

ARTICLES OF AGREEMENT
OF
A NEW HAMPSHIRE NONPROFIT CORPORATION

THE UNDERSIGNED, BEING PERSONS OF LAWFUL AGE, ASSOCIATE UNDER THE PROVISIONS OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, CHAPTER 292 BY THE FOLLOWING ARTICLES:

FIRST: The name of the corporation shall be New Franklin School Parent Teacher Organization, Inc.

SECOND: The object for which this corporation is established is: New Franklin School Parent Teacher Organization, Inc. ("NFS PTO") is not-for-profit and is organized and operated exclusively for the charitable purpose of supporting the education of children at New Franklin School within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. NFS PTO will foster relationships among the school, parents and teachers; sponsor assistance to teachers in the classroom, hold fundraisers, sponsor activities, support school and social interactions and provide a non-biased forum for sharing information.

THIRD: The provisions for establishing membership and participation in the corporation are:

Membership is open to all parents, guardians or adults standing in loco parentis to children at New Franklin School as well as the teachers and administration of the school.

FOURTH: The provisions for disposition of the corporate assets in the event of dissolution of the Corporation including the prioritization of rights of shareholders and members to corporate assets are:

Upon the liquidation or dissolution of the NFS PTO in accordance with the Bylaws and the laws of the State of New Hampshire, the officers and Directors shall, after making payment of all the liabilities of the NFS PTO shall distribute the then remaining assets of the NFS PTO to one or more 501 (c)(3) qualified organizations or to the federal, state or local government for a public purpose.

FIFTH: The address at which the business of this corporation is to be carried on is 1 Franklin Drive, Portsmouth, NH 03801

SIXTH: The amount of capital stock, if any, 01' the number of shares or membership certificates, if any, and provisions for retirement, reacquisition and redemption of those shares or certificates are:

NFS PTO shall have no capital stock.

SEVENTH: Provision eliminating or limiting the personal liability of a director, an officer or both, to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director, an officer or both is (Note I)
The Incorporators adopt the complete limitation of liability of a director or officer or both

to NFS PTO as allowed by and limited by NH RSA 292:2, V-a.

EIGHTH: Signatures and post office address of each of the persons associating together to form the corporation: (Note 2)

BYLAWS
of the
NEW FRANKLIN SCHOOL PARENT TEACHER ORGANIZATION

Article I - Name

The name of the organization shall be the New Franklin School Parent Teacher Organization, Inc. ("NFS PTO").

Article II - Purpose

NFS PTO is exclusively organized for the charitable purpose of supporting the education and well being of children at New Franklin School and fostering relationships among the school, parents, and teachers under section 501(c)3) of the internal Revenue Code, or corresponding section of any future federal tax code.

Article III - Members

Section 1. Any parent, guardian, or other adult standing *in loco parentis* for a student at the school may be a member and shall have voting rights. The principal, teachers and staff employed at the school may be members and have voting rights.

Section 2. Dues, if any, will be established by the executive board. If dues are charged, a member must have paid his or her dues at least 14 calendar days before the meeting to be considered a member in good standing with voting rights.

Article IV - Officers and Elections

Section 1. Officers. The officers shall be a president, vice president, secretary, treasurer, assistant, treasurer and volunteer coordinator:

a. President. The president shall preside over meetings of the organization and executive board, serve as the primary contact for the principal, represent the organization at meetings outside the organization, serve as an ex officio member of all committees except the nominating committee, and coordinate the work of all the officers and committees so that the purpose of the organization is served.

b. Vice President. The vice president shall assist the president and carry out the president's duties in his or her absence or inability to serve. The vice-president shall serve as President-elect unless unable to do so.

c. Secretary. The Secretary shall record the minutes of all meetings of the organization; shall have a current copy of the by-laws and shall provide minutes of the previous meetings to all members present at the next meeting; shall be responsible for the PTO bulletin board; handle formal correspondence for the organization.

d. Treasurer. The treasurer shall oversee the Assistant Treasurer in his/her duties. The Treasurer shall be responsible for procuring insurance for NFS PTO and for keeping NFS PTO in compliance with tax rules and regulations.

