



**Anthem Preparatory Academy Parent  
Service Organization, LLC Handbook**

**August 25, 2021**

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## SECTION I: MISSION STATEMENT AND IDENTITY

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### **WHY WE EXIST:**

We are a community of parent volunteers that provides a support system to enrich students' academic experience. We volunteer our time, sponsor, and promote social activities, and provide programs THAT support the faculty and administration IN THEIR EFFORTS TO fulfill the Great Hearts mission OF CULTIVATING the hearts and minds of students in the pursuit of Truth, Goodness and Beauty.

*(This mission statement should be delivered at each PSO General meeting included AND BE INCLUDED in the school newsletter and POSTED ON THE PSO Website.)*

### **WHO WE ARE:**

Great Hearts Parent Service Organizations ("PSO") are dedicated to enhancing the experience of students, FACULTY, staff, and parents by SERVING THE SCHOOL THROUGH AN ESTABLISHED AND APPROVED STRUCTURE TO HELP BUILD an ACADEMY community founded on parent involvement and ADHERENCE TO THE SAME VIRTUES UPON WHICH THE ACADEMIES' CURRICULA ARE BASED. All parents and/or guardians of students currently enrolled at GREAT HEARTS ARCHWAY VERITAS ("Academy") are parent/guardian participants of the academies Parent Service Organization. The Parent Service Organization is a part of the Academy and must comply with the general policies and procedures outlined by the PSO bylaws.

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## SECTION II: OBJECTIVES

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1. Support the Great Hearts mission.
2. Organize efforts for Faculty appreciation activities such as birthday celebrations, snacks, and meals for conference weeks, "Faculty Activity Week" activities and more.
3. Organize community building activities to take place after school or on the weekends, such as Family Festivals, Family Dinner Nights, volunteer opportunities, movie nights, Ice Cream Socials, Pool or skating activities.
4. Benefit the academy through volunteerism and organization of academy events.
5. Develop a closer connection between academy and home by encouraging parent involvement when organizing teacher/staff appreciation events and family-centered social events.
6. Enhance the educational experience by supporting academic and enrichment activities.

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## SECTION III: STANDARD OPERATING PROCEDURES

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### **BOARD LEADERS**

Each PSO shall have a Board and the PSO Board's actions shall be governed by these Standard Operating Procedures ("SOPs"). The PSO Board shall determine the number of Leaders it will have. A good rule is to have between three (3) and five (5) PSO Leaders on the Board. The PSO Board shall consist only of the Headmaster, the PSO Leaders described below, and any committee chairs.

*Board Membership:*

The PSO Board consists of PSO Leadership including (1) the Headmaster, (2) the officers, and (3) committee chairs.

Each PSO Leader shall be a person of experience and good reputation in the community who is a parent, grandparent, or guardian of one or more current students of the Academy. PSO Leaders will actively support the goals and objectives of the PSO and be willing to contribute their time and effort to achieve such goals and objectives. There may be other such qualifications the PSO Board may prescribe.

The Headmaster of the Academy shall be an ex officio member of the PSO with voting rights.

Initial Leadership at a newly founded academy are appointed by the Headmaster. At the first regular PSO Board meeting, the Board shall elect officers and any committee chairs for committees they establish. The initial Board shall remain in place until the first annual meeting of the fiscal year. At the first annual meeting and in subsequent years, Board Leadership are elected by 51% of the then-current Leaders.

A Board Leader may be removed from office with or without cause by the Headmaster or the vote of a majority of the other Board Leaders of the PSO then in office either at a regular meeting or any special meeting called for that purpose.

**OFFICERS AND DUTIES***President:*

The PSO President is the executive officer of the PSO and, in conjunction with the PSO Board, works in partnership with the Headmaster to establish a community atmosphere that supports and protects the academic goals and culture of the academy as established by Great Hearts. With this vision informing all the President's actions, they will guide the PSO, its Committees, and all family volunteers to strive to fulfill the mission to create a culture of service, grounded in charity, to ensure a truly vibrant and welcoming community of families dedicated to providing the highest quality academic and social environment for our children.

The President shall in general supervise and control all the day-to-day business and affairs of the PSO in accord with the duties and powers given to the PSO President in the PSO Bylaws. These duties include, but are not limited to, maintaining regular communication with the Headmaster and the families of the Academy related to the work and mission of the PSO, preparing the agenda for all PSO meetings, presiding over meetings and the membership, and overseeing all activities and funds of the PSO. The Headmaster is the final approver of all newsletters and emails sent from the PSO and its Committees and is responsible for all web content; however, the Headmaster may delegate this task to the President.

The President is an approved signatory and co-signer on all the PSO's financial accounts. If PSO funds are being used, the President, Vice President, or Treasurer approves all purchase orders or distributions. In some cases, the Headmaster's approval may also be required.

The President is charged with facilitating proper conduct of the PSO Leaders (Officers and Committee Chairs) and orderly PSO meetings. In this forum, the President's responsibility is to ensure all parties

have expressed their opinions for a proper vote to take place. The President will remain neutral on all voting issues unless their vote is needed to break a tie.

The President also acts as the liaison to the corresponding PSO of an academy on the same campus or associated with the same prep academy and works closely with them to promote continuity and partnership.

Appointment and Term. The initial PSO President shall be appointed by the Headmaster. Each President serves for a single one-year term and may apply for a second term. No President, however, shall serve more than two consecutive terms without the expressed written approval of the Headmaster. Upon completion of a single, final term, and at the pleasure of a majority of the then-serving officers, the President shall become President Emeritus and will serve in an advisory position to the Board for one year immediately following that term.

