**BUDGET WITH**

**SAMPLE BUDGETS**

The budget is a financial guide that outlines estimated income and expenditures based on the Local PTA Unit’s goals. To be effective, the budget must determine what realistic expenses will be for the year and how to secure the necessary funds to meet these disbursements. The budget should cover your fiscal year which is a 12-month period. The Bylaws specify a unit’s fiscal year with most units starting on July 1 and ending on June 30.

It is important to note that while PTAs help raise significant resources for schools and children, fundraising is not part of the primary mission of PTA, which is **to make every child’s potential a reality by engaging and empowering families and communities to advocate for all children**. PTAs fundraise to support the vital programs and services on campus that support student learning and family engagement. A unit should raise only what is needed to meet expenses. Money raising activities should not absorb so much time, thought, and effort that other projects are neglected and the attention of members is diverted from the purposes of PTA.

It is better to overestimate income rather than underestimate. All budgets must include a **Startup Funds** line item to allow for purchases to be made before the General Membership has approved the new budget. Once the budget is approved, the Local Unit Budget Approval Form must be completed and sent to LAPTA as part of the Active Affiliation Packet.

**The Budget Committee**

The Treasurer is the chair of this committee. Composed of three to five members, it has the responsibility for developing a proposed budget. Members might include the past and current President, past Treasurer, Financial Resources Chair, and the principal. The Bylaws specify if members are elected or appointed.

To develop the budget, the committee should review the previous year’s budget and Treasurer’s reports to make recommended changes; gather information from officers and committee chairs about their planned activities and financial needs; and consider sources of funds to meet these requirements. If a unit has identified programs or projects to conduct, it might want to budget expenses first. Knowing the expense figures helps determine how much revenue is needed. Or a unit can budget revenue first and then determine its programs and projects.

**Creating a Budget**

In every budget, total income must equal total expenses. There should be a line item for every major category or event. It should be simple but detailed to permit all income and expenses to be correctly categorized. The following template works well with MoneyMinder.com and *is only a suggestion. See sample budget later in this section.*

* Create a main ***Fundraising***section and list each event’s gross income and the expenses resulting in the net income such as a Fun Run, Gumbo Cook-Off, Shake Days, grants, general donations, and uniform sales.
* Create a ***Student and Parent Programs*** section and its items such as PBIS support, mental health speaker, honor roll events, Santa & Hot Cocoa Night, Grandparents Bingo, newsletter, STEM Night, and more.
* Create a ***Teacher, School, & Community***section and list its items such as Staff Welcome Lunch, Staff Snack Days, Winter Break Coffee and Muffins, Staff Appreciation Week, Playground Equipment, and more. Hospitality should not exceed 5% of the budget and should only include *Welcome Committee* type expenses. Teacher lunches and events should each have their own line item. **LAPTA also offers a Mentor Program** where a strong, healthy PTA mentors a smaller, Protected, or new PTA unit that needs a helping hand with guidance support and/or by donating $1000. To join, email president@LouisianaPTA.org.
* Create an ***Administration*** section for items such as PTA membership dues, insurance and bonding, Articles of Incorporation renewal, subscriptions like Zoom, CheddarUp.com, MoneyMinder.com, and website, leadership training with LAPTA and National PTA, bank fees and interest, copies, postage, ***required* Start Up Funds**, Carry Forward & Ending Balances, a small Miscellaneous line item (<$1000), and more. Start Up funds are the only amount that may be used prior to budget approval. Once the budget is approved by the General Membership, these expenses should be applied to the appropriate line item in the budget. The **Carry Forward & Ending Balances** can be more than the Start Up Funds. You don’t have to spend all of the money each year (beyond the Start Up Funds.) Email Treasurer@LouisianaPTA.org with questions.

**Scholarship & Mission Fund**

PTAs may choose to have a Scholarship and Mission Fund. Objectivity and equal access are the most important issues to consider when awarding scholarships to students, teachers, or other PTA units. Procedures determining how the committee is formed and how recipients are selected should be in writing. No one should serve on the committee if he or she has a child or relative applying. The source of funds for scholarships might be a **Mission Fund** for which the PTA solicits contributions. A Mission Fund may take many years to build to a sufficient level to fund scholarships, grants, and special projects. This is allowable if the PTA has a written plan of its intentions and follows this plan. Donors need to be made aware of the status of the plan prior to contributing. A 1099-MISC is not required for scholarships. Recipients need to be informed that any portion of the funds received not used for school fees such as tuition, books or lab fees is taxable income. Beyond making the scholarship recipient aware of this issue, a PTA unit has no further obligation.

**LAPTA also offers a Mentor Program** where a strong, healthy PTA mentors a smaller, Protected, or new PTA unit that needs a helping hand with guidance support and/or by donating $1000. To join the program as either a mentor or mentee (the one in need), email president@LouisianaPTA.org. To apply for the Mentor-a-PTA Award, go to [LouisianaPTA.org/awards](https://www.LouisianaPTA.org/awards).

