



Third District PTA

“Dollars & Sense” Financial
Operations Workshop

Today's Workshop Covers...

- ◆ Essential financial operations
 - Records treasurers must keep
 - Budget Development and Maintenance
 - Reporting
 - Transaction Management Forms
 - Workers' Compensation Form
 - Handling Common Financial Situations
 - ◆ Handling disaster or tragedy assistance requests
 - ◆ Comingling funds
 - ◆ Donating items to school
 - ◆ Babysitting
 - ◆ Showing movies
 - ◆ Non-commercial policy

Upcoming Financial Filings Workshops

- ◆ There will be two virtual financial filings workshops in the fall that will provide guidance on completing IRS and Franchise Tax Board tax forms as well as CA DOJ forms RRF-1 and CT-TR-1
- ◆ Watch for email announcement coming soon!
- ◆ If your PTA is delinquent on any government filing, please contact our Tax Assistant, Peggy Parker, and request her assistance by emailing taxhelp@3rdpta.com

Records That Treasurers Keep In Current Files

- Auditors' reports, checklists and recommendations for current and one prior year
- Budget
- Bylaws and standing rules
- Certificate of Insurance
- Copy of *Insurance and Loss Prevention Guide*
- Copy of IRS Letter of Determination for Tax Exemption
- Correspondence
- District-specific information
- Employee records, current
- Federal Employer Identification Number (EIN)
- Copies of tax filings

- Information sheet listing the name, address and phone number of all financial institutions used, along with any passwords and information pertaining to computerized records.
- Corporate number, if applicable; California State Franchise Tax Board entity number, and Attorney General Charitable tax number.
- Annual financial reports
- Monthly financial reports
- Remittance forms to council and/or district PTAs
- Workers' Compensation Annual Payroll Report

Developing A Budget

1. Must understand the goals and programs for the upcoming year
2. Budget Committee develops the budget to support those goals
 - a. Review detailed program expense projections
 - b. Review past budgets, income and expenditures
 - c. Estimate probable income from all sources
 - d. Balance probable income with probable expenses
 - e. Estimate carry-over funds to next year
 - f. Determine amount of Unallocated Reserve funds

Recommended Budget Line Items

- **Carry-over Funds:** Carry-over funds represent the amount which is set aside to begin operations at the beginning of the next PTA fiscal year, prior to the onset of fundraising activities.
 - Rule of thumb is that you should carry-over 50% or less of your overall budget
- **Donations:** PTAs may ask community supporters and businesses to donate funds for a specific program (restricted donations) or to support the PTA in general (unrestricted donations)
- **Fundraiser Income:** Fundraising income is the gross income from fundraisers. List each fundraiser individually.
- **Fundraiser Expenses:** Expenses for conducting each fundraiser should be listed under Expenses individually by fundraiser
- **Insurance Expense:** If the year's insurance premium is unknown, budget \$300. You can always revise the number once that cost is known
- **Membership Per Capita (Funds Not Belonging to Unit: Income):** Portion of membership dues that is forwarded and distributed to Third District, State, and National PTA (Will be \$6.00 per member)
- **Membership Dues Income:** Portion of membership dues kept by your PTA
- **Membership Dues Expense (Funds Not Belonging to Unit: Expense):** The portion of member dues collected that's remitted to Third District PTA (Will be \$6.00 per member)
- **Membership Drive Expense:** The cost to conduct membership campaigns (i.e. purchase membership envelopes, develop own membership materials like fliers, etc.)

Recommended Budget Line Items (con't)

- **PTA Operations Expense:** Postage, mailing envelopes, printer ink for officers, etc.
- **Staff/Volunteer/Teacher Appreciation Expense:** Expenses pertaining to recognition/appreciation activities
- **Training/Workshops:** Funds to send executive board members to Third District PTA and California State PTA workshops/meetings
- **Unallocated Reserve:** Unallocated reserve funds represent the amount remaining after making allocations for budgeted programs and activities and may be used to cover any unexpected or unplanned expenses, and for carryover to begin the next fiscal year with

Budget Approval

- In the spring, the board-elect develops a small “Contingency” budget and presents it to the current executive board and the membership for adoption at the last association meeting of the year. The association approves the release of any funds required prior to the next association meeting in the fall. This allows the board-elect the ability to cover routine summer and early Fall expenses, like membership drive expenses and/or “Welcome to XYZ School” activities on first day of school, etc.
 - If your election occurs at the final association meeting of the school year, a special meeting can be called just to approve Contingency Budget
- A full-year budget, which essentially is a revision of the Contingency Budget, must be presented to and voted upon by the executive board and recommended for adoption at the first association meeting of the fiscal year in the Fall.
- Adoption of the budget does not authorize the expenditure of the funds.

