

2025-26 PTA Leader **TOOLKIT**

LOUISIANA PTA

Section 3: Treasurer
LouisianaPTA.org/treasurer



Louisiana
PTA[®]
everychild.onevoice.®

Index

Introduction	38	Active Affiliation and Retention Plan	47
Treasurer's Binder	38	Audit Committee and Its Report	48
Responsibilities of the Treasurer	38	Operating Guidance: School Officials & PTA Funds.....	49
Raising Money	39	Operating Guidance: Appropriate Use of PTA Funds....	50
PTA Principles of Financial Management	39	Treasurer's Overview	52
Budget.....	40	Year-End Financial Checklist.....	52
Financial Reports (3 Types)	41	Inventory Accountability Form.....	53
NEW Givebacks.com	42	Sample Budgets and Comparison Reports.....	54
Banking and E-Commerce Policy	42	Deposit Form.....	56
Insurance.....	44	Expense Form	57
LA Secretary of State Annual Report	44	Audit Report Form, Instructions and Worksheet	58
Federal Taxes	44	Sample NSF Letter	61
State Sales Tax.....	46	General Donation Agreement	62
Gifts to Schools	46	Monetary Donation to a School	63
Record Keeping & Retention.....	46	Equipment Purchased by a PTA for Its Use.....	63

Introduction

The Treasurer serves as the official custodian of the PTA's funds. They are responsible for receiving and disbursing funds in accordance with the Bylaws, the approved budget, and as directed by the PTA's decisions. The President, who holds ultimate responsibility for the PTA's affairs, and the Treasurer need to possess a solid grasp of financial matters, including the BOD who bears a fiduciary obligation to the PTA. The membership, through budget adoption, determines how PTA funds will be generated and utilized. Comply with the rules set by the Bylaws, the budget, and the IRS to significantly reduce the risk of financial problems.

The PTA's funds do not belong to the Treasurer. The Treasurer must adhere to the PTA's choices even if they disagree personally. The financial records are the property of the PTA, not any individual officer. The Treasurer must hand over all records to their successor or an Audit Committee at the end of their term. Many PTAs handle substantial sums of money. To safeguard the PTA and Treasurer, manage funds in a way that accounts for every dollar. Most of the PTA regulations and requirements come from the IRS. While some requirements seem meticulous, they are time well invested. Study LouisianaPTA.org/treasurer. Contact the LAPTA Treasurer at treasurer@LouisianaPTA.org with any questions.

Treasurer's Binder

Keep an organized and up-to-date binder (which may be digital) with the following suggested sections:

- Accounts & passwords summary sheet including account numbers for debit cards; board roster
- Blank copies of Expense and Deposit Forms
- Completed Expense Forms with receipts
- Completed Deposit Forms
- Monthly bank statements and reconciliation reports
- Approved budget, Budget Approval Form, monthly budget reports, and any budget amendments
- Agendas and minutes from Executive Committee, Board of Directors, and General Membership Meetings
- Charter information such as IRS tax filings, Secretary of State Annual Report, insurance, audit reports, and Bylaws

Responsibilities of the Treasurer

- Register as a PTA Leader at LouisianaPTA.org/register.
- Sign the LAPTA Confidentiality, Ethics, and Conflict of Interest Policy.
- Study and know the PTA Bylaws, Standing Rules, and LAPTA Toolkit: Treasurer.
- Attend LAPTA training in August or do self-paced training at LouisianaPTA.org/training.

- Change signatures on all bank accounts. Use the school's mailing address for the account.
- Function as the custodian of the checkbook.
- Maintain the Treasurer's Binder or digital files with all required financial documents.
- Chair the Budget Committee.
- Present the proposed budget for approval at the first General Membership Meeting.
- Receive all money and deposit it in a timely manner. National PTA suggests one day.
- Make disbursements with a check or debit card as authorized by the PTA in accordance with the budget.
- Keep an accurate and detailed account of all money received and disbursed.
- File the IRS taxes or hire a professional. The fiscal year is July 1 through June 30 with IRS taxes due Nov 15.
- Renew the annual report with the Louisiana Secretary of State at geauxbiz.com.
- Renew the annual insurance policy.
- Reconcile all accounts monthly.
- Transfer funds from all online accounts monthly, such as Givebacks or SquareUp.
- Submit a budget report at all Board of Directors (BOD) and General Membership Meetings.
- Make an annual budget report to the PTA.
- Complete the Year-End Financial Review Checklist.
- Present to the Audit Committee all materials necessary for the review.
- Purchase PTA memberships monthly from LAPTA through Givebacks at LouisianaPTA.org/membership.
- Recruit new PTA leaders and PTA members.

Raising Money

Most PTAs need to raise funds to provide programs and services; however, fundraising efforts should not be the primary emphasis for PTAs. Fundraising should be in response to supporting PTA work. To help ensure proper alignment with the PTA purposes, LAPTA recommends that PTAs engage in the **three-to-one rule**: have three programs or service projects for each fundraiser activity hosted.

Fundraising is not the primary mission of PTA. Instead, the primary mission is **to make every child's potential a reality by engaging and empowering families and communities to advocate for all children**. Fundraising efforts are aimed at supporting programs and services that enhance student learning and family engagement. Raise only the necessary funds to cover expenses, without letting fundraising activities dominate and divert the members' attention away from the PTA's core objectives.

There are many different methods to raise funds. PTA leaders need to evaluate opportunities carefully and consider all legal and community-related implications. When using a fundraising company, protect the PTA by having all information in writing. Make sure the contract is between the two organizations and not *individuals*. Contracts are only signed by the President or Treasurer with BOD approval, and the signer adds their title after their name to show they are signing for the PTA. When reviewing the contract, look for cost and profit percentages, list of approved promotional materials, desired services, dates for delivery and payment, and procedure for handling damaged, unsold, or returned merchandise. See LouisianaPTA.org/funds for more details.

PTA Principles of Financial Management

All PTA funds must be deposited directly into the dedicated PTA bank account and should never be placed in a personal account, a school account, or any other organization's account.

Each Local PTA Unit operates as an independent 501(c)(3) nonprofit organization which collaborates closely with its affiliated school. PTA funds are legally classified as private funds, contributed to or raised by the membership, and intended exclusively for the PTA's use. In contrast, school accounts are composed of public funds derived from taxes and allocated to schools through legislative or governmental channels. Consequently, schools are held accountable to the public for the allocation of these funds. PTA-raised funds are the sole property of the membership and are not subject to external reporting requirements, unlike public funds. PTAs maintain distinct and independently controlled accounts, directly overseen by the PTA and its Board of Directors (BOD). School officials possess no authority over PTA funds, except in instances where the PTA collaborates with the principal to identify school needs and the PTA's

role in addressing those needs.

Without an approved budget, there is no authorization to expend funds.

The initial proposed budget requires approval during the first General Membership Meeting of the year. Prior to this approval, PTAs are limited to the amount designated in the "Startup Funds" category from the preceding year's budget. **Every budget must include a "Startup Funds" category** to allow for expenses before the annual approval. See the sample budget for details. Any unforeseen expenses or deposits not included in the approved budget must be presented to the PTA as a budget amendment for approval before initiating the project or making payments. This requires an affirmative two-thirds vote.

When filing taxes with IRS, do not record the Louisiana and National PTA dues as income.

Local PTAs are obligated to submit member dues to LAPTA at a rate of \$4.50 per member per year. LAPTA forwards \$3.25 per member to National PTA and retains \$1.25 for LAPTA. These funds sent to LAPTA should not be included in the gross income calculation for IRS tax filings. Instead, only report the "net" income derived from member dues on the tax report. The budget should still indicate both the gross and net income from dues.

