

Were PTA Members official board members with all of the voting and governance responsibilities:

No. PTA members were not members of the governing board of directors. All of the organizational governance was executed by the PTA Thrift Shop board of directors.

Did the PTA Members have any voting responsibilities related to the operations or governance of the organization?

There were only two things that the membership was tasked to vote on according to the bylaws:

1. Any bylaw changes: the organization would draft the occasional bylaw revisions/amendments, which the PTA TS board of directors would consider and approve, then recommend to the PTA membership for approval.
2. Board members for the organization: a slate of nominees would be presented to the membership at the October meeting, and the membership would vote on that slate.

Timeline:

Pre-1999: A 60+member board of directors leads the organization, and volunteers along with some paid staff execute the day-to-day activities.

2000: Transition from working board to an 18-member policymaking board; hire our first executive director and additional paid staff. Bylaws adopted during that transition created a new membership structure: PTA members would no longer be members of the governing board of directors, and all of the organizational governance would be executed by the PTA Thrift Shop board of directors. The exception: the two items listed above.

2004: Second executive director hired, inheriting 40 paid staff at two locations.

2007-2009: The Great Recession produced a decrease in community's discretionary spending, so shoppers spent less and community members donated less, creating a significant reduction of revenue over previous years and producing a loss of \$200,000.

2010: The Board responds to the Recession's impact with a decision to chart a new strategic direction. They diversified the organization's business model by leveraging its assets (property purchased in 1978 & 1989) and creating rental space. This model had been explored and executed on a smaller scale in the late 90's at the Carrboro property address 115 West Main Street.

July 2010-June 2011: Both stores were in full operation prior to construction of Phase I.

July 2011-June 2012: Pre-construction mobilization begins. The first six months spent transitioning operations from Carrboro store to Chapel Hill store. All employees were retained, reducing the need for volunteers.

January 2013: Groundbreaking for new flagship store and headquarters building, including leasable office space to meet pent-up market demand and contribute to revenues. First tenant: CHCCS Pre-K, HeadStart, and Volunteer programs.

July 2012-June 2013: No volunteers were deployed in FY 2012-2013 because of store closure and a declining interest and involvement at the PTA level.

December 2013: New building opens midway through FY 2013-2014

July 2014: With only six months of full operation at both stores, FY 2013-2014 closes with no positive net income to distribute. The Board did allocate \$4,000 to seed two new school PTAs: Northside and Phoenix Academy.

July 2014-June 2015: Revenues from sales at the Carrboro store began to grow as customers re-integrated the location into their shopping habits. Revenues covered operating expenses but there were no earnings to distribute. During this time, volunteers Gill Hare and Dawn Ruston facilitated several group and one-on-one conversations with parents and PTAs to understand how they wanted to engage with PTA Thrift Shop after the volunteer hiatus during construction. Topics also included a possible bylaw change and revision of the distribution formula.

April 2014: Based on input gathered, Hare and Ruston recommended a change in the formula the distribution model to no longer include volunteer hours as a component (which would remove the incentive to

volunteer), much less or no reliance on volunteering, and streamlining the organizational governing structure by removing the PTA the membership component.

April 23, 2014: PTA Thrift Shop board of directors create and voted on a resolution to remove the PTA membership requirement from the current bylaws. The resolution also included a recommendation to the PTA membership that they approve the change. The Thrift Shop board also reviewed three new distribution models recommended by the PTA membership and voted on the 60% enrollment/40% need (free and reduced lunch) model.

May 5, 2014: Hare and Ruston sent out information on the bylaws changes to be voted on electronically. Quorum requirements (at least 10 PTA members with 4 schools represented) was exceeded with 12 members and 11 schools unanimously voting to revise the bylaws and remove the PTA membership requirement. PTA Thrift Shop adopts the new bylaws and files restated Articles of Incorporation.