The President is an ex officio member of the Academy Advisory Council. This Council is the Headmaster's key leadership body for the Academy. It is represented by all the major stakeholders that make up the Academy's life. This body meets no less than quarterly and is the key resource for the headmaster in determining the strategic vision of the academy and ensuring that all its leaders and activities are aligned to that vision.

#### *Vice President:*

The Vice President shall assist the President and shall perform the duties of the President in their absence. The Vice President will assume the duties of any other PSO Board Leaders who may need to be absent for a monthly board meeting. The Vice President shall not serve more than two consecutive terms without the expressed approval of the Headmaster.

#### *Secretary:*

The Secretary shall attend and keep the minutes of all board meetings and maintain necessary records and files of the PSO. Minutes will be typed and emailed to the PSO Board Leaders and the Great Hearts Arizona Compliance team in a timely fashion and the Secretary shall maintain a hard copy of all minutes. The minutes of the general monthly meetings will be posted on the PSO website by the Monday following each meeting. The Secretary is responsible for PSO correspondence as requested by the President.

#### *Treasurer:*

The Treasurer under the supervision of the Great Hearts Accounting Department, shall be the custodian of the PSO finances and verifiable records of funds of the PSO. It is highly recommended that the Treasurer has accounting experience. The PSO Treasurer shall receive funds and deposit them into the PSO bank account at a minimum weekly. More frequent deposits should be processed if volume or dollar amounts are significant (More than \$500.00 or 10 transactions). Credit card transactions should be processed immediately as received. The PSO Treasurer shall assist tracking revenue and expenses, request vendor payments and reimbursements via the Great Hearts Accounts Payable department (CONCUR), upload credit card receipts for monthly reconciliations, assist the PSO President in preparing

annual budgets and communicate financial updates to the Academy community. A detailed process and procedure guide will be provided by Great Hearts Accounting Department to each PSO Treasurer.

The Treasurer shall review monthly financial packets that are distributed by the Great Hearts Accounting Department. This PSO financial packet will also be distributed and presented by the Treasurer at PSO General meetings. The Treasurer will ensure that all records of funds are available to the Headmaster, President, and PSO Board and Great Hearts at any time.

### **ELECTION OF OFFICERS/TRANSITION**

The initial PSO Board (at a new academy in the Great Hearts network) shall be chosen by the Headmaster as described above, but PSO Leaders may serve for successive years in different board roles, upon election by the PSO Board. Leaders may be re-elected to successor terms, but no Leader shall serve in the same capacity for more than two consecutive one-year terms without the expressed approval of the headmaster.

Nominations for new PSO Board Leaders shall take place in the fourth quarter of each year. Nominations will be accepted from the floor at the annual PSO Board Meeting as well as from a "Call to the Public" via an electronic communication (e.g., academy website, newsletter, etc.) at least two weeks before the meeting takes place. All candidates must be nominated by a parent of the PSO either orally at the General Meeting or via email. A record shall be kept of who is nominated and by whom.

Newly elected PSO Leaders will be announced and installed before July 1 and an updated list of active members will be provided to the Great Hearts Accounting department. The newly elected PSO Leaders will serve from July 1 after their election until June 30 of the following year, complying with the fiscal year of the PSO. The voting rights of the outgoing PSO Leaders will be retained until the end of their term on June 30.

Upon the completion of their term or upon their resignation, each PSO Leader shall turn over to the PSO President, without delay, all records, books, and other materials pertaining to the vacated PSO Leader position, and shall return to the Treasurer, without delay, all funds pertaining to the vacated PSO Leader position.

### **COMMITTEES**

In the initial year, the PSO Committees and the Committee Chairs are established by the Headmaster, with the Committee Chairs being Leaders of the PSO Board. Thereafter, the Committees shall be created annually by the PSO Board through the mutual interests of the Headmaster, parents, faculty, and the PSO Board. Committee Chairs serve as the liaisons between the PSO Board and the PSO Committees assigned to them.

Committee Chairs are Leaders of the PSO Board and as such, after the initial year, are elected annually to their position in the same fashion as the PSO Board Leaders (see section 3).

Each Committee Chair is a Leader of the PSO Board and is expected to attend and/or submit a report of their Committee activities for all PSO Board meetings. All PSO Committee Chairs and Committee

members are volunteers and receive authority, responsibilities, and guidance from the PSO Board to carry out the objectives of their Committees. Each Committee chair's term of office shall coincide with their term as a Leader.

## **MEETINGS/EXPECTATIONS**

### *Board Meetings:*

The PSO Board shall establish a regular meeting schedule and provide a copy of that schedule to the Headmaster, Great Hearts Accounting department, and academy community.

Any or all PSO Leaders may participate in a general or special meeting or in a committee meeting of the PSO Board by or conduct the meeting using, the telephone or any other means of communication by which the President and all participating PSO Leaders may simultaneously hear each other during the meeting. Anyone attending through these means is deemed to be present in person at the meeting.

The PSO Board shall notify each PSO Leader of the date, time, and place of any general, annual, or special meeting of the PSO Board by oral or written notice in person at least twenty-four (24) hours before a meeting or by written notice at least forty-eight (48) hours before a meeting. The notices provided for meetings shall have the information discussed and be consistent with the format in Article V of the Bylaws.

### *Agenda:*

The agenda for each General meeting shall be prepared by the PSO President. Agenda items will include, at a minimum: reading and approval of the minutes of previous meetings, President's report, financial report, and a report of other significant activities and accomplishments of the PSO Board and the PSO Committees since the last meeting.

