

PTA Leader Toolkit

2023 – 24

Section 3: Treasurer

LouisianaPTA.org/treasurer



LouisianaPTA.org

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Louisiana Parent Teacher Association

INTRODUCTION

The Treasurer is the authorized custodian of the funds of the PTA. The President, who bears full responsibility for the affairs of the unit, and Board members, who have a fiduciary responsibility to the PTA, should have a good understanding of all financial matters. The Treasurer receives and disburses all money as prescribed in the Bylaws, the adopted budget, or as authorized by action of the PTA. Through adoption of the budget, the membership determines how all PTA funds will be earned and spent. If all money is received and spent within the rules set by the Bylaws, the budget, and the IRS, the chances of problems decrease dramatically.

A unit's money does not belong to the Treasurer. Even if the Treasurer does not agree with the membership's decisions about the budget, he must follow the will of the organization. Additionally, the financial records are the property of the PTA, not an individual officer. A Treasurer shall turn all records over to their successor or to an Audit Committee. Many units move thousands of dollars through the PTA account. For the protection of both the PTA unit and the Treasurer, it is important that funds be managed in a manner that allows every dollar to be traced. Some requirements might seem tedious, but it is time well spent.

Familiarize yourself with LouisianaPTA.org/treasurer. This is important! Contact Ashley Snell, LAPTA Treasurer, at treasurer@LouisianaPTA.org with any questions or concerns.

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; if possible, attend National PTA training and conventions.
- Change signatures on all bank accounts. Use the school's mailing address for the account.
- Function as sole custodian of the checkbook.
- Maintain the Treasurer's Binder with all required financial documents. See suggested tabs in the following section.
- Chair the Budget Committee.
- Present the proposed budget for approval by majority vote at the first General Membership meeting.
- Receive all money and deposit them 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 annual IRS taxes or hire a professional to file the annual taxes. The fiscal year for most PTAs ends on June 30 with taxes due 4 ½ months later which is November 15.
- Renew the annual Articles of Incorporation with the Louisiana Secretary of State at geauxbiz.com.
- Renew the annual insurance policy (required).
- Reconcile all accounts monthly.
- Transfer funds from all online accounts monthly, such as CheddarUp.
- Submit a budget report at all Board and General Membership meetings.
- Make an annual budget report to the PTA.
- Prepare the Treasurer's Binder with the Year-End Financial Review Checklist.
- Present to the Audit Committee all materials necessary for the review.
- Purchase PTA memberships monthly from LAPTA at LouisianaPTA.org/membership.
- Recruit new PTA leaders and PTA members.

TREASURER'S BINDER

It is important to keep an organized and up-to-date binder, which should include the following sections.

- Accounts & passwords summary sheet including account numbers for debit cards and Board roster
- Blank copies of expense and deposit forms
- Completed expense forms and receipts
- Completed deposit forms
- Monthly bank statements and reconciliation reports
- Approved budget, Budget Approval Form, monthly budget reports
- All agendas and minutes from Executive Committee, Board of Directors, and General Membership meetings
- Charter information such as IRS tax filings, Bylaws, Standing Rules, LAPTA Toolkit: Treasurer plus Sections 1, 5 and 10, Secretary of State Articles of Incorporation Annual Report, insurance policy, and past audit reports
- Miscellaneous papers, including correspondence
- Receipt book to acknowledge cash received (not necessarily in the binder)
- Checkbook to disburse funds as authorized (not necessarily in the binder)

MONEYMINDER AND CHEDDARUP

Louisiana PTA encourages Local PTA Units to utilize online platforms to track finances and collect membership dues. While there are several platforms, LAPTA recommends and uses **CheddarUp.com** to collect membership dues and **MoneyMinder.com** to track finances. **MoneyMinder and CheddarUp partnered with each other. If you have MoneyMinder Pro account (\$179/year), you get CheddarUp Team for free!**

[MoneyMinder.com](https://www.moneyminder.com) is simple accounting software for volunteers and makes tracking expenses and deposits and running reports as simple as possible. It is also easily shareable from one Board to the next with continual access to past years. Cost is \$179 per year. MoneyMinder has a new feature that allows you to e-file Form 990-N and 990-EZ directly to the IRS. Add *easy tax filing* as another bonus! A free alternative is the Wave App at waveapps.com.

[CheddarUp.com](https://www.cheddarup.com) is a site that allows a PTA to create a custom website to sell items, collect membership dues, upload documents, and include forms or information collecting. The account must be in the PTA's name under their EIN. CheddarUp also requires a personal Social Security Number to open an account, which must come from an authorized bank signer. This should be changed for future Boards. CheddarUp has spreadsheet reports that show detailed information on collections. All deposit transfers from CheddarUp must occur at least monthly directly into the PTA bank account and with a completed summary Deposit Form. The spreadsheet reports are compatible with Microsoft Excel or Libre Office which is free ([libreoffice.com](https://www.libreoffice.com)). To see a sample CheddarUp site, visit FriendsOfLAPTA.CheddarUp.com.