Amending Budget

- The contingency budget should be revised and approved by the executive board before the Fall association meeting, to add the additional line items that are anticipated to operate the PTA the entire fiscal year.
- It is recommended that the treasurer provide the executive board with a budget-to-actual comparison report monthly or quarterly, but at least midterm.
- The board should review the budget before your January or February association meeting, to include any unplanned and unbudgeted expenditures the board approved between association meetings, add additional new line items for anticipated new income and/or expenses, or adjust dollars allocated to existing line items. If adjustments are needed, the budget can be amended by a two-thirds vote of the association.

BUDGET (SAMPLE)

FISCAL YEAR _____

Name of Unit _____ IRS EI # _____
Council _____ District PTA _____
Bank Name _____ Account # _____
Bank Address _____

BALANCE ON HAND from previous year \$ _____

ESTIMATED RECEIPTS

Interest income \$ _____

Membership dues (unit portion only) \$ _____

Fundraising (list individually) _____ \$ _____

_____ \$ _____

_____ \$ _____

TOTAL \$ _____

RECEIPTS NOT BELONGING TO UNIT

Council, district, State and National PTA membership per capita \$ _____

Founders Day freewill offering \$ _____

TOTAL \$ _____

TOTAL RECEIPTS \$ _____

ESTIMATED DISBURSEMENTS

Operating expenses

Membership envelopes \$ _____

Insurance premium \$ _____

Newsletter and publicity \$ _____

Council/district PTA leadership workshops \$ _____

Convention (State/National PTA) \$ _____

Officers' and chairmen's reimbursement \$ _____

Past president's pin \$ _____

Honorary Service Award \$ _____

Program expenses

Programs and assemblies \$ _____

Reflections Program \$ _____

Family Engagement \$ _____

Emergency preparedness \$ _____

Hospitality \$ _____

Fundraising

Carnival \$ _____

Book fair \$ _____

Gift wrap \$ _____

Carry-over to next year

Unallocated reserves \$ _____

TOTAL \$ _____

DISBURSEMENTS NOT BELONGING TO UNIT

Council, district, State and National PTA membership per capita \$ _____

Founders Day freewill offering \$ _____

TOTAL \$ _____

TOTAL DISBURSEMENTS \$ _____

BALANCE ON HAND \$ _____

Sample Budget

Treasurer's Signature _____ Date _____

Releasing Funds

Adoption of the budget does not authorize the expenditure of the funds. In order to spend money, your association must approve the release of funds.

- Ideally, it's best if funds are released for programs and activities held between the date of that association meeting to the date of the next association meeting.
- Because a budget is an estimate, you shouldn't release all funds for all activities for the entire year, because your budget includes an estimate of fundraising income.

Treasurer Report

A monthly report for each bank account must include:

- 1) Balances at the beginning and end of the period covered
- 2) List of deposits and where money came from (i.e. membership, fundraiser, donation, etc.)
- 3) List of checks and payments and brief description of each expense
- 4) The list of expenses to be “ratified” (usually the same list as in #3, but without the brief descriptions)

Treasurer reports for monthly board meetings must be reviewed at the next board meeting. Treasurer reports for association meetings must be cumulative of all transactions between association meetings.

If the treasurer is unable to attend board or association meeting, he/she **must still prepare and provide a Treasurer Report** to president, so someone else can present it.

Treasurer Report Sample

TREASURER'S REPORT (SAMPLE)

PTA
November 14, 2010 – December 14, 2010

CHECKING ACCOUNT

BALANCE ON HAND 11/14/2010 \$ 4,250.00

INCOME

11/15	DEP: Carnival	\$ 1,450.00	
11/17	DEP: Membership dues, unit portion (150 @ \$5)	750.00	
11/22	DEP: Book fair	349.50	
12/05	DEP: Gift wrap	5,000.00	
12/10	NSF check #1113 – Book Fair purchase	<u>(16.50)</u>	
	TOTAL	7,533.00	7,533.00