### *Board Meeting Quorum:*

A majority (51%) of the number of PSO Leaders then in office shall constitute a quorum for the transaction of business at any meeting of the PSO Board, but if less than such majority is present at a meeting, a majority of the Leaders' present may adjourn the meeting from time to time without further notice.

Each official action of the PSO Board shall be recorded in the minutes of said meeting and filed with the PSO's official records. The agenda for each General meeting shall include a provision for public report on the business the PSO Board concluded since the last General meeting.

### *Meeting Schedule and Frequency:*

The PSO Annual Meeting shall take place in the fourth quarter of each year and shall include voting on the slate of PSO Leaders for the following year and approval of the new annual budget. The PSO Board shall choose the dates, times, and locations for all meetings. Meetings will be noted in the PSO newsletter and on the website.

General meetings will take place at least quarterly and as deemed necessary by the PSO Board. The PSO Board may also call Special meetings as needed, for any purpose, upon the request of one of the PSO

Board Leaders or by the Secretary at the written request of twenty percent (20%) of the Leaders. All PSO meetings are open to currently enrolled parents or guardians. PSO Board meetings will begin early in the first quarter of each year.

#### Participation in PSO Meetings:

PSO Board Leaders, Great Hearts Compliance manager or Great Hearts Accounting team member, and any parent or guardian of currently enrolled students at the academy, are invited to attend PSO meetings. Parents of future students may attend meetings but may not participate or volunteer until their students are attending the academy.

### ANNUAL BUDGET AND FISCAL RESPONSIBILITY

#### *Fiscal Year:*

The fiscal year of the PSO begins on the first day of July and runs to the last day of June the following year.

#### *Controls:*

The Academies are subject to an outside audit on an annual basis. As the Parent Service Organization is a part of the Academy the PSO must comply with the same financial control guidelines as the academy.

#### *Accounts:*

Great Hearts Arizona has an established banking relationship with Arizona Bank and Trust (AB&T) for all the Academies' and PSO's day to day operations. The PSO President, GH Accounting Department, and Headmaster are required signers on the bank accounts. PSO's utilize Great Hearts centralized accounting services including Concur for accounts payable and credit card transactions. PSO's may also request prepaid expense cards (PEX) for business expenses. **Cash withdrawals from bank accounts and credit card accounts is strictly prohibited per Great Hearts finance policies. Cash, checks or other donations should be dropped in the school safe and should not leave the campus by either a Leader or volunteer of the PSO Board.** Additionally, any expenditures over \$500 that are not deemed to be operating expenses must be approved by the Headmaster. Company issued credit cards must be utilized in accordance with all Great Hearts Accounting policies with proper receipting and authorizations submitted monthly to Concur. An itemized receipt/invoice is required for all credit card purchases, failure to do so could result in the person responsible for the credit card to be liable for charges/expenses. Additionally, credit cards may be cancelled if excessive receipts are missing irrespective of dollar amount. Credit cards are to be used for company purposes ONLY.

The Treasurer, President and Great Hearts Accounting Department shall have online access to the checking account and credit card activity. It is in the interest of all to verify monthly activity with the Great Hearts Accounting Department. The PSO Board shall adhere to all guidelines and respond to all requests of the Great Hearts Accounting Department or the Headmaster regarding all financial matters.

*Relationship to the Academy:*

The PSO shall operate under the federal tax identification number of the academy. The PSO records shall be distributed to the Headmaster monthly, and the accounts shall be considered part of the overall academy finances.

*Preparation, Adoption and Modification of Annual Budget:*

The PSO Board shall prepare an annual budget for the following school year in the third quarter. The PSO Board shall review the proposed annual budget, invite comment on the proposed budget, make any necessary modifications, and approve and adopt an annual budget at the Annual meeting. The approved annual budget will be submitted to the Great Hearts Accounting Department who assist the Headmaster with overall academy budgeting. Once approved, modifications exceeding 10% of the annual budget must be approved by the PSO Board and separately approved by the Headmaster.

*Expenditures:*

Expenditures will be prioritized and presented as a part of the budget at the PSO Annual meeting. Expenditures over \$500 not anticipated in the annual budget may be submitted to the PSO Board by the Headmaster or other PSO Board Member and can be voted on at any time throughout the year. These votes may take place at any Special or General meeting, whichever is appropriate to the amount of the funding request.

*Contractual Obligations:* Any contracts involving financial expenditures or potential liability must be approved in writing in advance by the Finance Department. Any agreement or contract, whether oral or in writing and whether any costs are associated with the Agreement, for use of any Academy space must be approved by the Headmaster and the Executive Director or their designee in writing.

*Annual Year End Disbursement:*

The PSO Board will retain adequate funds for operating expenses to start the upcoming school year and transfer the remaining excess revenue to the academy by June 30 of the current year in accord with the Bylaws unless the headmaster approves an alternate amount.

## SECTION IV: PSO PASSIVE REVENUE GENERATION

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### HOW ARE PSO SUPPORT FUNDS COLLECTED?

The PSO collects funds through passive revenue generation programs sponsored by the PSO. Passive Revenue Generation does not require a direct “ask” of charitable gifts from individuals, business owners, corporations and foundations or other external charitable funding entities. Direct charitable gift asks of support is solely reserved for the Office of Academy Giving & Advancement across all Great Hearts Academies. PSO’s must abide by this universal understanding to prioritize direct individual fundraising efforts in support of annual campaigns which make up anywhere from 6-10% of each individual academy’s operating budget. A copy of this policy can be provided by the Academy Giving Manager. There is no membership fee to belong to the PSO and students are never asked to sell any item or service.