PRINCIPLES OF PTA FINANCIAL MANAGEMENT

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

Each Local PTA Unit is an independent 501(c)(3) organization that collaborates closely with its supported school. PTA funds are considered by law to be private funds donated or raised by the membership and deposited for the exclusive use of the association. School accounts consist of public funds generated through taxes and distributed to the schools via legislation or other acts of government. The school is, therefore, accountable to the public for the expenditure of its funds. Funds raised by the PTA belong exclusively to the membership. They are not reportable except to the membership of the Local Unit, as are public funds. PTAs are not required to provide financial reports to the school administration or school board. Therefore, all PTAs must maintain separately controlled accounts that are under the direct control of the PTA and its Board of Directors. School officials have no control over PTA funds except to the extent that a PTA works in cooperation with the principal to determine school needs and the PTA's assistance in meeting those needs.

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

The proposed budget must be approved at the first General Membership meeting of the year. Until then, PTAs may only spend the amount of money listed in the previous year's "Startup Funds" line item. Every budget must have a "Startup Funds" line item to allow for purchases prior to budget approval. Any additional proposed expenditure or fundraising project not included in the approved budget must be presented to the PTA for approval before proceeding with the project or payment.

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

Local Units are required to submit member dues to LAPTA at \$3.50 per member per year. LAPTA then pays National PTA \$2.25 per member per year. These funds submitted to LAPTA are not to be calculated as gross income on the IRS tax filing. Only report the "net" income from member dues on the tax report. However, the Local Unit **budget** will reflect the actual gross and net income for dues. For example, a PTA collected 100 memberships for \$750. The PTA then submitted 100 membership dues to LAPTA for \$350. The net income from membership dues is \$750 - \$350 = \$400. On the IRS filing, record only \$400 as dues income.

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

A check can be written in advance with everything filled in but the amount. Proper documentation is required as with any expenditure. Never write a check to cash. The check should be made payable to the person or business responsible for the fund.

Always have two people sign every expenditure.

All 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. Local PTA Units may use debit cards issued only to those authorized on the bank account if every purchase is properly documented with receipts and two signatures on the Expense Form.

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 through annual insurance.

Always have cash deposits counted and signed by two people.

Always issue a receipt for cash received.

BUDGET

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 the 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 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 Budget Approval Form must be completed and sent to LAPTA as part of the Active Affiliation Packet. See LouisianaPTA.org/activeaffiliation.

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, 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 the Treasurer's reports to make recommended changes. Gather information from officers and committee chairs about their planned activities and financial needs. 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 with Zero as the net total. 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, 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, 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 should only include *Welcome Committee* type expenses. Teacher lunches and events should each have their own line item.
- 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 early expenses should be applied to the appropriate line item in the budget. The **Carry Forward & Ending Balance** is used to hold the amount of money remaining at the year end. You don't have to spend all of the money each year. 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 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.

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 with those funds put into their own account, such as a Mission Fund.

Noncommercial Policy

PTA Bylaws include the requirement to be noncommercial which means the PTA name shall not be used with 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.

Budget Approval

The Treasurer presents the proposed budget to the Board of Directors for consideration. 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.

BANKING & E-COMMERCE POLICY

Local PTA Units may utilize electronic commerce to receive and spend money. See detailed policies below. There are many options such as CheddarUp.com and SquareUp.com. If a PTA uses MoneyMinder Pro (\$179/yr), they can get CheddarUp Team Edition free!

Employer Identification Number (EIN): An IRS Employer Identification Number (EIN), also known as a Federal Tax Identification Number (TIN), is a nine-digit number assigned to business entities by the Internal Revenue Service. A unit's EIN identifies it as a non-profit organization. LAPTA requires each PTA to apply for an EIN when it organizes. This number is used on all bank accounts and tax returns. Never use an individual's Social Security Number to open a bank account. Some online processing businesses and the application for an EIN do require a personal Social Security Number.

Authorized Signatures: Acquire signature forms from a bank for checking and any other accounts. The Treasurer must be listed on the forms to be authorized to sign checks and withdraw funds. Only current elected PTA officers have the authority to sign checks. Three people are required as signers on the checking account. Check signers are not allowed to sign a check payable to themselves. All PTA expenditures and checks require two signatures. **A school employee may have signing authority on a PTA account ONLY if they are an elected officer of the PTA.**

Checking Account: Every unit will have its own bank account. Banks require an EIN, Articles of Incorporation, and minutes from the election of the Board naming who will be signatories, plus other possible documentation to open an account. Never use an individual's Social Security Number to open a PTA account. Each unit must have its own EIN. Local Units cannot use a school or school district's EIN.

Savings Account: A unit 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, such as a Playground Fund.

Debit Cards are issued only to authorized signers on the bank account and must include the name of the PTA. The Treasurer logs who has a debit card and its account number. 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 shall reflect the approval of debit cards for the PTA and shared with the bank. Recurring payments for PTA expenses are allowed to be deducted directly from the bank account with properly documented Expense Forms using a debit card or e-check.

Online and/or point of sale payment collection systems must be in the PTA's name. If a personal Social Security Number is required 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.

Venmo and Zelle are NOT allowed because it is an unregulated peer-to-peer platform. 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, leaving the PTA vulnerable to fraud and theft. PayPal is currently allowed.