Never sign a blank check or make a check out to "cash."

A check can be written in advance with everything filled in except the amount if it's not known. Never write a blank check or a check to cash. The check should be made payable to the person or business for the fund.

Always have two people sign every expenditure.

The Bylaws require two signatures to authorize every purchase. Individuals authorized to sign checks may not be related to each other by marriage or any other relationship nor should they be a part of the same household. Debit cards may be issued to authorized signers on the bank account if every purchase is properly documented with receipts and two signatures on the Expense Form. Caddo Parish does not allow debit cards.

Do not allow another organization (including the school) to pass its money through PTA accounts.

All money deposited into a PTA account is considered PTA funds by the IRS and must be reported as such, excluding the portion of member dues paid to LAPTA and National PTA.

Pay bills with a check or debit card. Never pay with cash. PTA credit cards are not allowed.

Bond all officers and chairs who oversee money to protect the PTA's assets by purchasing annual insurance.

Always have cash deposits counted and signed by two people. Always issue a receipt for cash received.

Budget

The budget serves as a financial roadmap, outlining projected income and expenses aligned with the PTA's objectives. For it to be effective, the budget must realistically anticipate annual expenses and strategize how to secure the required funds to meet those financial commitments. The budget covers a 12-month period. PTAs follow the fiscal year schedule from July 1 to June 30, as specified in the Bylaws.

Erring on the side of caution, overestimate income rather than underestimate it in budgeting. **Every budget must include a "Startup Funds" line item**, allowing for purchases to be made before the General Membership formally approves the new budget. The approved budget is one requirement of the LAPTA Affiliation Report.

The Budget Committee. The Treasurer chairs the Budget Committee which is composed of three members and as specified in the Bylaws. Other members might include the past or current President, past Treasurer, and the principal. To develop the budget, the committee should review the previous year's budget and the Treasurer's reports to make recommended changes. Gather information from the BOD about their planned activities and financial needs. Consider sources of funds to meet these requirements. If a PTA has identified programs or projects to conduct, it might want to budget expenses first. Knowing the expense totals helps determine how much revenue is needed or estimate income and then determine its programs and projects.

Creating a Budget. Traditionally, total income must equal total expenses with zero as the net total even though all of the money does not need to be spent every year. 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 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, grants, general donations, and spirit wear 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, and STEM Night.
- Create a **Teacher, School, & Community** section and list its items such as Staff Welcome Lunch, Staff Snack Days, Staff Appreciation Week, Playground Equipment, Community Outreach, and more. Hospitality should not exceed 5% of the budget and only includes small Welcome Committee type expenses. Teacher lunches and events are itemized so that each event has its own line item.
- Create an **Administration** section for items such as PTA membership dues, insurance and bonding, LA Secretary of State renewal, Zoom, Givebacks.com, CheddarUp.com, website, training with LAPTA and National PTA, bank fees, copies, required **Start Up Funds**, Carry Forward & Ending Balances, a small Miscellaneous line item, and more. Start Up Funds specify the maximum amount that may be used prior to budget approval. Once the budget is approved by the General Membership, these early expenses should be applied to the appropriate line item in the budget. The **Ending Balance** is used for the projected closing balance although there are alternatives to this. See LouisianaPTA.org/treasurer for further explanation.

Scholarship & Mission Fund. PTAs may opt to establish a Scholarship and Mission Fund. Impartiality and equitable access are paramount when granting scholarships to students, educators, or other PTA entities. Have clear, written procedures to govern the formation of the committee and the selection of recipients. Committee members' relatives may not apply for funds. The funding source for these scholarships comes from a Mission Fund to which the PTA actively seeks contributions. The accumulation of funds might take several years, which is permissible if the PTA maintains a well-documented plan. Donors must be informed of the plan's status. The PTA is required to inform recipients that, if any portion of the funds is not used for educational expenses, it is taxable income by the IRS.

Obligating Future Boards. A PTA cannot obligate future Boards to a specific expenditure. A future BOD is not required to spend funds as designated by the previous BOD. Large, long-term projects should be very carefully planned and undertaken only if there is dedicated support from the General Membership. A bank account may be opened for a specific future purpose, especially if the donors specified what their donation would support.

Noncommercial Policy. PTA Bylaws include the requirement to be noncommercial. This means the PTA name may not be used with commercial activities of other organizations including the promotion of the other's goods or services. PTA does not raise money for other organizations or individuals, no matter how worthy the cause.

Amending the Budget. Amendments to the budget might be necessary because the budget is only an estimate of the planned expenses and income. Amendments can be made at any General Membership Meeting or Special General Membership Meeting called for that purpose with proper notice. An affirmative two-thirds vote is needed.

3 Types of Financial Reports

Robert's Rules of Order, Revised Edition specifies that the Treasurer is responsible for making regular Budget Comparison and Activity Reports for all Executive Committee, Board of Directors, and General Membership Meetings. Copies of the reports are distributed to the members in attendance when possible. For a General Membership Meeting, it may be posted on a bulletin board, digitally displayed, or on paper copies. They do not need a motion to be accepted. The Secretary keeps a copy with the minutes.

1. **The Activity Report** includes the date, the current balance, total of expenses and income, and the previous balance from the last report. Depending on the size and composition of the membership, the Treasurer might need to provide more information.
2. **The Budget Comparison Report** compares the budget amounts with the actual amounts and the net amount for each line item. This shows how much the PTA is under or over in each category. This format indicates if there is a problem in any category.
3. **The Annual Report** is prepared at the close of the fiscal year. The Treasurer makes a preliminary report to the membership at the annual meeting. This report is for information only and is not officially adopted. It is filed with the permanent financial records

NEW Givebacks.com

Louisiana PTA encourages Local PTA Units to utilize online platforms to track finances and to collect membership dues. While there are several platforms, LAPTA partnered with Givebacks and now requires PTAs to use Givebacks to submit membership dues and the Affiliation Report. The PTAs can decide how else they'll use Givebacks which includes financial tracking software for free and is comparable to Quick Books and MoneyMinder. The annual fee for a MoneyMinder Pro account increased to \$299, so there is considerable savings with Givebacks. PTAs should use an accounting software that tracks expenses and deposits and runs budget reports. Another free accounting alternative is the Wave App at waveapps.com. See LouisianaPTA.org/givebacks for complete details.

CheddarUp.com and PTBoard.com are sites similar to Givebacks that allow a PTA to easily create a website to sell items, collect membership dues, upload documents, and information collecting forms. The account must be in the PTA's name under their EIN. A personal Social Security Number is required to open an account, which must come from an authorized bank signer and be updated to a current officer. Use an email that can be passed down to future Boards. All deposit transfers must occur at least monthly directly to the PTA bank account and with a Deposit Form itemizing the line item totals for budgetary tracking. The spreadsheet reports are compatible with Microsoft Excel or Libre Office (free at libreoffice.com).

Banking and E-Commerce Policy

Local PTA Units have the option to utilize electronic commerce for the receipt and disbursement of funds. There are several online platforms available, such as Givebacks.com, CheddarUp.com, SquareUp.com, and MoneyMinder.com.

An **Employer Identification Number (EIN)**, also known as a Tax Identification Number, is a nine-digit number assigned to business entities by the Internal Revenue Service (IRS). A PTA's EIN identifies it as a tax-exempt 501(c)(3) nonprofit organization which designates its donations as tax-free for its donors. Local PTA Units fall under Louisiana PTA's tax umbrella.