**DEFINITION OF PASSIVE REVENUE GENERATION**

A passive revenue generation program is a program offered by a corporation or small business that will donate a portion of their sales to qualifying schools for purchases made in day-to-day activities and do not require a formal partnership or sponsorship of any one given corporation or small business and does not require the usage of the Great Hearts or Academy specific branding. They allow participants an opportunity to have money donated to a school through their everyday shopping activities.

A passive revenue generation program does not require the implementation of a donor or the development cycle of a participant. It is most often tied to a “portion of sales” and does not require that any one individual or single entity participant to pay an additional amount of money for his or her purchase. Finally, through a passive revenue generation program, the participant does not make a gift directly to the academy. Instead, a portion of their purchase made to a corporation or small business is donated back to the academy by the corporation.

*Examples May Include:*

<ul style="list-style-type: none"> <li>• Lunch Program</li> <li>• Store Credit Programs</li> <li>• Snack Bar</li> <li>• School Swag</li> <li>• Homecoming</li> <li>• Spirit Wear</li> <li>• Father/Daughter Dance</li> <li>• Camp out on campus</li> <li>• Food Truck Friday</li> <li>• Teacher Appreciation week and luncheons (fall, winter, spring)</li> <li>• Loyalty Shopper Cards at Fry’s, Harkins, Target</li> </ul>	<ul style="list-style-type: none"> <li>• E-Script &amp; Script</li> <li>• Winter Formal</li> <li>• New and Used Book Fair</li> <li>• Used Uniform sale &amp; exchange.</li> <li>• Fall and Spring Festivals &amp; Dances</li> <li>• Movie Nights</li> <li>• Box Tops for Education</li> <li>• AmazonSmile</li> </ul>
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**USAGE OF PSO REVENUE**

The funds generated through the Parent Service Organization are to be used solely to benefit the faculty, administration, and students. As per the PSO Bylaws, no one in the PSO receives remuneration for the time and service they provide. The PSO has a general budget, voted upon by the PSO Board annually, which specifies the items and initiatives that will be supported. These include teacher appreciation activities (birthday celebrations, special luncheons), hospitality for academy events (Sports Banquet and All-School Awards), snacks and drinks for student Field Days, as well as providing for minimal PSO operating costs (website hosting, paper for flyers/forms, etc.). The purchase of large assets for the academy such as FF&E (Furniture, Fixtures and Equipment) is prohibited. This type of request must be made through the Headmaster in conjunction with the Regional Home Office Facilities Director and be processed as a transfer of funds. This will enable the academy to make the purchase and the asset to be recorded correctly on the academy balance sheet.

**RECOMMENDATION FOR ACTIVITY TERMINOLOGY**

We prefer to use the term ‘passive revenue generation’ instead of ‘passive fundraising’ for the activities of the PSO, to avoid confusion with the direct fundraising activities of the Academy Giving Manager, the Community Investment campaign, and Tax Credit drive. The revenue generation of the PSO is used to support the programs that align with the objectives and purpose of the PSO. PSO’s must not use nomenclature which may cause confusion within the parent community or compete with the charitable fundraising priorities of the academy.

**Best Practice Rules of Engagement**

<b>Academy Fundraising Priorities</b>	<b>PSO Passive Revenue Generation</b>
Always has priority messaging and allows for incentivization.	Does not incentivize or present community messaging that conflicts with annual campaigns or creates confusion within the parent community.
Publishes donor lists as approved and in accordance with the donor’s wishes.	May not publish donor lists
Uses proven best practices built into a pre-approved strategic development plan to meet the needs of the academy operations.	Relies on revenue that is passive in nature and does not make direct asks of individuals.
Must follow the fundraising policies & gift acceptance policies of Great Hearts Academies.	Must follow the policies & procedures of the Great Hearts PSO manual & bylaws
Receives support and coaching from Great Hearts Development/Advancement team through weekly meetings/quarterly and annual meetings.	Receives support and coaching from Headmasters alongside their Academy Giving Manager to prioritize Annual Campaigns in the community. Receive financial management support from the Great Hearts regions finance department.
Uses fundraising and development nomenclature such as Campaign, Fund, Appeal, Fundraising	Does not use development nomenclature such as “Fundraise” or Fundraising, campaign, fund, appeal.
Follows the stewardship plan which includes the tax receipting and acknowledgment of all donations	Uses passive language such as support, build community, assist, partner, join

**HOW IS “FUNDRAISING” CONDUCTED AT A GREAT HEARTS ACADEMY?**

The Great Hearts development/advancement team is responsible for raising 10-20% of the overall budget of each academy in the Great Hearts network. This is done through the deployment of an annual strategic plan and efforts related to the academy-based campaigns such as the Community Investment campaign and Tax Credit Drive.

The strategic fundraising work led by on-site Academy Giving Managers with direction from Great Hearts leadership must raise funds because 1) public charter schools receive less per-pupil funding than public district schools and 2) a Great Hearts education offers curriculum that cost more than we receive in public funding. Those priorities include 1) smaller class sizes, 2) lower student-to-teacher ratios, and 3) the inclusion of specials such as foreign language, art, music, and, at the Archway level, physical education.

The annual campaign development/fundraising efforts at each academy allow students to fully receive the Great Hearts educational model they deserve, and parents expect.