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, know the payment collection's policies on handling cards that do not read correctly. Do not write down card numbers for any reason. Accept only those transactions that are immediately authorized. The PTA does not record account numbers for future settlement. For electronic payment disputes, the PTA should research the payment collection system's policies on challenging a disputed payment. Only the Treasurer 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. Treat disputes in the same manner as a non-sufficient funds check.

Deposits: It is important that the Treasurer receives all funds for the PTA and promptly deposits them into the PTA's bank account. National PTA recommends depositing funds within one day. One should only manage PTA funds and may not deposit funds of other organizations into the PTA account. A signed Deposit Form shall accompany each deposit with two signatures required for cash deposits. The Deposit Form is included in the forms section.

Two people shall count all deposits. The chair turning over the money keeps a copy of the Deposit Form or may request a receipt from the Treasurer for their records. The Treasurer should not keep cash in their car or home. The deposit should be made on the day of collection. If a large amount of money is to be collected at a time when the banks are not open, make arrangements for a night deposit or to use the school's safe. Prior to placing money in the school safe, it must be counted by two PTA Board members. Document the amount and sign. After making a deposit, the Treasurer should attach a copy of the deposit slip, the bank receipt, and copies of deposited checks 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. Proper documentation is required as with a traditional bank deposit and confirmation of the deposit should be attached to the Deposit Form for all relevant checks.

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, or in a post on a social media site. PTAs often provide tiers of sponsorship based on donation levels. The guidelines for sponsorships mirror the noncommercial policy and co-venturing guidelines.

Donors And Charitable Contributions: PTAs must be prepared to issue receipts for contributions made, regardless of the amount or value. Canceled checks are not sufficient. There is no required format for the receipt, and Social Security Numbers are not required. At a minimum, the receipt must reflect the donor's name, date, cash amount received or a description of the property received (but not the value), 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 that an organization 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. Sample General Donation Form is at the end of this section.

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 not the cost to the PTA, but 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 unit 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. 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 or Certificates: Any gift cards or certificates 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 equivalents, 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.

Field trips are a wonderful way to give back to the school community. However, whether the field trip is the PTA's event or the PTA gifts money to the school for a field trip, the PTA might face liability. Gifting money to the school significantly reduces liability but is no guarantee the PTA will not be held liable. Contact the PTA

insurance provider to review the insurance coverage.

PTA Membership Dues: Local Units must submit dues of \$3.50/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 should not be included in the budget as money to be spent for budget planning purposes. They are also not included in the gross receipts when reporting income to the IRS. The \$3.50/person dues that are paid to LAPTA are excluded from the IRS tax filing.

Local PTA Units are an affiliation of National PTA and Louisiana PTA which have a membership structure. When the local member at a school submits PTA dues, the Local Unit is required to submit \$3.50 in dues to LAPTA. This amount includes \$1.25 dues that go to LAPTA and \$2.25 dues that LAPTA forwards to National PTA. Dues are submitted to LAPTA through CheddarUp.com. E-checks are the preferred payment method. Submit unit dues at memberdues2023.cheddarup.com. LAPTA does not provide paper membership cards. The template for membership cards is available at LouisianaPTA.org/membership. PTA memberships are sold to individuals. If a PTA wishes to sell family memberships, it must collect enough to cover the state and national portions of \$3.50 per person in the family. For this reason, family memberships are discouraged.

Bank Statements & Reconciliation: The PTA's permanent mailing address for bank accounts is the school's address. All bank statements must be physically signed by a person who is not authorized on the account. Reconcile the bank statement each month and compare with the register balance to ensure that bank and financial records are correct. After reconciliation, present the report at PTA meetings for review and file the report in the Treasurer and Secretary Binders. For the protection of the PTA, it is recommended that a Board Member who does not sign checks also reconciles the bank statement.

MoneyMinder.com is a financial site that works with non-profits and is used by LAPTA. It makes the transition between old and new Treasurers much easier, keeping all banking information easily accessible from year to year. The cost of \$179/year must be included in the budget. A free alternative with similar accounting use is waveapps.com.

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 money order or cash. Remember to 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. Keep a copy of the letter for the files. Sample letter is at the end of this section.

INSURANCE & BONDING - REQUIRED

Operating a PTA unit is much like running a small business. Businesses have insurance to protect their investments. LAPTA requires PTAs to obtain adequate insurance protection against liability and monetary loss due to fraud, embezzlement, or dishonest acts. Purchase insurance coverage from a company such as Association Insurance Management (AIM), a company that offers coverage to PTAs and other non-profits at a reasonable price. Remember to annually renew the insurance policy. For more information, contact **AIM at (800) 876-4044 or AIM-companies.com**. AIM offers several types of coverage. Ask about adding social media or online protection coverage.

AUDIT COMMITTEE & REPORT

What? An audit follows financial transactions through the records to be sure that receipts are included and that expenditures are made as authorized in the approved budget and in conformity with PTA 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 unit spent all funds within the guidelines of the budget. An audit may also show discrepancies in funding or expenditures and is essential for financial accountability.