FUNDS NOT BELONGING TO THE UNIT INCOME

11/17	DEP: Membership, 150 @ \$4.00 (council/district/State/National PTA)	\$600.00	
12/10	DEP: Founders Day freewill offering	<u>213.00</u>	
	TOTAL	813.00	<u>813.00</u>

TOTAL INCOME \$12,596.00

EXPENSES

Ck # 3150	Cajon Council, insurance premium	\$ 195.00	
Ck # 3151	Mary Smith, Carnival expenses	55.00	
12/10	Bank fee, NSF Ck # 1113	10.00	
Ck # 3153	Patty Harper, hospitality	7.49	
Ck # 3154	Book Fair Company	120.00	
Ck # 3155	VOID		
Ck # 3156	Cajon Council, convention/2 delegates	260.00	
Ck # 3157	Susan Bird, office supplies	15.29	
Ck # 3158	VOID	0.00	
Ck # 3159	Beverly Anderson, postage	3.70	
12/13	Transfer to savings	<u>5,000.00</u>	
	TOTAL	5,666.48	5,666.48

FUNDS NOT BELONGING TO THE UNIT EXPENSES:

#3152	Cajon Council, 150 members @ \$4.00 (council/district/State/National PTA)	\$600.00	
#3160	Cajon Council, Founders Day Freewill Offering	<u>213.00</u>	
		813.00	813.00

TOTAL EXPENSES \$ 6,479.48

BALANCE ON HAND 12/14/2010 \$ 6,116.52

SAVINGS ACCOUNT

BALANCE ON HAND 11/14/2010 \$ 8,649.55

12/10	DEP: Interest	4.32	
12/13	DEP: Transfer from checking	5,000.00	
	Withdrawals		<u>0.00</u>

BALANCE ON HAND 12/14/2010 \$ 13,653.87

Signature _____ Date _____

Budget vs. Actuals Report Sample

Income		<u>21-22</u> <u>BUDGET</u>	<u>ACTUALS</u> <u>as of 6/30/22</u>
Operating Income			
	Interest Income	\$ 2.00	\$ 1.47
	PayPal Envelope Sales (10 boxes)	\$ 75.00	\$ 28.16
	Cash Envelope Sales	\$ 75.00	\$ 210.00
	Dues from TOTEM (4,000 members x .75)	\$ 3,000.00	\$ 3,535.50
	New Unit Charter Member Dues via PTEZ PayPal	\$ -	\$ 651.41
	CAPTA Founder's Day refund	\$ -	\$ 37.50
	Membership Dues (6,000 members x .75)	\$ 4,500.00	\$ 4,117.50
	TOTAL	\$ 7,652.00	\$ 8,581.54
Training			
	LegCon Refund	\$ -	\$ 250.00
	CAPTA Leadership Grant	\$ 1,500.00	\$ 1,500.00
	Training Workshop registration	\$ 400.00	\$ -
	Vendor booth fees	\$ 600.00	\$ 50.00
	TOTAL	\$ 2,500.00	\$ 1,800.00
	Total Third District PTA Income	\$ 10,152.00	
Receipts not belonging to District			
	Disbanded unit balance	\$ -	\$ 2,741.18
	New Unit Charter Member Dues	\$ -	\$ 174.25
	Membership per capita (assuming 6000 members x 4.25)	\$ 25,500.00	\$ 23,332.50
	Founders Day	\$ 150.00	\$ 75.00
	Insurance (149 Units x \$258)	\$ 38,442.00	\$ 36,636.00
	Insurance Late Fees (45 units x \$25)	\$ 1,125.00	\$ 1,225.00
	Total Receipts not belonging to District	\$ 65,217.00	\$ 64,183.93