**ACKNOWLEDGEMENT AND AGREEMENT**

I have received a copy of the Great Hearts Arizona PSO Handbook. This Handbook incorporates **all** GreatHearts policies and procedures. I understand that in the course of PSO operations I may have exposure, whether direct or inadvertent, to confidential financial information, donor information, and student information. I agree to strictly comply with all applicable laws, policies, rules, and protocol related to confidential data and individual and institutional privacy and to immediately report any disclosure to the Headmaster and the Finance Department.

**I have the right to end my volunteer relationship with the organization with or without advance notice for any reason. The organization has the same right.**

The handbook is not all inclusive but is intended to provide a summary of some of the organization’s guidelines and highlight certain policies, procedures and rules directly related to the operation of the PSO. This edition replaces all previously issued handbooks. The need may arise to change the guidelines described in the PSO handbook; therefore, the organization reserves the right to interpret them or to change them without prior notice.

**By signing below, you indicate that you have received, reviewed, understand, and accept the PSO Handbook and agree to abide by all GreatHearts policies and procedures and the rules, guidelines, and procedures outlined in the PSO Handbook.**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Title in PSO: \_\_\_\_\_

# APPENDIX

## TEACHER APPRECIATION INITIATIVES VIA SNOWSTORM OR (SEASON OF GIVING like activities)

### History & Purpose

The purpose of this holiday tradition was founded on the premise of replacing the multiplicity of trinket offerings that teachers would historically receive as a gift a 'thanks' during the holidays. In lieu of coffee mugs and other like gifting, parents of students make a **small monetary gift *de minimis*** as an offering of thanks to teachers within their own community during the holiday gift giving season. Promoted ask amounts should align with this intent and not exceed more than \$500 for any single giver. Should a family want to make a significant gift to support teachers (over \$500), they should be encouraged to speak with their Academy Giving Manager about the Teacher Excellence Fund. Snowstorm and like activities may not be promoted as **"bonus"** compensation and **may not be incentivized** by Academy leadership and sponsoring PSO's.

1. PSO's may not run more than one of these initiatives during an academic year. It should take place during the holiday season to keep with the intent of it's founding.
2. Prior to the Snowstorm season, PSO leaders are **required** to meet with their Headmaster alongside their Academy Giving Manager together. Together, the Headmaster, Academy Giving Manager and PSO Leadership will create a plan with actionable items that can be monitored. Headmasters, Academy Giving Managers and PSO leadership will work together to determine how to integrate the below **FY22 requirements** into their academy schedule.
  - a. The period for Snowstorm activities will be **November 15<sup>th</sup> – December 9<sup>th</sup>**. For the success of your Community Investment campaign PSO's will **pause** on any **Snowstorm** communications, activities, and collateral distribution on **Friday, November 26<sup>th</sup> – Wednesday, December 1<sup>st</sup>**. This will preserve #GivingTuesday for the direct benefit of your academy and successful annual campaign activities taking place on #GivingTuesday. Note: ***#GivingTuesday language is reserved exclusively for the Office of Academy Giving.***
  - b. All Snowstorm gifts will be collected, tracked, and deposited in the associated bank accounts; a transfer will take place into the academy accounts where the designated gifts will be distributed via payroll on **December 24, 2021**. This means all giving to Snowstorm must conclude by **Friday, December 10, 2021**, and the worksheet submission will be due to the home office on that date for payroll processing to take place.
  - c. All PSO's will provide a listing of donors and gift amounts so that those gifts may be properly recorded and acknowledged. If a PSO chooses to use the Configio portal established for them, they will not have to provide this independently as the transaction report will be used for gift entry.

- d. As briefly mentioned in #3, PSO's will be encouraged to use the Configio portal for Holiday Appreciation for FY22 but will not be required to do so until FY23 (December of 2022). For FY22, other giving portals will not use giving buttons with predetermined gift amounts. PSO's may recommend *de minimis* giving by encouraging an amount per student but should not make recommendations for giving levels. It should be a free form field.
3. Other Best Practices should include:
    - a. Being strategic in the frequency and content of emails & social media posts sent or posted by the PSO.
      - a. Including necessary language in PSO communications regarding fundraising priorities (e.g., If you have not yet made your gift to Community Investment, please do so first! Use partnering language when possible.
    - b. Limiting drive line interactions by PSO (e.g., PSO members hand out envelopes for Snowstorm on one day and they pick up envelopes on another)
    - c. Use prudence for budgeted spending for Snowstorm celebrations.
    - d. PSO's should cross coordinate with their sister Prep or Archway academy for alignment to ensure the PSOs to help alleviate confusion with crossover families. (Families that have a student at both archway and prep)

PSO's will work with their Headmaster and Academy Giving Manager collectively to ensure within their respective academy's that Community Investment Campaign and Tax Credit Drive always receives priority messaging. PSO's should actively work towards cross-functional collaboration during this time of the year.

**BYLAWS****ARTICLE I****LEGAL AND TAX STATUS**

Section 1. Legal and Tax Status. GREAT HEARTS ARCHWAY VERITAS PSO (“PSO”) is a separately incorporated limited liability company through which parents and students support the mission of the GREAT HEARTS ARCHWAY VERITAS, an Arizona nonprofit corporation (“Academy”). Under the Arizona Limited Liability Company Act set forth in Arizona Revised Statutes 29-601 *et seq.* (“Act”) and Treasury Regulation Section 301.7701-3, the School is the sole member of the PSO. Any reference in these Bylaws to “Member” shall be deemed to refer only to such sole voting Member unless otherwise specifically provided. These Bylaws shall constitute the “operating agreement” of the PSO for purposes of the Act.

Section 2. Purposes.

