

# Park Road Montessori

## PTO Executive Board Meeting Minutes

11/2/2016

9:00 pm

Conference Call

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### Attendees:

Toni Emehel, *President*

**Note taker:** Michelle Gonzalez-Vigil

Maury Finger, *Vice President*

Michelle Gonzalez-Vigil, *Co-Secretary*

Kyle Kauffman, *Treasurer*

Emily Meeker, *Fundraising Coordinator*

Jodie Lowe, *Communications Coordinator*

Karen Delozier, *Social/Community Coordinator*

Melissa Merritt, *Co-Secretary*

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### Minutes

**Agenda item:** President's Call to Order

**Presenter:** Toni Emehel

#### Discussion:

Welcome and review of the agenda. Based on her prior discussion with Martha, the CMS position is that precedence means nothing if it does not align with CMS policy. There are a number of practices that have been identified in the school that do not align with CMS policy and this year those issues will be investigated and rectified.

#### Agenda Items:

1. We will seek to reclaim Mountain Trail funds
2. How will our discussion tonight impact our Invest update scheduled for Friday
3. Updating the By-Laws to ensure that we comply with provisions in our insurance policy

#### Action items

#### Person responsible

#### Deadline

- |  |              |      |
|--|--------------|------|
| ✓ All officers read the email from Russ Pressley regarding Wells Fargo Matching Funds and consider what this information means with regard to our fundraisers. | All Officers | ASAP |
|--|--------------|------|

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**Agenda item:** Ensuring Compliance with our Insurance Policy

**Presenter:** Toni Emehel

#### Discussion:

In order to ensure that we comply with the provisions in the insurance policy, we will be updating our by-laws. It is also suggested that a second party review bank statements for the PTO. Additionally the term "loan" has come up from time to time and it is suggested that a promissory note is drafted so that when the time comes we will have appropriate documentation available.

#### Action items

#### Person responsible

#### Deadline

- |   |                 |      |
|---|-----------------|------|
| ✓ Lawyer from Melissa's office to draft a Promissory note | Melissa Merritt | ASAP |
| ✓ Read the Insurance Guide: Office Liability on Page 21   | All Officers    |      |
| ✓ Read the Insurance Guide: Gifting Letter pages 16-17    |                 |      |
| ✓ Read the Insurance Guide: checks and balances page 14   |                 |      |

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**Agenda item:** Bank Statement Review

**Presenter:** Kyle Kauffman

**Discussion:**

Treasurer requests that we put an extra set of eyes on the PTO bank statements. It is recommended that the sitting VP review the bank statements monthly and verify the accuracy of the amount reported to the group during monthly PTO meetings. This will also facilitate discussion between the sitting VP and the Treasurer and help to ensure that the new President will be familiar with the finances and up to speed when he or she takes office.

<b>Action items</b>	<b>Person responsible</b>	<b>Deadline</b>
✓ Kyle and Melissa to draft updated language for the by-laws	Melissa Merritt	ASAP
✓ Request that when Laura receives monthly paper statements for the PTO account, they are placed into the VP's mailbox	Kyle Kauffman / Laura Slesinger	

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**Agenda item:** Mountain Trail loan request from PRM

**Presenter:** Kyle Kauffman

**Discussion:**

Donald and Martha contacted Kyle on 11/1/2016 to request to borrow \$7,895 from the \$15,444.95 currently in the school-held account to pay for unpaid balance to Mountain Trail for 3 classes from 2015. The understanding was that the unpaid balance put this week's trips in jeopardy. Some key points:

- 1- The funds in 7215 originate from 3 sources: Invest, Marathon, and Wells Fargo Matching donations
- 2- Wells Fargo donations are noted as "PTO" in the memo
- 3- This funding was originally understood to be requested as a "loan" with a verbal agreement to be paid back
- 4- It was then recommended by PTO President that the loan be secured with a promissory note, and approved by a majority vote of the Executive Committee
- 5- 11/1 Donald Clodfelter responds via email to clarify that funds from Account 7215 are "CMS Matching Funds" and "not a PTO account"
- 6- 11/2 Donald Clodfelter forwards an email from Russ Pressley stating that Wells Fargo Funds are posted to a "donations" fund (7200) for CMS, which is unrestricted (meaning that "as a general rule once any funds are received and receipted by CMS those funds are considered property of CMS...the school is free to use the money to satisfy daily obligations, especially where vendor obligation are due and payable") Donations to PTO are supposed to be placed into the PTO account (referenced by Russ as 7210). Donor restricted funds (funds donated with a restriction placed by the donor that the funds be used for a stated purpose) are supposed to be placed into 7202- although this would be a CMS account, not a PTO account but with those funds being restricted for use only for their stated purpose. Funds deposited into account 7202 as restricted donations require that the original documentation (stipulating the restriction) be retained for five years and be subject to examination at the next internal audit.