Budget vs. Actuals Report Sample

Expenses		
Operating Expenses		
Employee Salary	\$ 5,000.00	\$ 4,476.26
Employment Taxes	\$ 1,000.00	\$ 240.75
Payroll Service (\$34/mo)	\$ 136.00	
Honorary Service Award/CSA	\$ 125.00	\$ -
Attorney General RRF-1 (Third District)	\$ 25.00	\$ -
Office Supplies (Third District)	\$ 200.00	\$ -
Postage for Mailing Unit Materials	\$ 150.00	\$ 216.67
Membership Envelope	\$ -	\$ 540.00
Membership Incentives (Third District Membership awards)	\$ 200.00	\$ -
New Unit Setup-CT# applications (6 new units)	\$ 150.00	\$ 100.00
District Insurance Premium	\$ 200.00	\$ 178.00
Zoom Subscription (renews in June)	\$ 150.00	\$ 102.72
Worker's Comp (District)	\$ 175.00	\$ 191.73
Bank adjustments	\$ -	\$ 55.00
Bank Fees	\$ -	\$ 30.00
Returned checks	\$ -	\$ 656.00
TOTAL	\$ 7,511.00	\$ 6,787.13
Officers' Expenses		
Mileage/Parking/Toll/Phone	\$ 100.00	\$ -
Officers' Office Supplies/Expense	\$ 100.00	\$ -
TOTAL	\$ 200.00	\$ -
Convention/Leg Conf		
Convention Scholarship for units	\$ 1,500.00	\$ 1,500.00
CA Leg Conference	\$ 325.00	\$ 250.00
Third District Board CAPTA Convention 2022 (reg, food, hosp suite)	\$ 1,000.00	\$ -
TOTAL	\$ 2,825.00	\$ 1,750.00

Programs/Trainings			
Meetings and Workshops	\$ 600.00	\$ -	
Reflections	\$ 120.00	\$ -	
TOTAL	\$ 720.00	\$ -	
Unit Assistance			
Return of Funds Held for Units			\$ 24,904.99
Expenses belonging to District	\$ 11,256.00		
Expenses not belonging to District			
Disbanded unit bank balance	\$ -	\$ 2,741.18	
New Unit Charter Member Dues	\$ -	\$ 174.25	
Membership per capita (assuming 6000 members x 4.25)	\$ 25,500.00	\$ 23,332.50	
Founders Day	\$ 150.00	\$ 75.00	
Insurance (149 Units x \$275)	\$ 38,442.00	\$ 36,636.00	
Insurance Late Fees (45 units x \$25)	\$ 1,125.00	\$ 1,225.00	
Expenses not belonging to District	\$ 65,217.00	\$ 64,183.93	
Total Expenses	\$ 76,473.00	\$ 97,626.05	
ESTIMATED BALANCE ON 6/30/2022	\$ 38,000.53	\$ 16,043.95	
			7/11/2022
	<i>Mary Lou Gillis</i>		
	Treasurer's Signature		
BUDGET APPROVED:			
Executive Board on: 8/9/2021			
Association on: 9/2/21			

Financial Tracking for RRF-1/TR-1 Reporting

- ◆ The Attorney General's updated RRF-1 and new CT-TR-1 require more detailed reporting
- ◆ To make these forms easier to complete, it's recommended that the treasurer also maintain and provide a supplemental report showing:
 - Total of cash contributions: Membership dues that stay with unit + cash donations + value of donated gift cards/certificates
 - Total of noncash contributions: Dollar value of in-kind and tangible item donations (auction/raffle gift baskets, food items, school supplies, PPEs, cleaning supplies, etc.)
 - Program income: Income from events not advertised as a fundraiser (movie nights, dances, "family nights", etc.), spirit wear and yearbook sales
 - Special event income: Gross income from fundraisers, auctions, & raffles
 - Other Revenue: Such as grants and sponsorships

5-Minute Financial Review

- Another elected officer who does not sign checks (often the auditor) must review, sign and date the bank statements prior to presentation to the treasurer for reconciliation.
 - **Step 1:** Look at the checks. Verify
 - Two signatures on every check
 - Payee, amount and date match the treasurer's report
 - Purpose of payment is included in the check's note section
 - **Step 2:** Look at the deposits. Verify
 - Date and amount match the treasurer's report
 - Deposits have been timely
 - **Step 3:** Assure no online payments or withdrawals have been made using a debit/ATM card. Assure no cash withdrawals have been made.

5-Minute Financial Review (con't)

- ◆ **Step 4:** Reconcile the bank statement to the treasurer's report.
 - Make adjustments for checks that have not cleared and deposits not shown.
- ◆ **Step 5:** If necessary, contact the treasurer to determine the source of any errors. Corrections, if required, are included in the next treasurer's report. Report findings, if any, to unit president, treasurer and auditor (if the reviewer isn't the auditor).
- ◆ The five-minute audit will not reveal that the treasurer allocated income incorrectly, but it will point out that a deposit showing on the treasurer's report didn't actually make it to the bank or that a check cashed by the bank didn't show up on the treasurer's report. If this happens, ask more questions and investigate further.

