at the PTO meeting in order to cast a vote. Each Member is entitled to one vote per motion requiring a vote.

Section 3.3 Transfer of PTO Membership

Membership in the PTO is not transferable or assignable.

Section 3.4 Meetings

The PTO shall, from time to time, designate any place for a meeting of the Members to discuss matters of mutual interest or to engage in other activities pertinent to the operation of the PTO.

Section 3.5 Notice of Meetings

- (a) **Regular Meetings.** The date, time, location, and purpose of the regular PTO meetings shall be posted on the PTO website at least seven (7) days before the PTO meeting.

- (b) **Special Meetings.** The date, time, location and purpose of the special meetings of the PTO shall be posted on the PTO website not less than forty-eight (48) hours before the special meeting.

ARTICLE I– PTO BOARD OF DIRECTORS

Section 4.1 General Powers

The Board of Directors (“Executive Board”) shall control and manage the business and property of the PTO. The Executive Board may exercise all such power of the PTO and do all such lawful acts and things as are not by law or elsewhere in these Governing Rules or in the By-Laws, required to be exercised or done by some particular Member of the PTO.

Section 4.2 Number of Executive Board Members and Ex-Officio Advisors

- (a) **PTO Executive Board.** The Executive Board shall consist of the following identified Members, who are also officers of the PTO. The number of Members constituting the Executive Board may be increased or decreased upon the vote of a majority of the Members present at a meeting at which a quorum is met, provided that such number of Members shall always be at least five (5). The Executive Board shall consist of two (2) co-Presidents; one (1) or two (2) Treasurers; one (1) or two (2) Secretaries; and one (1) Director of Communications.
- (b) **Ex-Officio Advisors to the PTO.** The PTO shall also have nine (9) ex-officio Advisors to the Executive Board. These ex-officio Advisors shall consist of the Principal of Captain, one (1) Teacher Representative of Captain, the Superintendent of the District, the Chief Communications Officer, the Chief Financial Officer of the District, and the Officers of the PTO Council. None of these Ex-Officio Advisors have voting rights at this PTO’s meetings or its special meetings unless the ex-officio Advisor is also a Member of this PTO.

Section 4.3 Selection of the Executive Board

Candidates for the Executive Board shall be Members of the PTO. Candidates for co-President shall have at least one (1) year of experience serving as an advisor, representative, committee member, chairperson, or officer of the PTO or a similar type of organization. Near the end of the Executive Board’s term, and at a meeting, with the agenda published in accordance with these Governing Rules, they will accept nominations of candidates for the Executive Board. Any Member may nominate candidates for any position on the Executive Board. The nominees for each Member of the Executive Board shall be put to vote at the PTO meeting immediately following the nominating meeting.

Section 4.4 Term of Office of each Executive Board Member

The Secretaries and Director of Communications shall hold office for a term of one year beginning July 1 and ending June 30 of the succeeding calendar year, or until his or her successor shall have been elected and qualified if a successor is not elected and qualified before the June 30 date. The co-Presidents and Treasurer(s) shall hold office for a term of two years beginning July 1 and ending June 30 of the second calendar year, allowing the co-Presidents’ terms to be staggered. No individual may hold a specific Executive Board position for more than two years within any given seven year time period, unless approved by a majority vote at a meeting of the PTO.

Section 4.5 Resignation of a Member of the Executive Board

A Member of the Executive Board may resign at any time by delivering written notice to a co-President or a Secretary of the Executive Board. The resignation will become effective upon delivery of the notice unless the notice specifies a later effective date that is accepted by the Executive Board.

Section 4.6 Removal of a Member of the Executive Board

Any Member of the Executive Board can be removed at any time with or without cause by a vote of two-thirds of members in attendance at a Special Meeting. (see Sec. 4.9). Advance notice of the vote shall be given to the PTO Membership at least ten (10) days prior to the meeting. Notice of the meeting at which said removal is considered shall state that the purpose, or one of the purposes, of the meeting is to consider the removal of a Member of the Executive Board. The Board Member in question shall have the opportunity to speak on his or her own behalf before the vote of the Special Meeting.