**Conclusions:**

Treasurer reviewed the records from the PTO checking account and confirmed that for 2015 MTOS four disbursements were made- \$935, \$2,070, \$5,665, and \$2,261.88 (approximately \$11,000) - from the Upper EI account to PRM for MTOS. Additional funds for MTOS came from parent's donations. The cost was \$180 per child to attend. Based on an assumed number of students similar to this year, PRM would have owed MTOS \$28,980, and based on assumed donations from parents, plus our recorded disbursements, funds received total \$31,930. If MTOS physically received only \$15,480 (\$28,980 minus \$13,500) then approximately \$16,000 is unaccounted for (\$31,930 - \$15,480) from the school's possession. If this money is not repaid to PTO, it will be taken from Montessori Enrichment and Teacher Conferences as these are the only budget line items large enough to absorb the impact. Kyle and Toni will start out their meeting with Martha and Donald by asking why the school was looking to borrow money from the PTO. Kyle also welcomes any additional suggested questions from the committee and feedback to be communicated to him via email before the meeting so that all committee members' perspectives can be taken into account

**Action items**

- ✓ Kyle and Toni to meet with Martha and Donald (open meeting)
- ✓ Confirm the disbursement of funds from PTO to PRM for MTOS (show cleared checks and bank statements)
- ✓ Demonstrate that the intent of the donors of these funds is to restrict their use to PTO
- ✓ Clarify if account 7215 is a "CMS Matching Funds account" and not a PTO account
- ✓ Clarify how matching funds from Wells Fargo should be earmarked for PTO and if they should be placed into the "Donor Restricted Funds Account" (7202) going forward or if a note in the memo line of checks serves as a sufficient restriction if they remain in 7215

**Person responsible**

Toni, Kyle, Martha,

**Deadline**

11/11/16 8am

**Agenda item:** Impact on Fundraising**Presenter:** Toni Emehel**Discussion:**

Reconsider how we communicate the Invest totals in light of the current situation. The 25<sup>th</sup> Anniversary fundraiser has no matching component, no paper and is totally online- therefore is not impacted.

**Action items**

- ✓ Emily will send a generic Thank You statement regarding Invest on Friday

**Person responsible**

Emily Meeker

**Deadline****Agenda item:** Communications Policy Clarification**Presenter:** Jodie Lowe**Discussion:**

Reminder that communications which are school-wide should be communicated through the e-bulletin, and communications which are classroom specific should be communicated through room parents. School-wide communications should never be addressed via room parents.

**Agenda item:** Motion to Adjourn**Presenter:** Toni Emehel

Meeting is adjourned at 10:12 pm

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## ***Other Information***

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**Next Meeting:**

Wednesday December 14, 2016 PTO Meeting 8:00 AM @ PRM Media Center

**Addendums:**

Email from Donald Clodfelter Tuesday, November 01, 2016 10:11 am

Email form Donald Clodfelter Wednesday, November 02, 2016 11:04 AM

-----Original Message-----

From: Clodfelter, Donald W. <[donald.clodfelter@cms.k12.nc.us](mailto:donald.clodfelter@cms.k12.nc.us)>