Additional Checks & Balances

- ◆ PTA requires that all PTA checks be signed by two authorized check signers.
- ◆ Monthly bank statements are to be reviewed by a non-check signer and signed, to ensure that questionable transactions like bank errors, unexpected bank fees, or unusual transactions are identified and addressed.
- ◆ Financial Reviews **MUST** be performed twice per year and any time there's a change of check signer. This is required by our insurance. If you find yourself in need of filing a claim, and financial reviews have not been performed, you run the risk of having your claim denied.

ANNUAL FINANCIAL REPORT (SAMPLE)

FISCAL YEAR _____

Name of Unit _____ IRS EI # _____

Council _____ District PTA _____

BALANCE ON HAND from previous year \$ _____

RECEIPTS

Savings account interest \$ _____

Checking account interest \$ _____

Membership dues (unit portion only) \$ _____

Fundraising (list total gross income individually)

xxx \$ _____

xxx \$ _____

Donations \$ _____

TOTAL \$ _____

RECEIPTS NOT BELONGING TO UNIT

Council, district, state, and National PTA membership per capita \$ _____

Founders Day freewill offering \$ _____

TOTAL \$ _____

TOTAL RECEIPTS \$ _____

DISBURSEMENTS (List Budget Categories)

Operating expenses

Membership envelopes \$ _____

Insurance premium \$ _____

Newsletter and publicity \$ _____

Council/district leadership workshops \$ _____

Convention (State/National PTA) \$ _____

Officers' and chairmen's reimbursement \$ _____

Past president's pin \$ _____

Honorary Service Award \$ _____

Program expenses

Programs and assemblies \$ _____

Reflections Program \$ _____

Family Engagement \$ _____

Emergency preparedness \$ _____

Hospitality \$ _____

Fundraising

Carnival \$ _____

Book fair \$ _____

Gift wrap \$ _____

TOTAL \$ _____

DISBURSEMENTS NOT BELONGING TO UNIT

Council, district, state, and National PTA membership per capita \$ _____

Founders Day freewill offering \$ _____

TOTAL \$ _____

TOTAL DISBURSEMENTS \$ _____

BALANCE ON HAND \$ _____

Signature _____ Date _____

Annual Financial Report

Reports gross receipts and disbursements for the fiscal year.

Very helpful for budget planning for the next year and tax filings.

Payment Authorization Form

A written request for payment of an expenditure or reimbursement is required.

PAYMENT AUTHORIZATION/REQUEST FOR REIMBURSEMENT

ATTACH ALL RECEIPTS TO THIS EXPENSE STATEMENT

Name of Payee _____

PTA Position _____

Address _____

City/Zip _____

Telephone (_____) _____ Email _____

Expenditure was for: _____

List Expenditures: _____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

TOTAL EXPENSE \$ _____

Total Amount Claimed From Above \$ _____

Minus Advance Received \$ _____

Reimbursement Claimed \$ _____

Not claimed – donate to PTA \$ _____

Refund to PTA (Enclose Check) \$ _____

Signature _____ Date _____

Signature of VP/Chairman for Program/Event _____

FOR PTA TREASURER USE:

- Membership-approved activity
- Funds released by membership
- Executive Board-approved expenditure

Check Number	Category	Amount Advanced	Expenses	Amount Owed or Due

President's signature: _____ Date: _____

Date approved in minutes: _____ Secretary's signature: _____

How to Send Non-TOTEM Dues & Other Remittances?

THIRD DISTRICT PTA FINANCIAL REMITTANCE FORM

Dues Amounts	Mail Payment to:	Check Payable to:
All PTA units are "Out of Council" now Dues \$5.00 per <u>NON-TOTEM</u> member only	Attn: Treasurer Third District PTA P.O. Box 269003 Sacramento, CA 95826-9003	Third District PTA

Unit Name: _____ Date: _____

Treasurer Name: _____ CA Unit # _____

(found in bylaws)

Treasurer E-mail: _____

Treasurer Phone: _____

REMITTANCE DESCRIPTION

AMOUNT REMITTED

Membership: # of NON-TOTEM members _____ x \$5.00 = \$ _____

Membership Envelopes:

\$15/box (500 per box) # of boxes _____ x \$15.00 = \$ _____

\$3/(group of 100 envelopes) #groups of 100 _____ x \$3.00 = \$ _____

Envelope Order Total = \$ _____

Who & Where to mail envelopes: _____

Founder's Day (2/17) voluntary Freewill Offering (recommend \$25): \$ _____

Insurance (submit directly to AIM insurance-Watch for instructions)

Other (describe) _____ \$ _____

Check # _____ Total Remittance: \$ _____

REMEMBER: ALL PTA checks require two signatures!