Checking Account: Each PTA must maintain its own dedicated bank account. When establishing an account, banks need the Employer Identification Number (EIN), Articles of Incorporation, and minutes documenting the Board's election and the appointment of signatories, among other potential documents. Local PTA units may not utilize the EIN of a school or school district.

Authorized Signatures: For all bank accounts, a minimum of three individuals must serve as signatories for the checking account. The Treasurer must be included as an authorized signer on these forms to endorse checks and make withdrawals. Only currently elected PTA officers possess the authority to sign checks. All PTA expenditures and check disbursements require two authorized signatures. Signatories are not permitted to endorse checks payable to themselves. A school employee can gain signing authority on a PTA account only if they hold an elected officer position within the PTA and if it is not in conflict with the school board's financial policy. Caddo Parish requires all principals to be an authorized signatory on the account although they do not actually sign checks.

Savings Account: A PTA may have a small contingency savings account to maintain financial stability. As a guide, the amount in the account should not exceed one-half of the unit's budget for an average year. Other accounts might be established for designated funds raised for a specific purpose over the years.

Debit Cards are allowed to be issued only to authorized signers on the bank account and must include the name of the PTA. Caddo Parish does not allow debit cards. The Treasurer logs those who have a debit card and their account numbers. Cash transactions (ATM, cash back, etc.) are not allowed. Credit cards are not allowed. Prior to use of the debit card, an Expense Form is completed with two signatures and submitted. Following the purchase, the receipt is given to the Treasurer and attached to the Expense Form. A change in signer on the checking account requires the previous debit card to be destroyed. The minutes need to reflect the approval of debit cards for the PTA and shared with the bank. Recurring PTA payments are allowed to be deducted directly from the bank account with properly documented Expense Forms using a debit card or e-check.

Online or point of sale payment collection systems must be in the PTA's name. If a personal Social Security Number is required to open an account as per federal banking laws, then only an authorized signer may be used. The

payment collection system's statements must be clear with detailed and accessible information on a real-time basis. The PTA must have immediate access to know who has paid, the purpose of the payments, and the expected cash transfer amount. All revenue is entered into the budget's corresponding line item.

PayPal is currently allowed. Venmo and Zelle are NOT allowed because they are unregulated peer-to-peer platforms. They do not have the same high standards and regulations as federal banking rules. The use of Venmo is not covered by insurance and bond policies which leaves the PTA vulnerable to fraud and theft.

All deposit transfers must occur at least monthly and use a Deposit Form. One Deposit Form can be used for multiple transactions. When accepting credit card payments, do not write down card numbers for any reason. Accept only those transactions that are immediately authorized. For electronic payment disputes, research the payment collection system's policies. Only authorized signatories may issue a refund to the customer. Respond to any challenge of payment promptly and accurately. Confirming a refund requires the same approvals and documentation as required for an Expense Form. Record the authorized refund in the check registry prior to withdrawal. Withhold goods and services until the dispute is cleared.

Deposits: The Treasurer receives all funds for the PTA and promptly deposits them into the PTA's account. National PTA recommends depositing funds within one day. Only PTA funds may be deposited into the PTA account. A signed Deposit Form must accompany each deposit with two signatures required for cash deposits. A sample Deposit Form is included in this section.

Two people must count all deposits. The person turning over the money keeps a copy of the Deposit Form and may request a receipt from the Treasurer for their records. The Treasurer should not keep cash in their car or home. Plan for a night deposit for late collections or use the school's safe with a completed Deposit Form. After making a deposit, the Treasurer should attach a copy of the deposit slip, if possible.

The PTA may deposit checks electronically via a mobile application or online system. After depositing, write on the front of the check, "Deposit Completed," confirmation number, and the date. Consult with the bank regarding how long to keep checks prior to destroying.

PTA sponsorships may be offered by local PTAs in return for intangible benefits. For example, for a \$250 sponsorship, a PTA may include a company's logo and name in their monthly newsletter, on a banner hung on the school fence, etc. PTAs often provide levels of sponsorship based on donation levels. The sponsorship guidelines must comply with the non-commercial policy and co-venturing guidelines.

PTAs are required by IRS disclosure rules to inform prospective donors about the extent to which their contributions are legally tax-deductible. If a PTA holds a fundraising event that provides a meal or some tangible item in return for the purchase of a ticket, then the portion of the ticket that is tax-deductible is the ticket price less the fair market value of the meal or item received. For example, if a spaghetti supper ticket sells for \$20 and the value of the meal is determined to be \$5, the purchaser is entitled to a \$15 charitable contribution deduction. The \$5 is the value of a prepared and served meal allowing for a reasonable profit.

Expenses: Pay PTA expenditures with a check or PTA debit card. Every purchase must have a signed Expense Form with a receipt or invoice attached. Approving the budget is the way the membership of the PTA approves PTA's spending. If there is no line item to support a request for payment, payment may not be made. Occasionally, a request for reimbursement may be made without a receipt. Perhaps the receipt was lost or personal items were used, such as stamps or the partial cost of a toner cartridge for printing materials. **The person may complete an Expense Form and attach a detailed explanation.** The Expense Form is at the end of this section.

Gift Cards: Any gift cards purchased by a PTA should not exceed \$25 each in value and must be retail-specific (branded cards of restaurants, stores, etc.). Generic cards like MasterCard or Visa gift cards are not permitted. Gift cards are cash equivalent, so PTAs should exercise the same care when storing and distributing gift cards. If a gift card is donated to the PTA for the purpose of subsidizing PTA expenses, record the initial donation on a Deposit Form and then how the card was used on an Expense Form.

PTA Membership Dues: Local PTAs must submit dues of \$4.50/member to LAPTA, which includes the National PTA and LAPTA dues portions. According to the IRS, the National PTA and LAPTA dues portions never belong to a Local

Unit. They are not included in the gross income when reporting income to the IRS. The \$4.50 includes \$3.25 which LAPTA forwards to National PTA and \$1.25 which LAPTA retains. Submit dues at LouisianaPTA.org/submitdues through Givebacks. LAPTA does not provide paper membership cards. See LouisianaPTA.org/membership for card templates.

Bank Statements & Reconciliation: The PTA's permanent mailing address for bank accounts is the school's address. All bank statements must be signed by a person who is not authorized on the account. Reconcile the bank account monthly and compare it to the treasurer's financial records. Present the reconciliation report at PTA meetings for review and file the report in the Treasurer and Secretary Binders.

Checks Returned for Non-Sufficient Funds (NSF): If a check is returned due to insufficient funds, email or call the writer of the check and request repayment be made within 10 days. They might ask to redeposit the check or send a money order or cash. Inform the person that he owes bank fees charged to the PTA. Keep a detailed log of all contacts with the check writer, bank, or parties involved. If payment is not received within 30 days from the initial contact, send a certified letter and request a return receipt. The letter should include a demand for payment and bank fees in cash. Do not accept another check.

Insurance (Required)

Operating a PTA unit is much like running a small business. Businesses have insurance to protect their people and investments. LAPTA requires PTAs to obtain adequate insurance protection against liability and monetary loss due to fraud, embezzlement, or dishonest acts. Purchase annual insurance coverage from any insurance company that offers coverage to PTAs and other nonprofits at a reasonable price. LAPTA uses AIM (Association Insurance Management). LAPTA does not have a minimum amount of required coverage. Ask about adding social media or online protection coverage. Be aware of potential liability for things such as a donation to the school to cover field trips. While offering financial assistance to the school can reduce liability, it does not guarantee that the PTA will not be held responsible in certain situations. The insurance company can recommend adequate coverage.