### Obligating Future Boards

As a 501(c)(3) organization, a PTA cannot obligate future Boards to a contract or a specific expenditure. A future Board is not required to spend funds as designated by the previous Board. Large, long-term projects should be very carefully planned and undertaken only if there is dedicated support from the General Membership.

**Noncommercial Policy**

PTA Bylaws include the requirement to be noncommercial. This means the PTA name shall not be used in conjunction with the commercial activities of other organizations including the promotion of the other’s goods or services. Additionally, a PTA does not raise money for other organizations or individuals, no matter how worthy the cause.

### Logo  Description automatically generated

### Budget Approval

The Treasurer presents the proposed budget to the Board of Directors for consideration. The Board of Directors does not have to take a vote of approval on the budget. The budget is reviewed by the Board of Directors to make sure all committee expenses have been included. The proposed budget is then presented to the General Membership for approval at the first General Membership meeting of the year. The budget should be presented item by item to allow for discussion and amendment. A verbal majority vote is required for adoption. **Without an approved budget, the unit can only spend the Startup Funds.**

### Amending the Budget

Because the budget is only an estimate of the planned expenditures and income for the year, amendments might be necessary. Amendments can be made at any General Membership meeting or special meeting called for that purpose. A majority vote with 20-day previous meeting notice, or two-thirds (2/3) vote with no meeting notice, is required to pass the amendment.

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| **SAMPLE BUDGET XYZ PTSA** |
|  July 1, 2022 – June 30, 2023 |
| **Fundraising** | **Budgeted Income** | **Budgeted Expense** | **Budget Net** |
| Color Run | $20,000 | -$10,000 | $10,000 |
| Uniforms | $15,000 | -$7,500 | $7,500 |
| Shake Days | $5,000 | -$2,000 | $3,000 |
| Grants | $2,000 |  $0 | $2,000 |
| Donations | $750 |  $0 | $750 |
| **Fundraising Totals** | **$42,750** | **-$19,500** | **$23,250** |
| **Student & Parent Programs** | **Budgeted Income** | **Budgeted Expenses** | **Budget Net** |
| Reflections Program | $0 | -$100 | -$100 |
| Breakfast of Champions | $0 | -$500 | -$500 |
| Talent Show | $800 | -$500 | $300 |
| Project Graduation | $0 | -$1,000 | -$1,000 |
| Health Supplies | $0 | -$200 | -$200 |
| Mental Health Speaker | $0 | -$1,000 | -$1,000 |
| Grandparents Bingo | $200 | -$1,500 | -$1,300 |
| Welcome Packets | $0 | -$250 | -$250 |
| Newsletter | $0 | -$250 | -$250 |
| Hospitality | $0 | -$250 | -$250 |
| **Student & Parent Programs Totals** | **$1,000** | **-$5,550** | **-$4,550** |
| **Teacher, School & Community** | **Budgeted Income** | **Budgeted Expenses** | **Budget Net** |
| Staff Welcome Lunch | $0 | -$1,500 | -$1,500 |
| Staff Snack Days | $0 | -$400 | -$400 |
| Teacher Spirit Cart | $0 | -$400 | -$400 |
| Staff Appreciation Week | $0 | -$1,000 | -$1,000 |
| Library Literacy Program | $0 | -$2,500 | -$2,500 |
| Beautification | $0 | -$1,000 | -$1,000 |
| School Technology | $0 | -$7,500 | -$7,500 |
| Teacher Mini Grants | $0 | -$3,000 | -$3,000 |
| Adopt-a-PTA | $0 | -$1,000 | -$1,000 |
| **Teacher, School & Community Totals** | $0 | -$18,300 | -$18,300 |
| **Administrative** | **Budgeted Income** | **Budgeted Expenses** | **Budget Net** |
| AIM Insurance | $0 | -$500 | -$500 |
| Banking Fees & Interest | $50 | -$100 | -$50 |
| Leadership & Training | $0 | -$500 | -$500 |
| \*Membership Dues | $2,200 | -$1,250 | $950 |
| PTA Office Supplies | $0 | -$1,000 | -$1,000 |
| Start Up Funds | $5,000 | -$5,000 | $0 |
| Carry Forward & Ending Balances | $12,978 | -$12,090 | $888 |
| Zoom | $0 | -$188 | -$188 |
| **Administrative Totals** | **$20,228** | **-$20,628** | **-$400** |
| **Grand Totals** | **$63,978** | **-$63,978** | **$0** |

\*Total income reported on the IRS tax filings for Membership Dues is the net amount, excluding the Louisiana PTA and National PTA dues portions.