REMITTANCE RETURN POLICY: Checks without two signatures, incorrect remittance amounts or this remittance form **will be returned**. Unit may be subject to late fees and/or CAPTA late notices if remittances do not have appropriate signatures or use incorrect amounts, if resubmitted after due date.

Make a copy of remittance form for your records

Please mail remittance(s), remittance form and applicable support documents to the Third District office address in the box above. Remittances may be hand delivered to our office at 3735 Bradview Dr., Suite 200, Sacramento, 95827 during our office hours. **DO NOT SEND MAIL TO BRADVIEW ADDRESS!!!** Please contact our office first to ensure office is open by calling 916-228-2543 or office@3rdpta.com

Remember to check this box if no one was paid.

Check this box if no one was paid.

WORKERS' COMPENSATION ANNUAL PAYROLL REPORT

Payment of any surcharge due must be postmarked or initialed electronically no later than January 31.

For more information about making payments electronically, please call 800-876-4044 or email capta@aim-companies.com.

If any additional surcharge is due, checks should be made payable to "AIM" and mailed to:

1144 Walnut Hill Lane, Suite 900, Dallas, TX 75231.

Look at your bylaws for the legal name of your PTA as well as your specific legal entity numbers.

Name of PTA (as shown in bylaws) _____

Address _____ City _____ Zip _____

Federal EIN _____ PTA Unit ID _____ PTA Council _____ PTA District _____

School District (optional) _____

Please note: List only those payees that your PTA pays directly for services. Do NOT list payees when money is donated to a school district to pay workers.

	NAME OF PAYEE (INDIVIDUAL OR ORGANIZATION)	TYPE OF WORK (BE SPECIFIC)	DATES WORKED (JAN 5, 2020 TO JAN 4, 2021)	AMOUNT PAID FOR SERVICES TO PAYEES:	
				WITH THEIR OWN WORKERS' COMP COVERAGE*	WITHOUT THEIR OWN WORKERS' COMP COVERAGE
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
A	Total paid to payees WITHOUT their own workers' compensation coverage				
B	Subtract \$1,000 (if Line A is less than \$1,000, enter "00" on Lines C and D)				-\$1,000.00
C	Total payments subject to surcharge (Line A minus \$1,000 on Line B)				
D	Surcharge due (multiply Line C by 5 percent)				

List all businesses and individuals that the organization paid directly for services, if any.

Don't forget to do the math calculations.

*Amounts should only be entered in this column if the payee has provided your PTA with a Certificate of Insurance (COI) specifying workers' compensation coverage and related limits. For any amounts entered in this column, a COI must be attached to this report.

Please note, general liability is NOT workers' compensation insurance.

- This form may be filed electronically at <https://aiminsurance.formstack.com/forms/capta>.
- Report ALL payees your PTA paid directly for services (attach additional report pages as necessary).
- This report should be signed by your PTA's treasurer or president.
- If your PTA's total payments to payees without their own workers' compensation coverage is \$1,000 or less, NO surcharge is due.
- Please do NOT send this report or any surcharge due to your council, district, or state PTA.
- This report must be completed and mailed to AIM no later than January 31.

Complete all this information and remember to sign your form!

Date _____ Name _____ Position _____
(Treasurer or President)

Phone () _____ Email Address _____ Signature _____

Workers' Annual Compensation Payroll Report

Every PTA must fill out workers' compensation annual payroll report (01/05/202x-01/04/202x) even if no one was paid. The online submission form is available in Spanish and English.

If your PTA does not pay a worker directly but donates the money to the school, do not list that worker. (i.e., Librarian, teacher, etc.)

Examples of workers that should be listed: Babysitters, off-duty police officer/SRO/Security Officer), amateur DJ, etc. Anyone that does not carry their own liability insurance.

<https://aim-companies.com/capta-wcreporting/>

AIM Insurance ACH Form

Use this form to show that the online payment to AIM was authorized.