LA Secretary of State Annual Report

Louisiana law requires that all nonprofits register annually with the Louisiana Secretary of State at geauxbiz.com. The PTA must update officer data, file the Annual Report, and pay a \$10 renewal fee plus \$5 credit card fee if you do not use an e-check. The Articles of Incorporation must be kept permanently on file and are part of the annual Active Affiliation Report to LAPTA. If you do not have the previous login, create a new login and note it on your Password Summary file. The NAICS number is 813410.

Federal Taxes

IRS Section 501(c)(3): The Louisiana PTA and all subordinate Local PTA Units in Active Affiliation are exempt from federal income tax as charitable and educational organizations under the provisions of section 501(c)(3) of the IRS Code. They fall under LAPTA's tax umbrella exemption. Annually, LAPTA is required to submit to the IRS a list of all units in Active Affiliation. Those listed are covered by the LAPTA group exemption. For PTAs failing to submit their Active Affiliation report by the October 31 deadline, LAPTA may choose to remove them from the tax umbrella. **Any unit not listed would be subject to income tax on all earnings.**

Protecting Tax Exemption: As 501(c)(3) organizations, LAPTA and its Local PTA Units in Active Affiliation may solicit and spend funds without paying income tax to the federal or state governments if they comply with rules governing nonprofit organizations. (Note that PTAs pay sales taxes when they buy things.) All income must be directly related to the purposes of the organization. To maintain its 501(c)(3) status, a PTA must meet specific standards. The organization must be noncommercial, nonsectarian, and nonpartisan. This means it does not engage in specific commercial endorsements, is not involved with specific religious groups, and does not endorse or support political candidates or parties. Further, neither the organization's name nor any member acting in an official capacity can endorse or promote a commercial concern or political party or conduct activities not in keeping with the PTA purposes and mission.

Donations & Deductions: Donors And Charitable Contributions: PTAs must be prepared to issue receipts for

contributions made, regardless of the amount or value. There is no required format for the receipt and Social Security Numbers are not required. The receipt must reflect at least the donor's name, date, cash amount or description of the property received, a statement that no goods or services were provided by the organization in return for the contribution, and the PTA's name. If a donor receives the value of goods or services for the donation, only the portion in excess of the value is deemed a donation. A description and good faith estimate of the value of goods or services provided (if any) in return for the contribution must be included in the written acknowledgment. A donor cannot claim a deduction of \$250 or more unless the donor obtains a written acknowledgment of the contribution. A sample General Donation Form is at the end of this section.

PTA volunteers may deduct out of pocket expenses while volunteering for the PTA. These include mileage for travel to and from volunteer sites, costs not reimbursed relating to volunteer work such as phone calls, and the costs of childcare incurred to enable a person to volunteer. The value of a person's time is not deductible.

Unrelated Business Income (UBI): As a tax-exempt organization, PTA revenues are not subject to federal income tax if the revenue is raised in a manner that is related to the PTA's tax-exempt purpose. However, it is possible for some revenue to be subject to income taxation. When this occurs, the amount subject to taxation falls into the category of Unrelated Business Income (UBI). An activity is classified as UBI if it has all of the following:

- The PTA plays an active role in the generation of income from an activity.
- The activity is conducted on a regular and continuous basis.
- The activity is unrelated to the mission of the PTA. Even if the proceeds are used to further PTA purposes, if the method of raising the funds is unrelated, it is deemed UBI. Fundraising is not a related activity even if the net revenue will be used to support PTA programs.

However, if the PTA conducts the activity and provides at least 85% of the labor, the income generally will be excluded from taxation, even if the above three conditions exist. There is no rule that says PTAs must never conduct activities that produce UBI. But, if the unrelated activity is dominant, the PTA may no longer be perceived as a charity supporting itself with some UBI. Instead, it may be viewed by the IRS as a business with some charitable activities. At that point, the PTA would lose its tax-exempt status. IRS regulations require nonprofits to file Form 990-T and pay taxes when gross receipts from UBI are over \$1,000.

Federal tax filing is due every year by the 15th day of the 4th month after the close of the tax year. The PTA tax year ends on June 30 with the deadline on November 15. Taxes cannot be filed until after June 30. If the tax filing is late, the IRS will send a reminder notice to the last address on file. There might be a penalty assessment for filing late. Organizations that fail to file for three consecutive years will automatically lose their tax-exempt status on the filing due date of the third consecutively missed year.

IRS Tax Filing Requirements (irs.gov/charities-and-nonprofits) Which 990 Form to File?

- Use **Form 990-N** if gross receipts are less than \$50,000.
- Use **Form 990-EZ** if gross receipts are between \$50,000 – \$200,000 and total assets are less than \$500,000.
- Use **Form 990** if gross receipts are more than \$200,000 or total assets are more than \$500,000.

Form 990-N must be completed and filed electronically. There is no paper form. Use the **Form 990-N Electronic Filing System User Guide** to avoid most problems. Organizations should continue efforts to file, even if late. Form 990-N is easy to complete with only 8 basic items: the EIN, tax year, legal name, mailing address, any other names the organization uses, name and address of a principal officer, website address if one exists, confirmation that the organization's annual gross receipts are \$50,000 or less, and, if applicable, a statement that the organization has terminated. Form 990-EZ and Form 990 are more complex.

A PTA is required to file Form 1099-MISC if it paid \$600 or more during a calendar year to a business or person for services rendered. Examples include a guest speaker or artist-in-residence. A copy must be sent to the recipient by February 2 of the year following the payment and a copy must be sent to the IRS by March 1. Form 1099 is not required for scholarship recipients regardless of the amount paid.

State Sales Tax

PTAs are required to pay state and local sales tax on every purchase. Many PTAs wrongly assume that since public schools are exempt from paying sales taxes and have a sales tax exemption number from the state, PTAs are also exempt. If a PTA member is asked for a tax number, he is required to inform the salesperson that PTAs are not exempt from sales taxes. Do not use a school's sales tax exemption number to make purchases because this is fraud.

PTAs are to collect and remit sales tax on items sold unless an exemption has been granted by the state. PTAs can apply for a **sales tax exemption** for fundraisers by filing Form R-1048 at www.rev.state.la.us and submitting it to the Louisiana Department of Revenue no later than two weeks prior to the event. The types of fundraisers that are generally granted an exemption include fairs, festivals, and admission tickets to dances or performances. Fundraisers that involve an outside promoter or vendor who profits from the event will be denied an exemption. Additionally, fundraisers involving the sale of products that would be in direct competition with local retailers, such as school supplies, wrapping paper, or candy, are not eligible for an exemption. Check with the parish tax collection office to determine the requirements for remitting local taxes. If a PTA was denied an exemption or chose not to file for an exemption, it must apply for a Louisiana Tax Number with the Department of Revenue at rev.state.la.us. Include that the PTA will have "irregular sales." Sales taxes are due by the 20th day of the month following the sale.

There are circumstances when PTAs can legally avoid sales taxes when making certain purchases on behalf of schools. If the PTA is purchasing equipment such as computers or copiers to be provided to the school as a gift, it might benefit the school to purchase it directly and the PTA reimburse the school. There is no sales tax required since the school is buying the items directly. The school provides an Expense Form to the PTA with a copy of the invoice. The PTA Treasurer can issue a check to the school, reimbursing it for the purchase.