Who? Bylaws require an Audit Committee of at least three members to conduct the review. Only members who are not signatories may serve on the committee. The election or appointment is specified 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 deadline is on the Audit Report form at the end of this section which is October 27, 2023.

How? The Treasurer turns over all necessary documentation to the Audit Committee. The current and previous Treasurers should be available for questions. The Audit Committee may reference the Audit Committee Helpful Hints and Worksheet to assist. The Treasurer supplies the Audit Committee with a copy of: the last Audit Report; checkbook and bank statements; Expense Forms with receipts; Deposit Forms with deposit slips and bank receipts; Ledger for all line items; financial reports from all meetings; copy of the Annual Report; copies of minutes that would include the adopted budget, as well as any amendments that were approved during the year; copy of the current Bylaws and Standing Rules; and any other information requested.

Procedure: Begin with the records posted 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 being 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 LPTA. 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 and 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 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. Louisiana PTA is always available for assistance.

RAISING MONEY

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

There are many different methods to raise funds, and PTAs will be approached by numerous external groups that offer products and services. It is important that PTA leaders evaluate these opportunities carefully and consider all legal and community-related implications. When using a fundraising company, protect the PTA by having all information in writing. A contract protects the PTA and the fundraising company. With a contractual agreement, all parties assume responsibility for complying with the terms, but the PTA also begins with a clear understanding of who oversees what. Make sure the contract is between the two organizations and not *individuals*. Contracts are only signed by the President with Executive Board 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.

ARTICLES OF INCORPORATION

Louisiana law requires that all non-profits register annually with the Louisiana Secretary of State. The PTA must file the Annual Report which updates its officers. Visit the Louisiana Secretary of State at geauxbiz.com to renew, set up annual email reminders, update the officers, and pay a \$15 renewal fee. The Articles of Incorporation shall be kept permanently on file and are part of the annual Active Affiliation Report that is submitted to LAPTA. After logging into geauxbiz.com under "Quick Links," select "File Annual Report." Or click "Get Started" button. Select "File an amendment, such as an annual report, with the Louisiana Secretary of State." Follow the steps to update officer data.

FEDERAL TAXES

IRS Section 501(c)(3)

The Louisiana PTA and all subordinate 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 Internal Revenue Code. As such, the subordinates fall under LAPTA's 501(c)(3) 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. **Any unit not listed would be subject to income tax on all earnings.** If a PTA votes to dissolve, it loses this status and its benefits. To have "**Active Affiliation**," a unit must submit the required paperwork to LAPTA. See LouisianaPTA.org/activeaffiliation as well as at the form at the end of this section.

Protecting Tax Exemption

As 501(c)(3) organizations, the LAPTA and its Local 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 non-profit organizations and all income is 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 meaning that 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

The 501(c)(3) designation means that all contributions to PTAs are deductible as charitable contributions for federal income tax purposes. If a donor requests verification that a PTA is a 501(c)(3) charitable organization, email the LAPTA office at office@LouisianaPTA.org to obtain an official Validation Letter. PTAs must be prepared to issue receipts to donors whose contributions exceed \$250/day. Cancelled checks are no longer sufficient. There is no required format for the receipt, but it must include the PTA's name, donor's name, date, and cash amount received or a description of the property received.

PTAs must inform prospective donors about the extent to which their contributions are tax deductible. This disclosure should indicate the fair market value of any tangible benefit received in exchange for a contribution and the amount of the donation that is deductible as a charitable contribution. For example, if a Spaghetti Dinner ticket sells for \$20 and the value of the meal is determined to be \$5, the purchaser is entitled to a \$15 charitable contribution. The \$5 is not necessarily the PTA's cost but the value of the meal allowing for a profit.

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. For example, Pizza nights are considered donations.

Unrelated Business Income

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 takes 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 all of 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 unrelated business activities (UBI) are over \$1,000.

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

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

Tax filing is due every year by the 15th day of the 4th month after the close of the tax year. For example, if the PTA tax year ends on June 30, the deadline is November 15. Taxes cannot be filed until after the tax year ends. 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 required Forms 990, 990-EZ or 990-N for three consecutive years will automatically lose their tax-exempt status. Revocation of the organization's tax-exempt status will happen on the filing due date of the third consecutively missed year.

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 items of basic information: 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.

Form 1099-Miscellaneous

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. Scholarship winners are required to spend their proceeds on tuition or other required school expenses or else they must report the proceeds as personal income.

STATE SALES TAXES

Units are required to pay state and local sales taxes on every purchase. They are also to collect and remit sales tax on items sold unless an exemption has been granted by the state. LAPTA is currently working to acquire this exemption, but it is not currently granted. 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.

State Sales Tax Exemptions

Units can apply for a sales tax exemption for fundraisers by filing Form R-1048 and submitting it to the Louisiana Department of Revenue no later than two weeks prior to the event. The form can be downloaded from their website, www.rev.state.la.us. 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.

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, in accordance with the PTA budget, 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 then 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. In this manner, the PTA has funded the purchase of items, but since the school purchased it, no sales taxes are required.