Section 4.7 Vacancies of a Member of the Executive Board

Any vacancy of a Member of the Executive Board shall be filled by a member of the PTO, provided the candidate meets the eligibility requirements. The appointment shall be confirmed with a vote of the PTO at the next scheduled or special meeting.

Section 4.8 Compensation of Executive Board

No Member of the Executive Board shall be entitled to compensation for his or her services as a Member of the Executive Board, including but not limited to attendance at any meeting of the PTO, Executive Board, or any PTO Committee.

Section 4.9 Special Meetings

Special meetings of the PTO may be called by either co-President or at least twenty percent of the Executive Board in office, or by petition of at least 100 Member signatures. All Members of the Executive Board shall receive notice of any Special Meeting and such notice shall be delivered either via hand delivery or by US mail, postage prepaid and addressed to the Members of the Executive Board at each of their addresses as they appear on the records of the School District of Clayton. Notice shall be delivered to all Members of the Executive Board not less than seven (7) days before the Special Meeting. Members of the Executive Board may opt in writing to accept such notices of Special Meetings via email communication. Written notice delivered by mail shall be deemed delivered upon the earlier receipt of three days after deposit of the notice in the United States mail, as evidenced by the postmark, if mailed correctly addressed and with first class postage affixed.

Section 4.10 Acceptance or Rejection of Gifts

The Executive Board may accept or reject on behalf of the PTO any money, securities, real or personal property, or any other property, or any services, offered to the PTO by any person, corporation, or other organization, or by any federal, state, or other governmental authority or agency, for any general or specific purposes.

Section 4.11 Place of Meeting

The Executive Board shall hold its meetings at the School or at such place within or without the State of Missouri as it may from time to time determine.

Section 4.12 Quorum: Act of the PTO

Eight Members of the PTO, including a majority of the Executive Board, present in person at a PTO meeting shall constitute a quorum for the transaction of business, and the act of a majority of the Members present at a meeting at which a quorum is met shall be the act of the PTO. In the absence of a quorum, a majority of the Executive Board present at a meeting, or a Member of the Executive Board, if there be only one present, may adjourn the meeting to a different time (not to exceed thirty days) and/or place until a quorum be had. No other than announcement at the meeting need be given of the time and/or place of such adjourned meeting.

ARTICLE V - COMMITTEES

Section 5.1 Committees

Committees may be established from time to time by the co-Presidents jointly having such purposes and such powers as the co-Presidents may confer, subject to the limitations described in Section 5.2 below. The co-Presidents shall appoint the Chairperson of each Committee.

Section 5.2 Limited Authority of Committees

The Executive Board may not delegate to any Committee the authority to (a) authorize distributions to Members, Officers, agents, or employees except in exchange for commercially reasonable value received, (b) approve the dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the PTO's assets, (c) elect, appoint, or remove any Member of the Executive Board or fill vacancies on the Executive Board, or (d) adopt, amend, or repeal the PTO Council's Articles of Incorporation or By-Laws or the Governing Rules of this or any PTO.

Section 5.3 Meetings of Committees

Committees may provide for regular meetings to be held with or without notice at such time and place as the Committee, from time to time, may fix. Each Committee shall keep a record of its proceedings, and shall regularly report to the Executive Board.

ARTICLE VI - OFFICERS

Section 6.1 Officers of the Executive Board

The Executive Board is composed of the following Member Officers: co-Presidents, Secretaries, Treasurer(s), and Director of Communications. Each Officer shall have such authority and perform such duties as provided in these Governing Rules or as from time to time may be adopted by the Executive Board or the PTO Council.

Section 6.2 co-Presidents

Unless otherwise provided by the Board, the co-Presidents shall be the co-Chief Executive Officers of the PTO and, shall jointly have general charge of the PTO activities. The President shall keep the Executive Board fully informed of the Presidents' activities.