To: Toni E. Emehel <[writetoniemehel@aol.com](mailto:writetoniemehel@aol.com)>; kyle.kauffman <[kyle.kauffman@wellsfargo.com](mailto:kyle.kauffman@wellsfargo.com)>; EMeeker <[EMeeker@ttaa.org](mailto:EMeeker@ttaa.org)>; jodie.chester.lowe <[jodie.chester.lowe@gmail.com](mailto:jodie.chester.lowe@gmail.com)>; mauryfinger <[mauryfinger@gmail.com](mailto:mauryfinger@gmail.com)>; merritt.melissa <[merritt.melissa@gmail.com](mailto:merritt.melissa@gmail.com)>; mimigonvi <[mimigonvi@gmail.com](mailto:mimigonvi@gmail.com)>; karendelozier26 <[karendelozier26@gmail.com](mailto:karendelozier26@gmail.com)>

Cc: Carpenter, Martha W. <[marthaw.carpenter@cms.k12.nc.us](mailto:marthaw.carpenter@cms.k12.nc.us)>; taralynn sullivan <[taralynn.sullivan@cms.k12.nc.us](mailto:taralynn.sullivan@cms.k12.nc.us)>

Sent: Tue, Nov 1, 2016 10:11 am

Subject: Re: MTOS outstanding balance

Good Morning Toni-

I just wanted reply to your email to clarify that we are using funds from Account 7215, which is the CMS Matching Funds Account, not a PTO account. I will be touching basis with Russ Pressley to ensure that this is within the guidelines of policy and procedure. Please feel free to email me any additional concerns or questions. Thank you.

**Donald Clodfelter**

**Senior Administrative Secretary for Central Learning Community**

4339 Stuart Andrew Blvd

Charlotte, NC 28217

[980.344.7130](tel:980.344.7130) (office)

[980.343.9401](tel:980.343.9401) (desk)

**From:** Clodfelter, Donald W. [mailto:[donald.clodfelter@cms.k12.nc.us](mailto:donald.clodfelter@cms.k12.nc.us)]  
**Sent:** Wednesday, November 02, 2016 11:04 AM  
**To:** Kauffman, Kyle E  
**Cc:** Carpenter, Martha W.; taralynn sullivan  
**Subject:** Fw: PTO vs Wells Fargo Matching Funds

Kyle-

I apologize for the delay. We lost our internet yesterday but Russ did forward me the information concerning Matching Funds. Please feel free to share this information with PTO. Scroll down to see the message on behalf our Finance Dept. Thank you and I hope that this brings a little more clarity.

**Donald Clodfelter**

**Senior Administrative Secretary for Central Learning Community**

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**From:** Russ Pressley  
**Sent:** Wednesday, November 2, 2016 10:58 AM  
**To:** Dinah Gutierrez  
**Cc:** taralynn sullivan; Clodfelter, Donald W.; Luellen Richard  
**Subject:** PTO vs Wells Fargo Matching Funds

Good morning, I understand that some clarification might be in order as to the nature of the 7210 PTA/PTO, 7200 Donations and 7100 General funds as they relate to Wells Fargo (WF) matching funds. Wells Fargo matching funds are generally posted to 7200 as an unrestricted donation in most schools, meaning that WF writes the check to CMS and uses the CMS federal identification number for the donation on their tax return. Conversely, donations to the PTA/PTO are supposed to be placed in the 7210 PTA account and most of those are unrestricted also. Occasionally, the school will post the donation to General 7100 for PTA or other donations and in such cases the auditor will advise the school personnel of proper posting procedures. Donor restricted funds should generally be placed in 7202 Restricted Donations and the original documentation related to the restrictions should be retained for five years and are subject to examination during the next internal audit.

Well Fargo matching funds have no correlation to PTA funds, as a general rule and once any funds are received and receipted by CMS, those funds are considered property of CMS (as related to the school where received). Any restrictions the donor(s) have placed on the donation in writing at the time of the donation should govern the administration of said funds and the schools are able to print detailed account histories for the individual accounts where questions arise as to use of unrestricted or restricted funds. Where no restrictions were applied upon donation, the school is free to use the money to satisfy daily obligations, especially where vendor obligation are due and payable.

I hope this clarification provides the information needed to resolve any question that may arise. Thanks.

**Russ Pressley**

Senior Auditor

Charlotte-Mecklenburg Schools

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## [Charlotte-Mecklenburg Schools](http://www.cms.k12.nc.us)

[www.cms.k12.nc.us](http://www.cms.k12.nc.us)

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Schools administers all education programs, employment  
activities and admissions without discrimination ...

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