(a) The PSO makes invaluable contributions in service to the academy and its community. The purposes for which the PSO is organized include conducting programs that build community among the faculty, students, administration, and parents, organizing volunteer efforts to assist the Academy (e.g. field trips, lunch distribution, teacher appreciation, etc.), and any other lawful activity for which limited liability companies may be organized under the Act as approved by the Member; provided, however, that all such activities shall be for the exclusive benefit of the Academies charitable and educational mission and shall be consistent with the Academies status as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (“Code”) and exempt from federal income tax under Code Section 501(a).

(b) These Bylaws are the formal governing rules of the PSO and create the framework for implementing the Standard Operating Procedures (“SOP”). The SOP defines the day-to-day activities within the framework of these Bylaws and are outlined in a separate document which is written and approved by the PSO Board. Through these documents, continuity is maintained for the duration and leadership succession of the organization.

**ARTICLE II****OFFICES**

Section 1. Principal Office. The PSO may have such offices, either within or without the State of Arizona, as may be designated from time to time by resolution of the PSO Board (“Board”), one of which may be designated as the principal office.

Section 2. Registered Office and Registered Agent. The PSO shall maintain a registered office and registered agent in the State of Arizona. The registered office may, but

need not be, identical with the principal office of the PSO. The identity and address of the registered agent may be changed from time to time pursuant to the provisions of the Act.

### ARTICLE III

#### SOLE MEMBER

Section 1. Classes of Members. The PSO shall have a single class of voting members and the sole Member of that class shall be the Academy.

Section 2. Responsibilities and Voting Rights of Member.

(a) Any voting rights specified herein shall be exercised by the Academy as the sole voting Member of this PSO, through action of its Board, through its designated representative, or by proxy executed in writing from the designated representative.

(b) The following actions shall not be taken by the PSO without the advance written approval of the Member:

- (1) Amendment of the Articles of Organization of this PSO.
- (2) Amendment of the Bylaws of this PSO.
- (3) Merger, consolidation, affiliation, or dissolution of this PSO.
- (4) The creation of any subsidiaries or affiliates of this PSO.

Section 3. Responsibilities and Voting Rights of Member. The following actions shall not be taken by the PSO without the advance written approval of the Member:

- (a) The disbursement of funds to any payee other than a PSO vendor, a PSO creditor or the Academy.
- (b) The selection of banking affiliations, accounting firms, legal counsel as well as approval of the engagement of any consultants not specifically provided for in an approved budget.
- (c) The selection of the manner and location of investment of any retained earnings.
- (d) The extension of any loans by or any borrowing by this PSO.
- (e) The payment of compensation for services by this PSO.
- (f) Adoption of the annual budget prepared by this PSO's Treasurer, and any actions taken by this PSO which would or could involve expenditures which exceed one hundred percent (100%) of the approved budgeted amounts for such expenditures.

Section 4. Manner of Acting; Proxies. The Member may vote or execute consents in person through its designated representative, or by one or more agents authorized by a written proxy executed by the designated representative and filed with the Secretary of the PSO. No proxy shall be valid after eleven (11) months following the date of its execution unless the Member specifies the length of time for which it is to continue in force. The effectiveness of proxies and the manner of their execution, replication and exercise shall be governed by the laws of the State of Arizona.

Section 5. Meetings. No annual or special meeting of the Member is required.

Section 6. Action by Written Consent of Member. Any action required by the Articles of Organization or Bylaws of the PSO, or any provision of the Act, to be taken at a meeting, or any other action which may be taken at a meeting, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by the sole corporate Member.

Section 7. Transfers.

The sole corporate Member may not transfer its membership or any right or rights arising therefrom.

## ARTICLE IV

### BOARD LEADERS

Section 1. General Powers.

(a) The affairs of the PSO shall be managed by its Board. The PSO Board shall be subject to the control of the Member.

(b) The PSO Board's actions should be governed by the PSO's Standard Operating Procedures (SOP) which are dated documents that can be amended as needed by the organization. The SOP indicates the day-to-day operations of the organization so far as may be consistent with these Bylaws, to the extent authorized or permitted by law. There are several items that may be included in the SOP, including:

- job descriptions of board members and responsibilities
- committee duties and responsibilities
- elections of Successor Leaders
- ethical operations of organization, including conflict of interest
- limitations
- meeting times and dates
- issues and concerns
- equity or nondiscrimination clause
- lunch program

- passive revenue generation
- and other procedures and policies that the PSO Board sees fit to document to ensure continuity is maintained for the duration and leadership succession of the organization.

#### Section 2. Number and Qualifications of Leaders.

(a) Number. The number of Leaders shall be as determined by the PSO Board from time to time and shall serve for the term provided in Section 3 of this Article.

(b) Qualifications. Each Leader shall be a person of experience and good reputation in the community who is a parent, grandparent, or guardian of one or more current students at the Academy. Leaders will actively support the goals and objectives of the PSO and be willing to contribute his or her time and effort to achieve such goals and objectives. Leaders shall have other such qualifications as the PSO Board may prescribe by resolution or amendment to these Bylaws.

(c) Ex Officio Leader. The Headmaster of the Academy shall be an ex officio Leader of the Corporation with voting rights.

#### Section 3. Election and Term.

(a) Initial Leaders. The initial Leaders named in the Articles of Organization, organizational meeting minutes, or consents in lieu of the organizational meeting shall serve until the first annual meeting of the PSO Board.