Paying Sales 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. Download the form from www.rev.state.la.us. Be sure to add that the PTA will have "irregular sales." The unit will then only have to file and pay taxes when items are sold.

Sales taxes are due by the 20th day of the month following the sale. For example, if a fundraiser is held in October, taxes are due by November 20. The sales tax return (R-1029) can also be downloaded from the department's website. PTAs are not obligated to remit sales tax if the fundraising company remits them to the state. Make sure the PTA receives a copy of the invoice for the records indicating that taxes were paid to the vendor. Out of state companies without a sales representative in Louisiana are not obligated to collect or remit sales taxes. It is the PTAs responsibility to collect and remit the taxes on all items purchased or sold.

GIFTS TO SCHOOLS

PTAs can only give money to schools that is allocated for a designated purpose. Often, schools can purchase items at a significant discount, or a unit may decide to fund a portion of the school's purchase. When a unit decides to have the school make a purchase, the General Membership must first approve the gift to be made and its purpose. 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.**

Each PTA wants to ensure that its supported school can purchase items that will improve the quality of education. PTAs shall not give money to a school for purchases without receiving appropriate documentation. 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.

A second method is for schools to purchase items and then receive reimbursement from the PTA. In this situation, the school follows procedures set by the school system, and the PTA must also get acceptable documentation. The Treasurer issues a check to the school for the purchase amount. When the item arrives, the school pays the invoice and provides a copy of the invoice to the PTA. If the invoice is less than the amount provided, the school shall reimburse the PTA for excess funds. If the amount due is more than provided, the principal should give the PTA a new Expense Form and attach a new copy of the invoice.

REPORTS

Robert's Rules of Order, Revised Edition specifies that the Treasurer is responsible for making regular budget and activity reports whenever there is an Executive Committee, Board of Directors, or a General Membership meeting. Sample reports are at the end of this section.

Activity Report: There is no set format for the Activity Report, but it should include 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, such as a list of all checks written since the previous report and all deposits made since the last report including their source.

Budget Comparison Report: The Budget Comparison Report consists of a copy of the budget with three additional columns, an "actual expense," "actual income," and a "remaining or variance" column which shows how much the PTA is under or over in each category. This format provides a detailed analysis of exactly how the PTA's actual income and expenses compare to the approved budget and indicates if there is a problem in any category. Unless provisions are made otherwise in the Bylaws or when the budget is approved, no budget expense item may be exceeded without authorization from the PTA General Membership.

Distribution: 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 or on paper copies. The reports are filed for the audit committee. They do not need a motion to be accepted. The Secretary keeps a copy with the minutes.

Annual Report: At the close of a unit's fiscal year, the Treasurer prepares an Annual Report. The Treasurer makes a preliminary report to the membership at the annual meeting. This report is for information only and is not officially adopted. The report becomes official after the Audit Report is adopted by the membership. Normally, this takes place at the first business meeting of the new fiscal year. The Treasurer's Annual Report and the Audit Report are filed with the permanent financial records after the adoption of the Audit Report.

RECORD KEEPING & RETENTION

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

When using either written or computerized accounting, 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 but at no greater interval than one month. Store at least one set of backup records away from the Treasurer's computer system such as another officer's home or the school. Keep the PTA financial records on a memory flash drive containing only PTA financial information. The ledger must maintain the running balance in the account. Follow these record retention guidelines:

Permanent Storage

- Annual financial statements, Audit Reports, check ledger, and documents evidencing gifts
- Articles of Incorporation
- Current Bylaws and amendments
- Minutes
- Correspondence to state & federal agencies
- Licenses and Permits
- Employer Identification Number (EIN)
- Legal correspondence
- Insurance Claims Records

10 Year Storage

- Personnel Records
- Employee Contracts
- Personal Property Leases

7 Year Storage

- Accounts payable and accounts receivable
- Bank statements, deposit slips
- Business expense reports
- Interim financial statements
- Grant records
- Cash receipts
- Contracts

3 Year Storage

- Hard copy correspondence and internal memoranda
- Bank reconciliation reports

1 Year Storage

- Routine emails

ADDITIONAL RESOURCES

The National PTA "*Local PTA Leader Kit*" has a finance section that has a wealth of information. Create an account at **PTA.org** to access other resources such as E-Learning courses. National PTA has gathered several articles relating to basic financial management to help effectively run a PTA and fulfill the goals while maintaining fiscal responsibility. Refer to the LAPTA site at **LouisianaPTA.org/treasurer** for up-to-date information, forms, and training. Contact the LAPTA Treasurer at Treasurer@LouisianaPTA.org with any questions.

The Internal Revenue Service website is **IRS.gov**. The "charities and non-profits" section is especially helpful to PTAs and allows downloading of forms and instructions as well as informational brochures. One of the most useful is Publication 4221, "Compliance Guide for 501(c)(3) Tax-Exempt Organizations" which addresses records, what should be kept, and for how long.