Gifts to Schools

Each PTA wants to ensure that its supported school can purchase items that will improve the quality of education. PTAs can only give money to schools if they are for a designated and specified purpose. When a unit decides to have the school make a purchase, the General Membership must first approve the specific gift to be made (not just a cash amount). The donation must specify the designated purpose agreed to in writing between the PTA and the school official. The agreement states the nature of the item purchased, the way it is to be used, and when it will be procured. It should also include that the school will furnish a copy of the invoice to the PTA, and that all funds will be returned to the PTA if the item is not purchased or the terms are not met. See sample Donation Forms at the end of this section. A PTA can directly purchase items for a school with a PTA check and then donate them. In this situation, the PTA receives the receipt directly.

Record Keeping and Retention

Set up a written ledger or electronic accounting to record all financial transactions. LAPTA recommends the use of an online accounting platform such as Givebacks.com, MoneyMinder.com, or WaveApps.com. Once the approved budget is added to the account, enter all deposits and expenses into the appropriate budget item.

Regular financial reports are required. The actual versus budget comparison reports must be produced for every Executive Committee, Board of Directors, and General Membership Meeting. Each report generated must show the title and date. MoneyMinder has an edit box to add a title and date. Make copies of the files on a regular basis, preferably any time that the records are modified and at least monthly. Store a set of backup records away from the Treasurer's computer system such as another officer's home or the school. The ledger must maintain the running balance in the account. Follow these record retention guidelines:

Permanent Storage includes annual financial statements, Audit Reports, check ledger, Articles of Incorporation, Bylaws and amendments, minutes, correspondence to state & federal agencies, licenses and permits, Employer Identification Number (EIN), legal correspondence, and insurance claims. **Ten-year storage** includes personnel records, employee contracts, and property leases. **Severn year storage** includes accounts payable and accounts receivable, bank statements, deposit slips, expense reports, interim financial statements, grant records, cash receipts, and contracts. **Three-year storage** includes correspondence and internal memoranda and bank reconciliation reports. **One-year storage** includes routine emails.

Active Affiliation Report Due October 31

PTAs are required to annually submit documentation to achieve Active Affiliation Status with both Louisiana PTA and National PTA. "Active Affiliation" signifies that the Local PTA Unit is up to date with its responsibilities to preserve its IRS status and its affiliation with LAPTA and National PTA. The Active Affiliation Report consists of seven items which are uploaded at LouisianaPTA.org/affiliation through Givebacks.com. Local PTA Units failing to maintain Active Affiliation will be subject to the Retention Plan. The deadline for submitting these files is October 31, 2025.

Log into Givebacks.com and complete the following compliance requirements.

1. IRS Form 990 Filing: Submit proof of 2024 or 2023 filed and accepted IRS Form 990 tax filing.
2. Audit Report: Enter the Audit Committee Report for the previous year.
3. LA Secretary of State Report: Submit the updated Articles of Incorporation from geauxbiz.com.
4. Bylaws: Submit the first page of the Bylaws with the LAPTA expiration date.
5. Insurance: Submit the insurance declaration page.
6. Budget: Submit the approved Annual Budget and details from the General Membership Meeting.
7. Membership and Officer Requirements: Submit membership totals, officer information, and training information.

Retention Plan

If a Local PTA Unit fails to submit the Active Affiliation Packet by the annual deadline, LAPTA will initiate the Retention Plan to guide units back to compliance. Maintain open communication with LAPTA while acquiring Active Affiliation status. For inquiries, email Affiliation@LouisianaPTA.org. The Retention Plan has five phases:

1. Notification: LAPTA notifies the PTA of the missed deadline and grants a 30-day grace period to submit the missing items.
2. Restriction: During a second 30-day period, the Local Unit must submit the outstanding items. Additionally, the unit will be ineligible for awards, programs, or grants administered by LAPTA or National PTA.
3. Intervention: The PTA will collaborate with LAPTA to establish a Plan of Action, specifying new deadlines for resolving the outstanding issues.
4. Restructure: Should the PTA fail to complete the required report, LAPTA may consider restructuring the PTA's leadership or advancing to the Dissolution Phase early.
5. Dissolution: A Local Unit's charter may be revoked and their LAPTA associated IRS 501(c)(3) nonprofit status may be forfeited under certain conditions, which include failing to achieve Active Affiliation for three consecutive years, refusing to implement the Plan of Action as agreed upon, or non-compliance with the Purposes and Principles of PTA outlined in the Bylaws adopted in May 2024 (Articles II and III). In such cases, the PTA must discontinue using the PTA name and close its bank accounts, with any remaining funds to be donated to another PTA.

Audit Committee and Its Report

What? An audit follows financial transactions and the Treasurer's records checking that receipts are included and that expenditures are made as authorized in the approved budget and in conformity with the Bylaws. The audit must review all accounts of the PTA.

Why? The audit is necessary to protect both the PTA and the officers and to ensure the new administration understands the PTA's financial status. A proper audit will guarantee the previous Treasurer maintained the books correctly and the officers of the PTA spent all funds within the guidelines of the budget. It reveals funding discrepancies and shows financial accountability.

Who? Bylaws require an Audit Committee of at least three appointed members to conduct the review. Only members who are not signatories may serve on the committee. See details in the Bylaws.

When? An audit is done once a year even if the same Treasurer remains in office. It may also be requested anytime one is deemed necessary or whenever the authorized signers on the bank account change. The Audit Report is due at the end of October to LAPTA with the Active Affiliation report.

How? The Treasurer turns over all necessary documentation to the Audit Committee. The current and previous Treasurers should be available for questions. The Treasurer supplies the Audit Committee with the last audit report, checkbook, bank statements, Expense and Deposit Forms, financial and annual reports, any minutes that contain budget adoptions or amendments, and any other information requested.

Procedure: The Audit Report at the end of this section contains instructions and a worksheet. Begin with the records after the last audit, which is usually July 1. Check to see if the amount shown on the bank statement corresponds to the starting balance recorded in the checkbook and ledger. Verify that bank reconciliations were done monthly. Reconcile each month's bank statement. Make sure that every check written is substantiated with an Expense Form and receipt. Verify that all purchases have two signatures. Check to see that checks are not signed by the individual to whom they are made payable. Verify that all income and expenditures are allocated into the approved budget. Make certain that state and national portions of the membership dues were paid to LAPTA. Reconcile each deposit slip with bank statement and checkbook entries. Check the math for the totals. Check each month's ledger entries for error, and crosscheck against checks issued and receipts posted. Check the Treasurer's reports for accuracy. Verify that the reports are true representations of the transactions recorded.

Audit Report: The Audit Committee fills out the Audit Report Form at the end of this section. The report indicates the information needed and any errors committed. The Audit Report must be officially adopted by the PTA and must be included in a completed Annual Report covering the PTA's fiscal year. If the validity of an Audit Report is questioned, contact Louisiana PTA or an independent CPA.

OPERATING GUIDANCE

Support for Local PTA Units by LAPTA



School Officials and PTA Funds

As a 501(c)(3) nonprofit organization, PTA is an independent association designated by its unique IRS Employee Identification Number (EIN) and governed by its Board of Directors and membership. It is required to uphold a Duty of Care, Duty of Loyalty, and Duty of Obedience to the local PTA, Louisiana PTA, and National PTA. Its priority and legal obligation with the IRS are to further the mission of PTA. All local PTAs fall under the Louisiana PTA tax umbrella. The IRS does not classify PTA as an educational organization but as a civic organization with the primary activity listed with the IRS as "Parent Teacher and Student Advocacy." If any of these components are not upheld, then the IRS has the authority to remove the nonprofit status and Louisiana PTA can revoke its charter.

Commingling of private and public funds is forbidden by the IRS. This is cause for revocation of the nonprofit status and is considered tax fraud if educational and PTA funds are commingled. PTA funds belong to the members, and the general membership as a whole approves the proposed budget and utilization of those funds. The PTA Board of Directors is then responsible for the proper management of the PTA funds.