e. Assistant Treasurer. The assistant treasurer shall keep a full and accurate account of receipts of expenditures; shall make disbursements in accordance with the approved budget as authorized by the NFS PTO and/or president and shall be ready to report on financial status and prepare necessary financial statements as

may be needed for monthly meetings with a full reporting required for the June meeting.

f. Volunteer Coordinator. The volunteer coordinator shall enroll volunteers to assist the NFS PTO in any and all activities and to serve as liaison between NFS PTO and the volunteers. The volunteer coordinator shall report at meetings and/or as requested by the president.

g. The New Franklin School Principal. The New Franklin School Principal shall be an ex officio member of the Executive Committee. Furthermore, the principal shall be the official representative of the school and shall present all suggested projects to the proper school officials for approval.

Section 2. Nominations and Elections. Elections will be held at the June meeting.

[optional: The nominating committee shall select a candidate for each office and present the slate at a meeting held one month prior to the election. At that meeting, nominations may also be made from the floor.] Voting shall be by voice vote if a slate is presented. If more than one person is running for an office, a ballot vote shall be taken.

Section 3. Eligibility. Members are eligible for office if they are members in good standing at least 14 calendar days before the nominating committee presents its slate.

Section 4. Terms of Office. Officers may serve no more than two (2) consecutive terms in the same office. Each person elected shall hold only one office at a time.

- a) The President shall serve a one-year term.
- b) The Vice President shall serve a one-year term, after which he or she shall transition to the President position.
- c) The secretary shall serve a two-year term.
- d) The Treasurer shall serve a one-year term.
- e) The Assistant Treasurer shall serve a one-year term, after which he or she shall transition to the Treasurer position.
- f) The Volunteer Coordinator shall serve a two-year term.

Section 5. Vacancies. A vacancy occurring in any office shall be filled for the remainder of the term by a majority vote of the members attending the monthly PTO meeting.

Notice of the election will be given to the members by the President. In case a vacancy occurs in the position of the President, the Vice-President will assume the role of interim President and serve notice of the election. In case a vacancy occurs in the position of the Treasurer, the Assistant Treasurer will assume the role of interim Treasurer.

Section 6. Removal From Office. Officers can be removed from office with or without cause by a two-thirds vote of those present (assuming a quorum) at a regular meeting where previous notice has been given.

Article V - Meetings

Section 1. Regular Meetings. The regular meeting of the organization shall be on the first Wednesday of each month during the school year at 7 p.m., or at a time and place determined by the executive board at least one month before the meeting. The annual meeting will be held at the June regular meeting. The annual meeting is for receiving reports, electing officers, and conducting other business that should arise. **Section 2.**

Special Meetings. Special meetings may be called by the president, any two members of the executive board, or five general members submitting a written request to the secretary. Previous notice of the special meeting shall be sent to the members at least 10

days prior to the meeting, by flyer, email or phone calls.

Section 3. Quorum. The quorum shall be 10 members of the organization.

Article VI - Executive Board

Section 1. Membership. The Executive Board shall consist of the officers and principal.

Section 2. Duties. The duties of the-Executive Board shall be to transact business between meetings in preparation for the general meeting, create standing rules and policies, create standing and temporary committees, prepare and submit a budget to the membership, approve routine bills, and prepare reports and recommendations to the membership.

Section 3. Meetings. Regular meetings shall be held monthly, on the same day and at the same time each month, to be determined by the board. Special meetings may be called by any two board members, with 24 hours notice.

Section 4. Quorum. Half the number of board members plus one constitutes a quorum.

Article VII - Committees

Section 1. Membership. Committees may consist of members and board members, with the president acting as an ex officio member of all committees.

Section 2. Budget Committee.

The Budget Committee will consist of the current board, past President, past Treasurer, and the principal. They will meet during the month of August. The proposed budget is to be presented and acted upon at the September meeting of the PTO.

Section 3. Additional Committees. The board may appoint additional committees as needed.

Article VIII - Finances

Section 1. A tentative budget shall be drafted in the fall for each school year and approved by a majority vote of the members present.