(b) Successor Leaders. Successor Leaders, other than any ex officio Leader, shall be elected in accordance with the SOP. Such SOP could indicate that Successor Leaders be elected by the affirmative vote of a majority (51%) of the Leaders then in office at the annual meeting of the Board in the year a vacancy will occur or by the affirmative vote of a majority (51%) of the parents, grandparents, or guardians of current students at the Academy.

(c) Term of Office. Leaders, other than any ex officio Leader, shall hold office from the close of the annual meeting for a term of one (1) year, or until their successors have been elected and qualified.

Section 4. Resignation. A Leader may resign at any time by filing a written resignation with the President or the Secretary of the PSO.

Section 5. Removal. A Leader may be removed from office with or without cause by the Member's Headmaster or the vote of a majority of the other Leaders of this PSO then in office either at a regular meeting or any special meeting called for that purpose.

Section 6. Vacancies. In the event a vacancy occurs in the PSO Board from any cause, including an increase in the number of Leaders, an interim Leader shall be elected by the Leaders of this PSO specified in Section 2 of this Article. An interim Leader shall serve until a successor is elected upon expiration of the term of office for that Leader.

Section 7. Regular Meetings. The PSO Board may provide by resolution for regular or stated meetings of the PSO Board, to be held at a fixed time and place, and upon the passage of any such resolution such meetings shall be held at the stated time and place without other notice than such resolution.

Section 8. Special Meetings. Special meetings of the PSO Board may be held at any time and place for any purpose or purposes, unless otherwise prescribed by the Act, on call of the Member, the President, or the Secretary, and shall be called by the Secretary on the written request of any twenty (20%) of the Leaders.

Section 9. Meetings by Telephone or Other Communication Technology.

(a) Any or all Leaders may participate in a regular or special meeting or in a committee meeting of the PSO Board by or conduct the meeting using, the telephone or any other means of communication by which the President and all participating Leaders may simultaneously hear each other during the meeting.

(b) If a meeting will be conducted using any means described in subsection (a), the President and all participating Leaders shall be informed that a meeting is taking place at which official business may be transacted. A Leader participating in a meeting by any means described in subsection (a) is deemed to be present in person at the meeting.

Section 10. Notice and Waiver of Notice.

(a) Notice. Notice of the date, time, and place of any annual or special meeting shall be given by oral or written notice delivered personally to each Leader and the President at least twenty-four (24) hours prior thereto, or by written notice given by other than personal delivery at least forty-eight (48) hours prior thereto. Notice shall be given in one of the methods described in Article V hereof. The purpose of and the business to be transacted at any special meeting of the PSO Board need not be specified in the notice or waiver of notice of such meeting. Copies of any written materials to be presented at the meeting shall be delivered to the Leaders and to the PSO President at least three (3) days prior to the meeting.

(b) Waiver of Notice. Whenever any notice whatever is required to be given under the provisions of the Act or under the provisions of the Articles of Organization or Bylaws of the PSO, a waiver thereof in writing, signed at any time by the person or persons entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a Leader at a meeting shall constitute a waiver of notice of such meeting, except where a Leader attends the

meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 11. Quorum. A majority (51%) of the number of Leaders then in office shall constitute a quorum for the transaction of business at any meeting of the PSO Board, but if less than such majority is present at a meeting, a majority of the Leaders' present may adjourn the meeting from time to time without further notice.

Section 12. Manner of Acting. The act of a majority of the Leaders present at a meeting at which a quorum is present shall be the act of the PSO Board, unless the act of a greater number is required by the Act, or the Articles of Organization or Bylaws of the PSO.

Section 13. Action by Written Consent of Leaders. Any action required by the Articles of Organization or Bylaws of the PSO, or any provision of the Act, to be taken at a meeting, or any other action which may be taken at a meeting, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Leaders entitled to vote with respect to the subject matter thereof and the President of the PSO. Such consent shall have the same force and effect as a vote of the PSO Board taken at a meeting.

Section 14. Presumption of Assent. A Leader of the PSO who is present at a meeting of the PSO Board, or a committee thereof, at which action on any PSO matter is taken shall be presumed to have assented to the action taken unless such Leader's dissent shall be entered in the minutes of the meeting or unless such Leader shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the PSO immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Leader who voted in favor of such action.

Section 15. Compensation. Leaders of the PSO shall not receive compensation; however, Leaders may receive reimbursement for reasonable expenses incurred in connection with corporate matters, provided that such reimbursement is authorized by the PSO Board.

Section 16. Committees. The PSO Board by resolution may create committees having such powers as are then permitted by the Act and as are specified in the resolution.

## ARTICLE V

### METHODS OF GIVING NOTICE

Notice of any meeting of Leaders, and any other notice required to be given under these Bylaws or the Act, may be communicated in person, by telephone, email, facsimile or other form of wire or wireless communication including electronic mail, or by mail or private carrier. Oral notice is effective when communicated. Written notice is effective at the earliest of the following:

- (a) When received.
- (b) When deposited in the U.S. mail, if mailed postpaid and correctly addressed.
- (c) On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

## ARTICLE VI

### OFFICERS

Section 1. Number The principal officers of the PSO shall be at minimum a President, a Secretary, and a Treasurer, each of whom shall be elected by the PSO Board. The PSO Board may elect such other officers and assistant officers and agents as may be deemed necessary. The same individual may simultaneously hold more than one office. Officers shall be members of the PSO Board.

Section 2. Election and Term of Office. The officers of the PSO shall be elected annually by the PSO Board at its annual meeting. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as may be convenient. Each officer shall hold office from the close of the annual meeting for a term of one year, or until a qualified successor is elected upon expiration of the term of that officer, or until that officer's death, or until that officer shall resign or shall have been removed in the manner hereinafter provided.