A school official (a school employee with authority over teachers) may be on the Board of Directors although not on the Executive Committee as that presents the impression of having undue financial influence over the PTA's spending. A school official may not be an authorized signer on the PTA accounts. A school employee, and not a school official, may have signing authority on a PTA account only if they are an elected officer of the PTA. The PTA checkbook resides with the PTA Treasurer. A minimum of three authorized bank signatories are required on the bank account with two of these being the President and the Treasurer.

Bank statements are mailed to the PTA's permanent address which is the school's address or are printed electronically. All bank statements are reviewed and signed by a non-signatory as required by insurance providers.

PTAs annually submit their Active Affiliation Report to LAPTA which includes documentation of IRS tax filing, LA Secretary of State annual filing, current Bylaws, approved budget, insurance declaration page, LAPTA training, and the PTA Audit Report. The audit of the previous year's financial books is conducted by three or more people who are not authorized signatories. LAPTA reviews all documentation.

Further details on the PTA Treasurer role are in the [LAPTA Toolkit: Treasurer](#) at LouisianaPTA.org/treasurer.

Issued: January 24, 2023

OPERATING GUIDANCE

Support for Local PTA Units by LAPTA



Appropriate Use of PTA Funds

Should the PTA pay the school's bills, school employee salaries, or for teachers' projects? How does the PTA decide how to raise funds and where to spend it? The following Operating Guidance gives PTAs a framework to answer those questions.

Mission, Purpose, and Values

PTAs should use the mission, purpose, and values of PTA to influence and guide the use of its funds. PTA collaborates with educators, children, and the community respectfully holding all to account and sharing in the responsibility of improving children's lives.

- The **mission** is to make every child's potential a reality by engaging and empowering families and communities to advocate for all children.
- The **purposes** are to promote the welfare of children [in all areas of life]; to raise the standards of home life; to advocate for laws that further the education, physical and mental health, welfare, and safety of children; to promote the collaboration and engagement of families and educators in the education of children; to engage the public in united efforts to secure the physical, mental, emotional, spiritual, and social well-being of all children; and to advocate for fiscal responsibility regarding public tax dollars in public education funding.
- The **values**, in summary, are collaboration, commitment, diversity, respect, and accountability.

Protecting PTA's Tax-Exempt Status

As a 501(c)(3) nonprofit organization, PTA is an independent association governed by its Board of Directors and membership. School officials may not exert undue financial influence over PTA spending. PTAs are not a "supporting organization" of its host school and are not subject to school oversight and financial approval. Rather, PTAs are subject to their General Membership and Board of Directors. PTAs are not an additional funding sources for goods, services, or payroll for public schools.

Balancing Fundraising with PTA Programs and the 3-to-1 Rule

The real working capital of a PTA lies in its members and not in its treasury, as fundraising is not a primary function of PTA. Funds may be raised for programs and events within the context of the mission and purposes of the PTA. Funds are to support PTA projects and programs, such as leadership development and training, parent education and enrichment activities, child health, education, and safety programs, and working with other community organizations. PTAs set annual goals and then identify strategies to reach those goals to determine the dollar amount needed in a fundraising event. Raise only those funds necessary to meet the needs of the year's activities and projects. When planning the year's activities, PTAs should use the 3-to-1 rule: for every fundraising activity, have at least three projects or programs for the parents, children, school, or community.

Approving the Budget

All PTA funds belong to its members. The PTA presents the budget to the General Membership line by line at the beginning of the year. Discuss the different projects or use of funds with the members. This creates transparency and independence from the school officials. The budget is not decided by one or two people. The General Membership as a whole approves the proposed budget and utilization of those funds. Only current members vote. Proper management of the PTA funds is the responsibility of the Board of Directors. If the budget needs to be amended during the year, the General Membership votes to approve the amendment.

Excess Funds

PTAs may carry over excess money to the next year. The IRS does not limit the amount of remaining money. Funds not spent in one budget year are incorporated into the next budget. The PTA Board does not have the authority to write checks to the school or principal for unbudgeted items to "clean out" the account.

Emergency Reserve

An Emergency Reserve Fund is considered an integral part of each PTA's budget to retain financial stability during down times. As a rule, a healthy reserve is between one-half to one full year's average expenditures.

Restricted Funds

While the Board cannot obligate the next year's Board, there is one exception. The IRS has strict rules on "restricted funds." Money raised for one specific purpose, such as technology or a new playground, must be spent on that purpose regardless of the lapse of time before the purchase. To use restricted funds for an alternate purpose, the PTA must notify the donors and include the option to refund their donation. However, if it was initially stated that it was for something specific *and* other PTA projects, the collected funds are not restricted and may be used for other purposes.

Purchasing School Equipment

If a school asks the PTA to purchase equipment, for example, the PTA and its members decide what to do. Consider if the proposed equipment or service is a public responsibility or a PTA responsibility. PTA actually renders a greater service by working to secure adequate funding for programs that have an enduring benefit, rather than picking up the slack and making the purchase. If a PTA purchases school equipment, it can formally donate the purchase at a board of education meeting, requesting the school district to accept the donation, thus entering the transaction into the official minutes. The purchase then becomes the property of the school district and the PTA removes itself from liability while also exposing the school's budgetary shortcomings.

In brief, when considering PTA expenditures, ask if it adheres to the PTA's mission and purposes, is it the PTA's responsibility, and did the General Membership approved it. Also read LAPTA Operating Guidance "*School Officials and PTA Funds*" which details the separation of PTA funds from the school's funds and how much financial control school officials have over PTAs. For further clarification, contact Louisiana PTA at treasurer@LouisianaPTA.org or visit LouisianaPTA.org.

Appropriate use of PTA Funds – New Jersey PTA Resources Hub. (n.d.). Retrieved February 8, 2023, from <https://newjerseypta.zendesk.com/hc/en-us/articles/4407848348307-Appropriate-Use-of-PTA-Funds>

Official local PTA leader kit. (n.d.). Retrieved February 8, 2023, from <https://www.pta.org/docs/default-source/local-leader-kit/2018-lptalk-fundraising-qrg-final.pdf>

Issued: March 28, 2023

Treasurer's Overview

Use this checklist throughout the year to double check the financial management practices of the PTA.

- ☐ Transition meeting held with outgoing Treasurer. Date: _____
- ☐ Bank's signature cards updated. Date: _____
- ☐ Budget Committee formed. Date: _____
- ☐ Proposed budget presented to Board for consideration.
- ☐ Proposed budget presented to General Membership & approved. Date: _____
- ☐ Budget Approval Form completed.
- ☐ Budget amendments were approved by General Membership on all of the following dates: _____
- ☐ _____
- ☐ Gather documentation for the Active Affiliation Report. Date Submitted to LAPTA: _____
- ☐ The bookkeeping method is _____.
- ☐ Any login passwords and accounts are _____.
- ☐ Expense and Deposit Forms copied and distributed to the Board of Directors.
- ☐ Treasurer and President developed a reimbursement system. Only budgeted expenses are reimbursed and only with receipts/invoices attached.
- ☐ Routinely enter and file Expense and Deposit Forms into accounting software or ledger.
- ☐ The monthly bank statement is reviewed and signed by someone who is not an authorized signer on the bank account. Treasurer and President review bank statements and financial status monthly.
- ☐ Activity and Budget Comparison Reports given at all meetings.
- ☐ Books closed and Annual Report prepared. Date: _____
- ☐ Audit Committee chosen. The names are: _____
- ☐ Audit Report completed. Date: _____
- ☐ Audit Report and Annual Report shared with the General Membership. Date: _____