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| **SAMPLE COMPARISON BUDGET XYZ PTSA** |
|  May 22, 2023 |
| **Fundraising** | **Actual Income** | **Budgeted Income** | **Actual Expense** | **Budgeted Expense** | **Actual Net** | **Budget Net** | **More/-Less** |
| Color Run | $18,977 | $20,000 | -$8,498 | -$10,000 | $10,479 | $10,000 | **$479** |
| Uniforms | $12,320 | $15,000 | -$6,349 | -$7,500 | $5,971 | $7,500 | **-$1,529** |
| Shake Days | $3,589 | $5,000 | -$1,850 | -$2,000 | $1,739 | $3,000 | **-$1,261** |
| Grants | $2,000 | $2,000 | $0 | $0 | $2,000 | $2,000 | **$0** |
| Donations | $850 | $750 | $0 | $0 | $850 | $750 | **$100** |
| **Fundraising Totals** | **$37,736** | **$42,750** | **-$16,697** | **-$19,500** | **$21,039** | **$23,250** | **-$2,211** |
| **Student & Parent Programs** | **Actual Income** | **Budgeted Income** | **Actual Expense** | **Budgeted Expense** | **Actual Net** | **Budget Net** | **More/-Less** |
| Reflections Program | $0 | $0 | -$95 | -$100 | $95 | -$100 | -$5 |
| Breakfast of Champions | $0 | $0 | -$496 | -$500 | $496 | -$500 | -$4 |
| Talent Show | $775 | $800 | -$478 | -$500 | $1,253 | $300 | $1,553 |
| Project Graduation | $0 | $0 | -$1,000 | -$1,000 | $1,000 | -$1,000 | $0 |
| Health Supplies | $0 | $0 | -$182 | -$200 | $182 | -$200 | -$18 |
| Mental Health Speaker | $0 | $0 | -$1,000 | -$1,000 | $1,000 | -$1,000 | $0 |
| Grandparents Bingo | $210 | $200 | -$1,488 | -$1,500 | $1,698 | -$1,300 | $398 |
| Welcome Packets | $0 | $0 | -$250 | -$250 | $250 | -$250 | $0 |
| Newsletter | $0 | $0 | -$250 | -$250 | $250 | -$250 | $0 |
| Hospitality | $175 | $0 | -$249 | -$250 | $424 | -$250 | $174 |
| **Student & Parent Programs Totals** | **$1,160** | **$1,000** | **-$5,488** | **-$5,550** | **$6,648** | **-$4,550** | **$2,098** |
| **Teacher, School & Community** | **Actual Income** | **Budgeted Income** | **Actual Expense** | **Budgeted Expense** | **Actual Net** | **Budget Net** | **More/-Less** |
| Staff Welcome Lunch | $0 | $0 | -$1,483 | -$1,500 | -$1,483 | -$1,500 | $17 |
| Staff Snack Days | $0 | $0 | -$389 | -$400 | -$389 | -$400 | $11 |
| Teacher Spirit Cart | $0 | $0 | -$400 | -$400 | -$400 | -$400 | $0 |
| Staff Appreciation Week | $0 | $0 | -$939 | -$1,000 | -$939 | -$1,000 | $61 |
| Library Literacy Program | $500 | $0 | -$2,500 | -$2,500 | -$2,000 | -$2,500 | $500 |
| Beautification | $0 | $0 | -$1,000 | -$1,000 | -$1,000 | -$1,000 | $0 |
| School Technology | $0 | $0 | -$7,410 | -$7,500 | -$7,410 | -$7,500 | $90 |
| Teacher Mini Grants | $0 | $0 | -$2,200 | -$3,000 | -$2,200 | -$3,000 | $800 |
| Adopt-a-PTA | $0 | $0 | -$1,000 | -$1,000 | -$1,000 | -$1,000 | $0 |
| **Teacher, School & Community Totals** | **$500** | **$0** | **-$17,321** | **-$18,300** | **-$16,821** | **-$18,300** | **$1,479** |
| **Administrative** | **Actual Income** | **Budgeted Income** | **Actual Expense** | **Budgeted Expense** | **Actual Net** | **Budget Net** | **More/-Less** |
| AIM Insurance | $0 | $0 | -$488 | -$500 | -$488 | -$500 | $12 |
| Banking Fees & Interest | $22 | $50 | -$78 | -$100 | -$56 | -$50 | -$6 |
| Leadership & Training | $0 | $0 | -$325 | -$500 | -$325 | -$500 | $175 |
| Membership Dues | $2,390 | $2,200 | -$837 | -$1,250 | $1,554 | $950 | $604 |
| PTSA Office Supplies | $0 | $0 | -$212 | -$250 | -$212 | -$250 | $38 |
| Start Up Funds | $0 | $5,000 | $0 | -$5,000 | $0 | $0 | $0 |
| Carry Forward & Ending Balances | $12,978 | $12,978 | -$12,090 | -$12,840 | $888 | $138 | $750 |
| Zoom | $0 | $0 | -$188 | -$188 | -$188 | -$188 | $0 |
| **Administrative Totals** | **$15,390** | **$20,228** | **-$14,218** | **-$20,628** | **$1,173** | **-$400** | **$1,573** |
| **Grand Totals** | **$54,786** | **$63,978** | **-$53,724** | **-$63,978** | **$12,039** | **$0** | **$2,939** |

\*Total income reported on the IRS tax filings for Membership Dues is the net amount, excluding the Louisiana PTA and National PTA dues portions.