Section 3. Removal. Any officer or agent elected or appointed by the PSO Board may be removed by the PSO Board whenever in their judgment the best interests of the PSO will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create contract rights.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the PSO Board for the unexpired portion of the term.

Section 5. The President. The President shall be the principal executive officer of the PSO and, subject to the oversight of the Board, shall in general supervise and control all the day-to-day business and affairs of the PSO. The President shall, when present, preside at all meetings of the PSO Board. The President shall have authority, subject to such rules as may be prescribed by the PSO Board and affirmed by the Member, to appoint such agents of the PSO as he or she shall deem necessary, to prescribe their powers and duties, and to delegate authority to them. Such agents shall hold office at the discretion of the President. In general, the President shall perform all duties incident to that office, and such other duties as may be prescribed by the Board from time to time.

Section 6. The Secretary. The Secretary shall: (a) keep the minutes of the PSO Board' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the company records and of the seal of the PSO if one is authorized by the PSO Board, in which case the Secretary shall see that the seal of the PSO is affixed to all documents the execution of which on behalf of the PSO under its seal is duly authorized; and (d) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board.

Section 7. The Treasurer. The Treasurer shall: (a) have the oversight responsibility for all funds and securities of the PSO, and for moneys due and payable to the PSO from any source whatsoever, including the deposit of such moneys in the name of the PSO in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; (b) develop an annual budget, annual goals, and annual activities based on the budget and goals and submit the annual budget to the Member for approval; and (c) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the PSO Board.

Section 8. Compensation. Officers of the PSO shall not receive compensation; however, officers may receive reimbursement for reasonable expenses incurred in connection with corporate matters, provided that such reimbursement is authorized by the Board.

## **ARTICLE VII**

### **INDEMNIFICATION**

The PSO shall, to the fullest extent permitted by law, indemnify its Member, Leaders, officers, and representatives against all liabilities, and advance any and all reasonable expenses, incurred thereby in any proceeding to which any Leader, officer or representative is a party because such Member, Leader, officer, or representative is a Member, Leader, officer, or representative of the PSO.

## **ARTICLE VIII**

### **MISCELLANEOUS**

Section 1. Fiscal Year. The fiscal year of the PSO shall end on the last day of June each year.

Section 2. Corporate Acts. The President shall have authority to sign, execute and acknowledge on behalf of the PSO, all deeds, mortgages, bonds, stock certificates, contracts, leases, reports, and all other documents or instruments necessary or proper to be executed during the PSO's regular business, and which shall be authorized by resolution of the PSO Board. The Secretary of the PSO is authorized and empowered to sign in attestation all documents so

signed, and to certify and issue copies of any such document and of any resolution adopted by the Board of the PSO, provided, however, that an attestation is not required to enable a document to be an act of the PSO.

Section 3. Agents and Representatives. The PSO Board may appoint such agents and representatives of the PSO with such powers and to perform such acts or duties on behalf of the PSO as the Board may see fit, so far as may be consistent with these Bylaws, to the extent authorized or permitted by law.

Section 4. Deposits; Authorized Signatories. All funds of the PSO, not otherwise employed, shall be deposited no less frequently than monthly to the credit of the PSO in a separate bank account established for the PSO's benefit. The PSO's President as well as the Member's Headmaster and its designated representative shall be signers on the account. The Treasurer may appoint such agents and representatives of the PSO with appropriate account authorization to carry out acts or duties on behalf of the Treasurer as the PSO Board may see fit.

Section 5. Contributions. The PSO, as a single member limited liability company of the School, may solicit contributions as part of various businesses' charitable sales promotions and as part of PSO sponsored events. In connection with such promotions and events, the PSO Board may accept on behalf of the Academy any contribution restricted for the general purposes of the PSO.

## ARTICLE IX

### TAX PROVISIONS

Section 1. Purposes. Notwithstanding any other provision of this Agreement or the PSO's Articles of Organization to the contrary, the PSO shall not conduct or carry on any activities not permitted to be conducted or carried on (a) by an organization described in Code Section 501(c)(3) and exempt from federal income tax under Code Section 501(a), or (b) by an organization, contributions to which are deductible under Code Sections 170(c)(2), 2055(a)(2) and 2522(a)(2).

Section 2. Inurement; Compensation. No distributions shall be declared or paid by the PSO to the President, officer, or Leader of the PSO. No part of the net earnings or assets of the PSO shall inure to the benefit of any Leader or officer of the PSO or any other private person; provided, however, that the PSO shall be authorized and empowered to pay reasonable compensation for services rendered to third party vendors, or reimburse reasonable expenses incurred, in each case, for the benefit of the PSO and necessary for carrying out the purposes of the PSO as set forth in Article I above.

Section 3. Distributions. The PSO shall distribute at least eight five percent (85%) of its annual net income to the Member within thirty (30) days following the end of the Academy academic year, however the Member's Headmaster may approve a lesser distribution to

accommodate working capital needs for the PSO to carry out its day-to-day operations.

Section 4. Lobbying and Political Activities. The PSO shall not attempt to influence legislation, nor shall it participate in any political campaign.

**ARTICLE X**

**AMENDMENTS**

These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by the sole corporate Member of this PSO. The Member shall notify the Board of any such alteration, amendment or repeal and its effective date.

Certified a true and correct copy of the Bylaws adopted on the \_\_\_\_\_th day of \_\_\_\_\_, 2021, by the Board of GREAT HEARTS ARCHWAY VERITAS PSO, LLC.

\_\_\_\_\_  
, Secretary