ACTIVE AFFILIATION REPORT ***VERY IMPORTANT***

Each membership year, local PTAs must submit paperwork to obtain **Active Affiliation Status** with Louisiana PTA and National PTA. To have “Active Affiliation” means that the Local PTA Unit is current with its obligations to maintain its IRS status and National PTA affiliation. The Active Affiliation Report includes nine items and are submitted online in many file formats at <https://form.jotform.com/221816998285068> or scan the QR Code. Local PTA Units who do not maintain Active Affiliation will be subject to the Retention Plan. Deadline to submit the files is **October 27, 2023**.

DUE OCTOBER 27, 2023

Local PTA Units must annually obtain **Active Affiliation Status with Louisiana PTA and National PTA**. The required information is submitted online at <https://form.jotform.com/221816998285068> or scan the QR Code. For further information, see LouisianaPTA.org/activeaffiliation. The following items are individually uploaded into the corresponding field (do not combine files):



1. **MEMBERSHIP:** Submit member dues to LAPTA for all members at LouisianaPTA.org/membership.
2. **LEADER REGISTRATION:** Register all Board members at LouisianaPTA.org/register.
3. **BYLAWS:** Submit the first page of Bylaws showing the LAPTA approval stamp. Visit LouisianaPTA.org/bylaws.
4. **TAXES:** Submit proof of 2021 filed and accepted IRS Form 990 tax filing.
5. **BUDGET:** Submit the 1) Local Budget Approval Form **and** 2) the approved Annual Budget.
6. **AUDIT REPORT:** Submit the Audit Committee Report for the previous year.
7. **ARTICLES OF INCORPORATION:** Submit the updated Articles of Incorporation from geauxbiz.com.
8. **INSURANCE:** Submit the insurance declaration page. This is now required.
9. **TRAINING:** Submit proof of training for officers from LAPTA Development Day or at LouisianaPTA.org/training.

RETENTION PLAN

If a Local PTA Unit fails to submit the Active Affiliation Packet by the yearly deadline, then LAPTA uses the Retention Plan to get units back on track. Communication with LAPTA is key and encourages the PTA to get back to Active Affiliation status. Email afiles@LouisianaPTA.org with questions. There are five phases to the **Retention Plan**.

1. **Notification:** LAPTA notifies the PTA and gives 30 days to submit the missing items.
2. **Restriction:** The Local Unit is given a second 30-day period to submit the missing items and are additionally not eligible for awards, programs, or grants administered by LAPTA or National PTA.
3. **Intervention:** The PTA signs a Plan of Action which designates new deadlines for the missing items.
4. **Restructure:** If the PTA does not complete the report, LAPTA may choose to restructure the leadership of the PTA or choose to move into the Dissolution Phase early.
5. **Dissolution:** A Local Unit is considered for revocation of their charter and loss of their LAPTA associated IRS 501(c)(3) nonprofit status if: Active Affiliation is not acquired for three consecutive years; PTA leadership refuses to implement the Plan of Action; or the PTA is not in compliance with the Purposes and Principles of PTA as defined in the Bylaws, adopted May 2022, Articles II and III. The PTA must cease and desist further use of the PTA name. Bank accounts must be closed with any remaining funds donated to a PTA.

INVENTORY ACCOUNTABILITY FORM

Local PTA Units shall 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 as of the date on the form. 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.

 Date of Inventory Person #1 doing inventory count Person #2 doing inventory count

Quantity	Value	Name	Item Description	Note

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

This Inventory Accountability Form shall be presented at the next Board Meeting and filed with the Treasurer and Secretary as part of the official record of the PTA.

TREASURER'S OVERVIEW

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

- Turn over meeting held with outgoing Treasurer. Date: _____
- Signature cards on file with the bank. Date: _____
- Budget Committee formed. Date: _____
- Proposed budget presented to Board for consideration. Date: _____
- Proposed budget presented to General Membership & approved. Date: _____
- Budget Approval Form and budget submitted to LAPTA. Date: _____
- Gather documentation for the Active Affiliation Report. Date Submitted: _____
- Budget amendments approved by General Membership on: Date: _____
- Date: _____ Date: _____ Date: _____
- 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 develop a workable reimbursement system. Emphasize that only budget approved expenses will be reimbursed and only with receipts/invoices attached. Date shared with Board: _____
- Enter and file Expense and Deposit Forms on an ongoing basis.
- The bank statement is opened 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 Board of Director and General Membership meetings. List the date and type of meeting. _____
- Books closed and annual report prepared. Date: _____
- Audit Committee chosen for past school year. Date: _____

Auditors: _____

Auditors: _____

Auditors: _____



BUDGET APPROVAL FORM

Deadline to submit to LAPTA: October 27, 2023

This form is required to maintain a Local PTA Unit's Active Affiliation with LAPTA and National PTA. It should be submitted annually by **October 27, 2023**. See LouisianaPTA.org/activeaffiliation for other required items.

Local Unit Name

Local Unit Parish

Local Unit LUR#

School Name

The PTA's budget for the _____ fiscal year was approved at the General Membership meeting held on _____.

Attached is the Approved Budget.

President's Signature

Treasurer's Signature

President's Name

Treasurer's Name



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.

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.