Section 2. The treasurer shall keep accurate records of any disbursements, income, and bank account information.

Section 3. Only PO Officers and/or the New Franklin School Principal shall commit NFS PTO funds by signing contracts. This authority shall be consistent with limitations in Section 4 below. Contractual commitments in excess of \$200 shall require two authorized signatures as defined in Section 5.

Section 4. The board shall approve all expenses of the organization that are contained within the approved budget. The Executive Committee may transact unbudgeted business of the organization up to \$500.00 if necessary. However, no action shall be in conflict with that taken by the voting body of the organization. Any unbudgeted expenses in excess of \$500 shall be approved by a majority vote of members present at the next meeting prior to funds being committed.

Section 5. Two authorized signatures shall be required on each check over the amount of \$200. Authorized signers shall be the president, vice-president, treasurer, and principal.

Section 6. The treasurer and assistant treasurer shall prepare financial statements at the end of the year, to be reviewed by the Audit Committee, if such committee is created, otherwise by the membership at the June meeting.

Section 7. Upon the dissolution of the organization, any remaining funds should be used

to pay any outstanding bills and, with the membership's approval, spent for the benefit of the school if consistent with Article XI, below.

Section 8. The fiscal year shall be July 1 through June 30th.

Article IX - Parliamentary Authority

Robert's Rules of Order shall govern meetings when they are not in conflict with the organization's bylaws.

Article X - Standing Rules

Standing rules may be approved by the Executive Board, and the secretary shall keep a record of the standing rules for future reference.

Article XI - Dissolution

The organization may be dissolved with previous notice (14 calendar days) and a two-thirds vote of those present at the meeting. Upon dissolution, all remaining assets of NFS PTO shall be distributed to one or more exempt purpose described in section 501(c)(3) or the Internal Revenue or to any federal, state or local government for a public purpose. If consistent with this provision first consideration should be given to donating the remaining funds to or for the benefit of New Franklin School.

Article XII - Amendments

These bylaws may be amended at any regular or special meeting, providing that previous notice was given in writing at the prior meeting and then sent to all members of the organization by the secretary. Notice may be given by postal mail, e-mail, flyer, student take-home packets or fax. Amendments will be approved by a two-thirds vote of those present, assuming a quorum.

Article XIII - Conflict of Interest Policy-

Section 1. Purpose. The purpose of the conflict of interest policy is to protect this tax-exempt organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. Definitions.

a. Interested Person. Any director, principal officer, 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.

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

- i. An ownership or investment interest in any entity with which the organization has a transaction or arrangement:
- ii. A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement;
- or
- iii. A potential ownership or investment interest in, or compensation

arrangement with, any entity or individual with which the organization 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 Section 3b, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Procedures.

a. Duty To Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board-delegated powers who are considering the proposed transaction or arrangement.

b. 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 leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide whether a conflict of interest exists.

c. Procedures for Addressing the Conflict of Interest.

- i. An interested person may make a presentation at the governing board or committee meeting, 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.
- ii. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- iii. After exercising due diligence, the governing board or committee shall determine whether the organization 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.
- iv. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the organization'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.

d. Violations of the Conflict of Interest Policy.

- i. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- ii. If, after hearing the member's response and after making further

investigation as warranted by the circumstances, the governing board or committee determines that the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings.

The minutes of the governing board and all committees with, board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were 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 governing board's or committee'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.

Section 5. Compensation.

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

Section 6. Annual Statements. Each director, principal officer, and member of a committee with governing board-delegated powers shall annually sign a statement, which affirms that such person:

- Has received a copy of the conflict of interest policy;
- Has read and understood the policy;
- Has agreed to comply with the policy; and
- Understands that the organization is charitable and that in order to maintain its federal tax-exempt status it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews. To ensure that the organization 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, are based on

competent survey
information, and are the result of arm's length bargaining.

b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the organization'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 an excess benefit transaction.

Section 8. Use of Outside Experts. When conducting the periodic reviews as provided for in Section 7, the organization may, but need not, use outside advisers. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring that periodic reviews are conducted.

Passed by Majority vote at the June 8, 2016 Meeting.