Year-End Financial Checklist

- ☐ Passwords & Accounts: Have all accounts and current passwords typed in the front of the binder.
- ☐ Expenses: All expenses must have receipts and Expense Forms signed by two authorized people.
- ☐ Deposits: All Deposit Forms with cash require two signatures. Transfer money from any online accounts.
- ☐ Bank Statements: Every statement needs to be signed by someone who is *not* a check signer.
- ☐ Reconciliation: Reconcile bank accounts through the end of your term.
- ☐ Budget & Agendas: Have all budgets, agendas, and minutes.
- ☐ Prepare Annual Report.
- ☐ Charter Info: Include tax filing, insurance policy, Secretary of State (geauxbiz.com) registry, Audit Report.
- ☐ Bank Signers: Update signers at the bank. Most terms end on June 30.
- ☐ Checks & Debit Cards: Have the checks, ledger or register, and any debit cards together.
- ☐ Meeting: Meet with the incoming Treasurer and President to turn over all financial records.
- ☐ Audit Report: Assist as needed with the Audit Committee.

Contact the Louisiana PTA Treasurer with any questions at Treasurer@LouisianaPTA.org.

Inventory Accountability Form

Local PTA Units should take inventory on a yearly, if not monthly, basis. This allows the PTA to know what assets it has and the value of that inventory. Inventory includes items such as t-shirts, prizes, gifts, donated items, food, decorations, and more. Take all necessary steps to avoid theft and fraud with the PTA.

[illegible]

Number of pages of Inventory Accountability Form: Page _____ of _____ total pages.
We agree to the findings of this Inventory Accountability Form:

 Date of Inventory Person #1 Signature Person #2 Signature

Present the Inventory Accountability Form at the next Board Meeting and file it with the Treasurer and Secretary as part of the official record of the PTA.

Sample Budget XYZ PTSA 2030

July 1, 2029 – June 30,

*Starting Balance: \$0

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

*Carry Forward balance can either be a line item within the budget with a \$0 starting balance at the top of the budget or exclude the Carry Forward Line Item put the actual starting balance at the top of the budget and.

** Ending balance can either be a line item within the budget with a \$0 for the Grant Totals Net or exclude the Ending Balance line item and have the amount as the Grant Totals Net.

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

Sample Comparison Budget Report

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.

DEPOSIT FORM

Name	Date
Name on Check	Check # \$
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	
13.	
14.	
15.	
16.	
17.	
18.	
19.	
20.	
21.	
22.	
23.	
24.	
25.	
26.	
27.	
28.	
29.	
30.	
31.	
32.	
33.	
34.	
35.	
36.	
37.	
38.	
39.	
40.	

Cash Summary:

\$1 X _____ = _____
 \$2 X _____ = _____
 \$5 X _____ = _____
 \$10 X _____ = _____
 \$20 X _____ = _____
 \$50 X _____ = _____
 \$100 X _____ = _____
 Total = _____

Coin Summary:

1¢ X _____ = _____
 5¢ X _____ = _____
 10¢ X _____ = _____
 25¢ X _____ = _____
 50¢ X _____ = _____
 1.00¢ X _____ = _____
 Total = _____

Total # of Checks: _____

Count the actual checks to catch any overlooked checks.

Deposit Totals

Checks: \$ _____

Cash: \$ _____

Coins: \$ _____

Total: \$ _____

Budget Items to be Credited	\$ Amount
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Executive Board Member Signature

Second Signature for Cash Deposits

For Treasurer's Use Only

Dep Date: _____ Amount: _____

☐ Entered in Ledger/Accounting Software

Notes: _____

EXPENSE FORM

Date Requested by

Choose One:

☐ Debit Card Purchase (Do not reimburse)

OR

☐ Check Amount: \$ _____

Payable to: _____

Attach all receipts to the **back** on **this side** of the page. If the receipt was lost or one was not acquired, attach a complete explanation.

Itemized Expenses: Itemize each receipt with amount, business name, and budget line item or purpose/use.

[illegible]

Budget Line Item Totals: Note the total amount for each budget line item from the above expenses.

Amount Budget Line Item totals if multiple entries above

[illegible]

Deliver check to: _____

Mail Check to: _____

Certification: The expenses listed are authorized PTA expenses.

Signature 1	Signature 2
Date	Date

[illegible]

Audit Report

*A separate Audit Report must be completed for each bank account.

Local Unit Name	Parish	
LUR#	IRS EIN	Fiscal Year
Bank Name	Account Number*	Account Type (Checking/Saving)

Gather the budget and any later budget amendments. Compare the budget expenses to the actual expenses. Itemize any line items whose actual expense exceeded the budget expense. _____

List checks lacking 2 signatures or made out to the same person that signed the check: _____

Dates covered by this audit: First date _____ to last date _____
Check number range reviewed by this audit are _____ to _____

Treasurer Files Reconciliation

1. _____ Beginning balance on Date: _____ (day 1 of audit year)
2. _____ Sum of all deposits for audit year
3. _____ TOTAL (Add lines 1 & 2)
4. _____ Sum of all expenses with receipts for audit year
5. _____ Ending balance on hand on last day of audit year (Line 3 minus Line 4)

Bank Statements Reconciliation

6. _____ Bank Statement Balance on Date: _____ (day 1 of audit year)
7. _____ All credits on bank statements for audit year
8. _____ All deposits not yet credited (_____)
9. _____ TOTAL (Add lines 6, 7, & 8)
10. _____ All withdrawals on bank statements for audit year
11. _____ All uncleared checks not on bank statements (_____)
12. _____ Ending balance on last day of audit year (Line 9 minus Lines 10 & 11)

Line 5 must equal Line 12.

The Audit Committee examined the financial records on _____ date and found them:

- ☐ Correct.
- ☐ Substantially correct with the attached recommendations and findings.
- ☐ Partially correct. More adequate accounting procedures need to be followed so that a more thorough Audit Report can be given.
- ☐ Incorrect. Attach a separate report of explanation and recommendations to Board of Directors.

If there are discrepancies or missing paperwork, work with the previous Board to resolve any issues. For further assistance, contact LAPTA at Treasurer@LouisianaPTA.org.

Auditors' names, emails, phones, and signatures:

1. _____
2. _____
3. _____

Audit Instructions

Audit Committee Details from the Bylaws: An Audit Committee of three members is appointed by a majority vote of the General Membership or by an affirmative two-thirds vote of the BOD to examine the books at the end of the fiscal year or after the resignation of a check signatory. The report is presented to the General Membership and a copy provided to LAPTA. See LouisianaPTA.org/treasurer.

Supplies: For the audit, the committee members need the checkbook, all Expense Forms and Deposit Forms, all bank statements for the fiscal year, and a copy of the previous year's audit. Each committee member might oversee one part of the financials to review: one reviews the bank statements for the fiscal year, one reviews the checkbook or accounting software file for the fiscal year, and one reviews all expenses and Expense Forms for the fiscal year. The Treasurer may not participate in audit except to answer questions.

Instructions

- 1) Start with previous year's audit to verify that beginning of year balance equals the previous year's ending balance. Check this against the checking account balance from that time.
- 2) Verify each check written and each deposit made against the checkbook and bank statement for the month. Verify the signed Expense Forms and receipt for all checks written and deposits made.
- 3) Keep a list of outstanding checks and deposits and check them off as you go through each month.
- 4) At the end of the fiscal year, record all outstanding deposits (line 8) and uncleared checks (line 11).
- 5) Write the ending balance, which should be the same amount listed on the Audit Report line 5.
- 6) Complete the Audit Report by inserting the appropriate figures in each blank.
- 7) All committee members must sign the form stating that the PTA books were complete or incomplete.
- 8) If incorrect, first ask those involved to correct mistakes and then seek advice from the LAPTA Treasurer.