YEAR-END FINANCIAL CHECKLIST

Preparing the Treasurer's Binder

- Passwords & Accounts:** Have all accounts and current passwords typed in the front of the binder. Include the LUR (Local Unit Registration number), EIN, and the official Local Unit name on the tax filing. Include login information for email accounts, geauxbiz.com (and annual renewal date), IRS tax filing, and other accounts like AIM insurance (and annual renewal date), CheddarUp.com, SquareUp.com (credit card payments), Zoom, websites, and Treasurer software like MoneyMinder.com. Include current Board Roster. Sample summary page is at the end of this section. The President, Treasurer, and Secretary shall have a copy of the Passwords & Accounts Summary.
- Expenses:** All expenses must have receipts and Expense Forms signed by two authorized people. Pay any outstanding bills. Enter all expenses into accounting software. Submit all LAPTA and National PTA dues.
- Deposits:** All Deposit Forms with cash require two signatures. Contact anyone with bounced checks to get it paid. Transfer money from any online or credit card accounts like CheddarUp.com, etc. Enter all deposits into accounting software.
- Bank Statements:** Include all bank statements for the fiscal year. Every statement needs to be signed by someone who is *not* a check signer. Reconcile the bank account to the current month. Print reconciliation reports. MoneyMinder.com is a great online accounting platform, or Waveapps.com is a free alternative.
- Budget & Agendas:** Include monthly budgets and meeting agendas in the binder. Prepare and print the final year-end budget including every transaction for each budget category. In the financial software such as MoneyMinder.com, create the new year and draft a preliminary budget.
- Charter Info:** Include a copy of the taxes in the binder. Print out the approval email, or other proof that the taxes were filed. Include a copy of the insurance policy and Secretary of State (geauxbiz.com) registry. Include the previous year's Audit Report, Bylaws, and Standing Rules.
- Bank Signers:** If there are new people signing on the account for the next year, contact the bank about who needs to be present to update signers. Some banks want both the old and the new people present, plus paperwork such as the meeting minutes from the elections. Most terms end on June 30.
- Checks & Debit Cards:** Have the checks, ledger or register, and any debit cards together. Destroy debit cards for those who will not be authorized to use the account next year. The new Board may request new debit cards issued with the PTA name and the name of authorized officers.
- Meeting:** Meet with the Incoming Treasurer and President to turn over all financial records. Answer all questions and explain all financial matters. Assist as needed with the Audit Committee.

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

DEPOSIT FORM

Name	Date
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. _____	_____

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 into Ledger/Accounting Software

EXPENSE FORM

_____ \$ _____
Date Total Amount

Requested by: _____

Choose One:

Debit Card Purchase (Do not reimburse)

OR

Check Payable to: _____

Attach all receipts to the **back**
on this side of the page

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

<i>Amount</i>	<i>Receipt's Store Name</i>	<i>Budget Line Item</i>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

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

<i>Amount</i>	<i>Budget Line Item</i>
_____	_____
_____	_____
_____	_____
_____	_____

Grand Total for Expense: _____

Deliver check to: _____

Mail Check to: _____

Certification: The expenses listed are authorized PTA expenses.

Signature Date

Signature Date

FOR TREASURER'S USE ONLY

Date Disbursed Check # \$ Amount

Note

- Receipts Attached
- Entered in Accounting Software/Ledger

BYLAWS AND AMENDMENTS APPROVAL FORM

Local PTA Units are required to review and submit their Bylaws to LAPTA every three years. The Bylaws Approval Form and the LAPTA Bylaws template are required. Visit LouisianaPTA.org/bylaws for details. Bylaws not in compliance will be returned to the Local PTA Unit for revisions. Email the completed Bylaws Approval Form and LAPTA Bylaws template or the amendments to Bylaws@LouisianaPTA.org. Please allow 30 days for LAPTA to approve the Bylaws or amendments. Once completed, LAPTA will email the approved Bylaws or amendments to the President's email.

Local Unit Name

Local Unit Parish

Local Unit LUR#

President's Email

President's Phone

The Bylaws or Amendments were approved at the General Membership meeting held on _____.
DATE

Choose one.

The Local Unit PTA is: Existing PTA Reactivated PTA New PTA

Choose all that apply.

The Bylaws approved by the General Membership are attached.

Approved amendments are listed below with the article heading, section number, and line number(s).

If more space is needed for amendments, check here, and attach an addendum.

President's Signature

Secretary's Signature

President's Name

Secretary's Name

Email the completed Bylaws Approval Form and Bylaws template (if applicable) to Bylaws@LouisianaPTA.org in PDF format. Allow 30 days for LAPTA to approve and return the final approved document to the President's email.

Contact Bylaws@LouisianaPTA.org with any questions.