PAYMENT AUTHORIZATION VIA ACH PAYMENT TO AIM

ATTACH ALL INVOICES AND ORIGINAL SIGNED REQUEST FOR PAYMENT

Date: _____

Payee: AIM Insurance

Reason for Payment: _____

Payment Amount: \$ _____

Budget Line Item: _____

Payment Account Name: _____

Requested By: _____

Authorized By _____ Date _____
(Authorized Check Signer)

Authorized By _____ Date _____
(Authorized Check Signer)

This form must be signed by two authorized check signers before any transfer/transaction may be initiated.

Digital signatures and signatures by facsimile copy will be accepted.

Transaction Date

Transaction ID Number

Attach a copy of the batch summary or bill being paid to this form as a receipt.

After payment has been made, attach a copy of the Paid Invoice Details page to this form.

Miscellaneous and Common Financial Situations

Gift Cards

Gift cards are considered cash by the IRS. Just like we wouldn't hand a teacher a check for them to go to the bank and get a handful of \$10.00 bills to give out as prizes, we can't give them money to buy gift cards for classroom prizes.

If it is for an approved PTA event such as Reflections and will be an incentive for the top winners, CAPTA decided that it is ok as long as they are small amounts and they notate it for their records. They should still try to get them donated if possible. It should not be a substantial part of the event budget and they need to track the recipients because since it is "cash" there are possible 1099 issues if one person receives more than one of them such as one kid winning multiple categories.

If the PTA wants to buy gift cards to give to teachers for classroom incentives, then they can't because that is a classroom activity, not a PTA event. It's not a classroom supply which benefits the whole class, like pencils and paper.

Gift Cards (con't)

Can our PTA buy restaurant gift cards for our school staff members in lieu of an annual staff appreciation luncheon? No. Giving a gift card is the same as giving someone cash. In addition, giving a volunteer cash or a cash equivalent like a gift card on behalf of the organization may cause them to be considered an employee or an independent contractor by government agencies. And the IRS considers cash gifts (including gift cards) as reportable income on the recipient's tax filings. For these reasons, our policies and procedures expressly forbid giving gift cards purchased with PTA funds: "PTA funds cannot be used to purchase personal gifts for staff or volunteers, such as gift cards."

More information available at: <https://capta.org/faqs-for-staff-appreciation/>

Handling Requests for Relief / Tragedy Assistance

PTAs are often asked to provide assistance with the coordination of relief activities when a disaster strikes or personal tragedy occurs in a community or at school.

- PTAs **are prohibited** from making personal gifts to a specified family or individual.
- PTAs **may not** collect and disburse funds for the benefit of specified families or individuals.
- PTA's EIN **may not** be used for the establishment or maintenance of any financial account, like GoFundMe, designated for the benefit of specified families or individuals.
- PTAs may participate in community relief efforts by making a monetary donation to a relief organization recognized by the IRS as a 501(c)(3) organization like the American Red Cross or Salvation Army.
- PTA members must vote and approve all donations and donations must be given to legally recognized non-profits

More information available at: <http://toolkit.capta.org/?s=relief+assistance>

Using Donation or Money Collection Websites

- ◆ PTAs may establish a GoFundMe as long as financial policies and procedures are followed and the fundraising is for the PTA, preferably for a specific purpose (i.e. Chromebook, PPE, cleaning supplies, etc.) and not on behalf of an individual or family.
- ◆ Person-to-person payment apps which are not designed for business use and/or which are not protected by FDIC insurance and bank-level security features, like Venmo, **should not** be used by PTAs.
- ◆ PayPal and Square may be used.

Using Debit Card To Pay Bills

- ◆ If an expense cannot be paid for by check, and is too big to ask a board member to pay and be reimbursed, the PTA debit card may be used. This must be a last resort method of payment!
- ◆ The board **MUST** approve of the expense **AND** use of debit card to pay for it, and **MUST** be recorded in the minutes.
- ◆ An Authorization To Purchase on the Internet form signed by two authorized check signers must be completed for each purchase, in addition to a completing a Payment Authorization Form approving the expenditure.
- ◆ This is a last resort way to pay **ONLY** and must be used judiciously.