Directions by Line Number

Line 1: Date of last audit (which should be the first day of the audit year) and dollar amount on hand.

Line 2: Total amount of all deposits in Treasurer's files for the entire audit year.

Line 3: Add line 1 and line 2 to get the total income amount.

Line 4: Total amount of all expenses with receipts in Treasurer's files for the entire audit year.

Line 5: To get the ending balance on hand for the audit year, subtract line 4 from line 3.

Line 6: Write the date and starting balance on the bank statement on day 1 of the audit year.

Line 7: Write the sum of all credits from the bank statements for the audit year.

Line 8: Write the sum of any deposits not credited to the account on the bank statements.

Line 9: Write the sum of lines 6, 7 and 8.

Line 10: Write the sum of all withdrawals from the bank statements for the audit year.

Line 11: Write the sum of any withdrawals not posted to the account on the bank statements.

Line 12: Subtract lines 10 and 11 from line 9.

Line 5 and line 12 should be the same amount.

If there are discrepancies or missing paperwork, work with the previous Board Members to resolve any issues. If a receipt is missing, a letter explaining the situation by the people involved may be submitted. After attempting to resolve any disputes, contact LAPTA Treasurer at treasurer@LouisianaPTA.org.

Audit Worksheet (Optional)

Complete as needed to assist with the audit.



DEPOSITS

Deposits from _____ to _____ \$ _____
Day 1 Last Day Sum of deposits

(Line 7 of Audit Report)

Enter the total deposit amount per month listed on the bank statements.

Month _____	Amount _____	Month _____	Amount _____
Month _____	Amount _____	Month _____	Amount _____
Month _____	Amount _____	Month _____	Amount _____
Month _____	Amount _____	Month _____	Amount _____
Month _____	Amount _____	Month _____	Amount _____
Month _____	Amount _____	Month _____	Amount _____

Deposits Not Cleared: (Line 8 of Audit Report)

Date: _____	Amount: _____	Date: _____	Amount: _____	Date: _____	Amount: _____
Date: _____	Amount: _____	Date: _____	Amount: _____	Date: _____	Amount: _____
Date: _____	Amount: _____	Date: _____	Amount: _____	Date: _____	Amount: _____
Date: _____	Amount: _____	Date: _____	Amount: _____	Date: _____	Amount: _____

EXPENSES

Disbursements from _____ to _____ \$ _____
Day 1 Last Day Sum of withdrawals

(Line 10 of Audit Report)

Enter the total withdrawal amount per month listed on the bank statements.

Month _____	Amount _____	Month _____	Amount _____
Month _____	Amount _____	Month _____	Amount _____
Month _____	Amount _____	Month _____	Amount _____
Month _____	Amount _____	Month _____	Amount _____
Month _____	Amount _____	Month _____	Amount _____
Month _____	Amount _____	Month _____	Amount _____

Checks Not Cleared: (Line 11 of Audit report)

Ch #: _____	Amount: _____	Ch #: _____	Amount: _____	Ch #: _____	Amount: _____
Ch #: _____	Amount: _____	Ch #: _____	Amount: _____	Ch #: _____	Amount: _____
Ch #: _____	Amount: _____	Ch #: _____	Amount: _____	Ch #: _____	Amount: _____
Ch #: _____	Amount: _____	Ch #: _____	Amount: _____	Ch #: _____	Amount: _____

Sample NSF Letter (Non-Sufficient Funds)

Current Date

Name of Check Writer
Address of Check Writer
City, ST Zip

RE: Check returned for not sufficient funds Check #
Check Issued Date:
Tickets for the Fall Festival

Dear Check Writer,

On October 12, 2054, the ABC PTA was informed that the check issued for the Fall Festival tickets, amounting to \$55.00, was returned due to insufficient funds in the associated account. Over the preceding thirty days, we have made concerted efforts to communicate with you and liaise with the bank in our endeavor to recover the outstanding amount for the tickets. Please find a comprehensive record of these interactions and steps taken provided below.

An immediate cash payment of \$90.00 is required at this time. This includes the original amount of the check and three returned check fees from the bank. Please see totals below.

Check #456.....	\$55.00
Bank return fee	\$15.00
Bank return fee	\$15.00
Bank return fee	\$15.00
Total	\$90.00

Please remit the cash to the school by Friday, November 17, 2054, at 2:30 pm.

Failure to repay this debt will result in the matter being turned over to a collection agency or other legal action to ensure payment.

Sincerely,

Treasurer Name,
ABC PTA Treasurer

President Name,
ABC PTA President

(Copies should be sent to the principal and President.)

General Donation Agreement

	Recipient Information	Donor Information
Name		
EIN		
Address		
City, ST Zip		
Contact Name		
Email		
Phone		
Donation Date		
Description of Donation to Recipient		
Description of what Donor received in return for the Donation, if applicable		

The recipient acknowledges that they have received the items described above (referred to as the "Donation"), either directly from the donor or as specified in an attached document. The recipient assumes full responsibility for all expenses associated with the Donation. Furthermore, the recipient accepts the Donation in its current condition and assumes all associated risks.

The donor, along with its officers, employees, agents, and volunteers, explicitly disclaims all express and implied warranties. They do not take any responsibility for the design, development, manufacturing, or usage of the Donation. Additionally, they are not liable for any direct, indirect, special, incidental, consequential damages, lost profits, or any other economic or physical losses or damages. The recipient waives any claims or damages against the donor resulting from the Donation.

The recipient also commits to indemnifying and protecting the donor from any claims, liabilities, or damages arising from the Donation, except those caused solely by the donor's negligence or willful misconduct.

The authorized representative of the recipient, who has signed below, confirms that they have thoroughly reviewed this Agreement and comprehended its contents. The recipient acknowledges that this document serves as a release of liability and a contract between the Recipient and the Donor.

Recipient Signature	Date
---------------------	------

Donor Signature _____ Date _____

Printed Name

Printed Name

Monetary Donation to a School

The _____ PTA is donating \$ _____
to (Name of school or district) _____
for the purchase of _____
by the date of _____.

It is agreed that the recipient of the monetary donation will supply the PTA with a copy of the purchase order or requisition and a copy of the paid invoice.

If this purchase is not made, then the recipient will return \$ _____
amount to the PTA by the date of _____.

Please note that a PTA cannot give a check to a school without proper documentation of how the money was spent. The expense must be itemized on the PTA's annual budget approved by the General Membership.

_____ PTA President	_____ Date	_____ Principal/Admin	_____ Date
------------------------	---------------	--------------------------	---------------

Equipment Purchased by a PTA for Its Use (Item Stored at School)

The _____ PTA
purchased for its own use _____

_____.

The equipment will remain the property of the PTA but will be stored at the school which is named _____
_____.

- PTA members may use the equipment.
- School staff or students may use the equipment under the supervision of a PTA member or with written permission.
- Anyone using the property, other than PTA members, will pay for supplies and maintenance.
- Should the item be stolen or misplaced, the PTA will be responsible for replacement. Anyone other than the PTA using the item when a loss occurs agrees to reimburse the PTA for replacement cost.

_____ PTA President	_____ Date	_____ Principal/Admin	_____ Date
------------------------	---------------	--------------------------	---------------