Section 6.3 Treasurer

The Treasurer shall have custody of, and be responsible for, all the funds and securities of the PTO and shall deposit and withdraw such funds and securities in and from such banks, trust companies, or other depositories as shall be selected in accordance with the resolutions adopted from time to time by the PTO. The Treasurer also shall have custody of and be responsible for the maintenance of the books of account, in accordance with Generally Accepted Accounting Procedures.

Section 6.4 Secretary

- (a) The Secretary shall see that all notices are duly given in accordance with the provisions of the By-Laws, these Rules, or as required by law, be custodian of the PTO's records, keep a register of the residential addresses of all Executive Board members, and have general charge of the books and records of the PTO. The Secretary shall be responsible for preparing minutes of the PTO meetings and presenting minutes for approval of the PTO.
- (b) The PTO Secretary shall maintain as permanent records the minutes of all meetings of the PTO and records of any actions taken by the PTO without a meeting. The PTO shall maintain at its principal office a copy of (a) the PTO Council's current Articles of Incorporation and Bylaws and this PTO's Governing Rules, including all amendments to said documents, (b) a list of the names

and addresses of the PTO's current Executive Board, and (c) appropriate financial statements of the PTO's income and expenses and other appropriate accounting records. These records shall be maintained in either written form or a form capable of conversion into written form within a reasonable period of time.

Section 6.5 Director of Communications.

The Director of Communications shall be responsible for overseeing PTO communications with parents and the community, shall be the primary contact to the District's Office of Communications, and assist in the management of the PTO's use of the District website.

Section 6.6 Bonding

If so required by the PTO, an officer shall give bond in such form and amount and with such sureties as the Executive Board may provide, for the faithful discharge of his or her duties, but the premiums and other costs for any such bond shall be borne by the PTO.

ARTICLE VII – BASIC POLICIES

Section 7.1 Corporate Seal

The PTO shall have no seal unless otherwise determined by the PTO Council.

Section 7.2 Amendments of Rules

The PTO may amend these Rules upon the vote of a majority of the Members present at a meeting at which a quorum is met, provided that no such amendment shall reduce the number of the Executive Board to less than five (5) nor otherwise be inconsistent with the By-Laws or applicable law. Notice of the meeting at which such amendment is considered shall state that the purpose, or one of the purposes, of the meeting is to consider a proposed amendment to the Governing Rules and shall contain a copy or summary of the proposed amendment.

Section 7.3 Use of Funds and Property

All funds and properties belonging to the PTO shall be applied for the purposes for which this PTO is formed as specified in these Governing Rules, the PTO Council's Articles of Incorporation, and the By-Laws.

Section 7.4 Execution of Instruments

Unless otherwise stated in the finance procedures or rules adopted by the PTO Council or the District, all promissory notes and contracts to be signed by the PTO shall be signed by such agents of or Members of the Executive Board as the Executive Board may from time to time direct; provided, however, that in the absence of any such designation, promissory notes and contracts shall be signed on behalf of the PTO by a co-President and the Secretary.

Section 7.5 Voting Stock

Unless otherwise provided by the Executive Board, the President and co-Presidents shall have full power and authority on behalf of the PTO to act and *vote* as fully as the PTO might do if present at any meeting of the shareholders of another corporation in which this PTO may hold stock.

Section 7.6 Registered Securities

Stock or other registered securities of the PTO may, if determined by the Executive Board, be issued in the name of a nominee designated by the Executive Board, or the Executive Board may establish a trust or agency account with a bank or trust company in which such stock or other securities may be held, and may delegate to the trustee or agent such investment powers as it may see fit, including specifically power and authority to make investments at the sole discretion of such trustee or agent. The Executive Board may pay any such trustee or agent such compensation as the Executive Board deems commercially reasonable.

Section 7.7 Severability

If any word, clause, or provision of these Governing Rules shall, for any reason, be determined to be invalid or ineffective, the provisions hereof shall not otherwise be affected thereby but shall remain in full force and effect.

Section 7.8 Maintenance of Books and Records

The PTO Executive Board Members are ultimately responsible for maintaining the records relating to the operation of this PTO, including but not limited to the meeting minutes, financial information, and these governing rules and exhibits thereto.