AUTHORIZATION TO PURCHASE ON THE INTERNET

Date: _____

Internet Vendor: _____

Reason for Purchase: _____

Budget Account: _____

Date Motion Approved: _____

Amount Approved: _____

Requested by Committee Chair: _____

Authorized by: _____

*This form must be signed by two authorized check signers
before any internet transaction may be made.
Signatures by facsimile copy will be accepted.*

DATE OF RECEIPT OF GOODS _____ Date of Reimbursement _____

SIGNATURE _____

06/2008

Co-Mingling Funds

- Only PTA funds shall be deposited into the PTA treasury. A PTA shall not act as a depository for funds of other organizations.
- School funds or funds belonging to outside groups shall not be commingled with PTA funds in any way.
- If a PTA sponsors a project or program in cooperation with the school, all funds shall be accounted for and separated prior to the immediate deposit of the PTA portion into the PTA bank account.
- All funds deposited in the PTA account become the property of the PTA, and all expenditures require a vote of the association.
- PTA funds are private monies; school funds are public monies

Fiduciary Agreements and Gifts to School

- Should be completed by the PTA and signed by all involved showing all parties acknowledge and agree to gift restrictions.
- If not completed, gifts to the school that are accepted by the school district become the property of that district and can be moved or used at any school within the school district.
- A gift to the school should benefit the largest number of students possible, such as a shade structure, sitting bench, laminator for office that all teachers may use for classroom materials, Chromebooks, etc.
- Donation must be approved and accepted by school district and acceptance should be announced and recorded in association meeting minutes

More info available at
<http://toolkit.capta.org/finance/policies-and-procedures/fiduciary-agreements-and-gifts-to-school/>

FIDUCIARY AGREEMENT

The _____ PTA/PTSA (PTA), hereby gives to the _____ of _____ Public School District, a monetary grant in the amount of _____ dollars (\$_____) check number _____, dated and signed by _____ president and _____ treasurer of the _____ PTA.

The gift money is for the sole purpose of _____

It is hereby agreed that the gift monies will be spent for the above-stated purpose on or before _____. Any portion of such funds that is unused or unexpended as of such date shall be reimbursed in full to the _____ PTA within seven (7) business days of the expiration date.

The PTA hereby gives to the _____ of _____ Public School District, the following equipment

The _____ Public School District accepts ownership of the above described equipment, accepts responsibility for the installation, operation and maintenance of the above described equipment, and will keep the above described equipment at _____, for a period of no less than _____ (_____) years.

The conditions set forth in this Fiduciary Agreement are restrictions placed by the PTA upon the donation and use of the above described money or equipment.

PTA/PTSA President _____ Date _____

PTA/PTSA Treasurer _____ Date _____

School Administrator _____ Date _____

School District Administrator _____ Date _____

Babysitting

- The only babysitting that is allowed is at PTA meetings or sponsored events where parents are continually on campus AND the following conditions are met: the babysitters do not change diapers, there are at least two unrelated adults (18 years or older - may be under 18 if certified babysitter) in attendance at all times, and coffee or other hot fluids are kept outside of the babysitting room or area.
- All babysitters paid by the PTA must be listed on the Workers' Compensation Annual Payroll Report form.
- If babysitters are paid, they are considered a vendor and required to have their own liability insurance. PTA's liability coverage does not extend to covering independent contractors or vendors who are being paid for their services.
- The PTA may charge parents a reasonable fee for babysitting services.

More information available at

<http://toolkit.capta.org/finance/policies-and-procedures/pta-provided-baby-sitting-services/>

Showing Movies / Movie Nights

When showing movies during school or at after-school events or fundraisers, PTAs must observe movie/video copyright laws, site licensing, and promote the event only as permitted by the site license.

Swank Movie Licensing has been a CAPTA Member Perks Partner
<https://www.swank.com/k-12-schools/capta>

Non-Commercial Policy

While PTA encourages partnering with businesses, receiving donations and obtaining corporate grants, PTAs cannot endorse or promote a commercial entity or engage in activities not related to the promotion of the Purposes of the PTA.

- Do not make a qualitative judgment of the sponsor's products or services; i.e., *Joe's widgets are the best!*
- Do not include comparative language or language that implies good quality in the acknowledgment; i.e., *Joe's widgets are so much better than Bob's widgets!*
- Do not permit the sponsor to write the acknowledgment of thanks; i.e., *Thank you, ABC PTA, for endorsing our product!*
- Do not ask members or the public to buy the products or services of the sponsor; i.e., *Go to Joe's for your widgets!*
- Do not advertise a product or service.
- Do not endorse a product or service; i.e., *Our PTA supports Joe's.*

For more information visit: <http://toolkit.capta.org/finance/fundraising/noncommercial-policy/>



Sheryl Longsworth, Third District PTA Treasurer-Elect
sheryl@3rdpta.org 916-833-1218