Section 7.9 Inspection of Books and Records

The PTO shall permit recipients and beneficiaries of the PTO's services or activities (and the attorneys and agents of such individuals) to inspect the records of the PTO, provided the PTO shall not be required to disclose any information concerning donors, gifts, and contributions. The PTO shall permit the District and the PTO Council to inspect, without notice, the PTO's records at least to the extent permitted by law. Any recipient or beneficiary of the PTO's services or activities (and their attorneys and agents) requesting inspection of the PTO's records must (a) give the PTO written notice at least five business days prior to the desired inspection, (b) describe with reasonable particularity the purpose and the records the individual desires to inspect, and (c) demonstrate a direct connection between the purpose for inspection and the requested records. The PTO may charge a commercially reasonable fee for the cost of labor and materials necessary to comply with the request.

ARTICLE VIII – CONFLICT OF INTEREST

To conform to the IRS federal tax exemption status 501c3, the PTO has adopted and incorporates herein "The Ralph M. Captain Elementary School PTO Conflict of Interest Policy" marked as Exhibit A and attached hereto.

GOVERNING RULES ATTACHMENT – EXHIBIT A

CONFLICT OF INTEREST POLICY

RALPH M. CAPTAIN ELEMENTARY SCHOOL PTO

ARTICLE I – PURPOSE

The purpose of the “Conflict of Interest Policy” is to protect the Ralph M. Captain Elementary Parent Teacher Organization’s (“PTO”) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the PTO or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

ARTICLE II – DEFINITIONS

1. Interested Person

Any director, principal officer, chairperson or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

If a person is an interested person with respect to any entity in the Clayton School District Parent Teacher Organization Council (“PTO Council”) of which this organization is a part, he or she is an interested person with respect to all entities in the PTO Council.

2. Financial Interest

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

- a. An ownership or investment interest in any entity with which the PTO has a transaction or arrangement,
- b. A compensation agreement with the PTO or with any entity or individual with which the PTO has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the PTO is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the Executive Board determines that a conflict of interest exists.

ARTICLE III – PROCEDURES

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person shall disclose the existence of financial interest and be given the opportunity to disclose all material facts to

the Executive Board.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall not be present while the determination of a conflict of interest is discussed and voted upon. The Executive Board shall decide if a conflict of interest exists. This conflict disclosure and resulting vote shall be disclosed to the Members at the next regular meeting.

3. Procedures for Addressing Conflict of Interest

- a. An interested person may make a presentation before the Executive Board, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the Executive Board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing Executive Board shall determine whether the PTO can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Executive Board shall determine by majority vote of the disinterested directors whether the transaction or arrangement is in the PTO's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If any Member of the PTO has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, that Member shall report the actual or possible conflict of interest to the Executive Board and inform the Executive Board of the basis for such belief. Thereafter, the Member at issue shall be informed of the report and afforded an opportunity to explain the conflict or potential conflict and the alleged failure to disclose.
- b. If, after hearing the Member's response and after making further investigation as warranted by the circumstances, the Executive Board determines the Member has failed to disclose an actual or possible conflict of interest, it shall take appropriate action.

ARTICLE IV – RECORDINGS OF PROCEEDINGS

The minutes of the PTO shall contain:

- a. The names of the persons disclosed or otherwise found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Executive Board's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE V – COMPENSATION

- a. A voting Member of the Executive Board who receives compensation, directly or indirectly, from the PTO for services is precluded from voting on matters pertaining to that Member's compensation.
- b. A voting Member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the PTO for services is precluded from voting on matters pertaining to that Member's compensation.
- c. No voting Member of the Executive Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the PTO, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE VI – ANNUAL STATEMENTS

Each Member of the Executive Board and each Chair of any PTO committee shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands policy,
- c. Has agreed to comply with the policy, and
- d. Understands the PTO is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

ARTICLE VII – PERIODIC REVIEWS

To ensure the PTO operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the PTO's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

ARTICLE VII – USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in Article VII, the PTO may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Executive Board of its responsibility for ensuring periodic reviews are conducted.