AUDIT REPORT

Local Unit Name _____ Parish _____ IRS EIN _____

LUR# _____ IRS EIN _____ FISCAL YEAR _____

Dates covered by this audit Day 1 _____ to last day _____
Check numbers reviewed by this audit _____ to _____

Ledger Reconciliation

Balance on hand on day 1 of audit year Date _____ 1. \$ _____
Total deposits for audit year 2. \$ _____
TOTAL (add lines 1 & 2) 3. \$ _____
Total expenses with receipts of audit year 4. \$ _____
Balance on hand on last day of audit year TOTAL (line 3 minus line 4) 5. \$ _____

Bank Reconciliation

Bank statement day 1 start balance Day 1 Date _____ 6. \$ _____
All credits on 12 bank statements 7. \$ _____
Deposits not yet credited (_____) 8. \$ _____
TOTAL (add lines 6, 7 & 8) 9. \$ _____
Total withdrawals on 12 bank statements 10. \$ _____
Total uncleared checks (_____) 11. \$ _____
TOTAL (line 9 minus lines 10 & 11) 12. \$ _____

Line 5 must equal line 12.

The Audit Committee examined the financial records of the Treasurer at _____
_____ PTA/PTSA and find them (check one):

- 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 Executive Board.

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

Date Audit completed _____
Auditor's Name, Email, Phone _____
Auditor's Name, Email, Phone _____
Auditor's Name, Email, Phone _____

AUDIT PROCEDURES & HINTS

Supplies

For the audit, the committee members (as determined by the Bylaws) will need the checkbook, binder with current fiscal year invoices of Expense Forms and Deposit Forms, all bank statements for the fiscal year, and a copy of the previous year's audit.

- Committee person #1 reviews the bank statements for the fiscal year.
- Committee person #2 reviews the checkbook or accounting software file for the fiscal year.
- Committee person #3 reviews all expenses and Expense Forms for the fiscal year.

Each committee member oversees one part of the financials to review. The Treasurer may not participate in audit except to answer questions if necessary.

Instructions

- 1) Start with previous year's audit to verify beginning of year balance. Check this against the checking account balance from that time.
- 2) Next, verify each check written and each deposit made against the checkbook and bank statement for each month. Committee member #3 will 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 expenses (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 not complete, please 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 ledger or financial software for the entire audit year.

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

Line 4: Total amount of all expenses with receipts in ledger or financial software 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 on the 12 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 on the 12 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.

AUDIT WORKSHEET



Complete as needed to assist with the audit.

DEPOSITS

Deposits from _____ to _____ \$ _____
Day 1 Day 365 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 Day 365 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

Returned Check Due to Non-Sufficient Funds

Current Date

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

RE: Check returned for not sufficient funds Check # 456
Check Issued Date
Tickets for the Fall Festival

Dear Check Writer,

The ABC PTA received notice on October 12, 2024, that the check written for Fall Festival tickets totaling \$55.00 was returned to us due to insufficient funds in the account. Over the past thirty days, we have been in contact with you and the bank in an attempt to collect the amount owed for the tickets. A detailed log of contacts and actions is 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, 2024, 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 or manager of the bank.)

MONETARY DONATION TO A SCHOOL OR DISTRICT

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 of the monetary donation 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

Louisiana
PTA[®]
everychild.one voice.[®]



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 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



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		

Recipient acknowledges receipt from the Donor of the items described above ("Donation") or in an attached document. Recipient is solely responsible for all costs associated with the Donation. Recipient accepts the Donation "as-is" and assumes all risk therefor. The Donor and its officers, employees, agents, and volunteers disclaim all express and implied warranties and assume no responsibilities for the design, development, manufacture, or use of the Donation, and are not responsible or liable for direct, indirect, special, incidental, consequential damages, lost profits, or any other economic or physical loss or damage. Recipient waives against and releases the Donor from all claims or damages resulting from the Donation. Recipient shall indemnify and hold harmless the Donor from all claims, liability and damages arising from the Donation except those arising from the sole negligence or willful misconduct of the Donor.

The undersigned authorized representative of Recipient has read this Agreement and understands its contents. Recipient agrees that this is a release of liability and contract between Recipient and Donor.

Recipient Signature

Date

Donor Signature

Date

Printed Name

Printed Name

PASSWORDS & ACCOUNTS SUMMARY

ABC PTSA Passwords & Accounts 2022-2023

PTA LUR#: 9999

IRS EIN# 99-9999999

Monthly/Annual Renewal Required for the Following:

GeauxBiz.com: login email & password

LA Charter #: 999999 ; NAKS #: 999999

IRS.gov for 990N: login username & password; email & phone associated with account; other security question answers; Note where to file 990: irs.gov - File - charity & nonprofits – finding filing forms – Form 990 series returns – Form 990 N – submit form 990; or **Efile.form990.org**: name, login ID #, password

AIM Insurance: aim-companies.com; Insure# LA0009999; Username & password; 800-876-4044; policy expiration date

Moneyfinder.com: email & password

CheddarUp.com: email & password; ABCPTSA.CeddarUp.com; phone; backup security code

SquareUp.com: email & password

Zoom: email & password

Mailchimp.com: email & password

Other Accounting Software: password

Facebook: Note admin names plus their phone numbers; passwords are their current accounts' passwords; have at least two people listed as admins

Bank: screenname, email & password; routing # 99999999, acct # 99999999

Email Accounts: (This might only be held by the President.)

email & password; phone associated with account; backup email

email & password; phone associated with account; backup email

email & password; phone associated with account; backup email

Closed Accounts' Previous Login Information:

*This is to be shared with the President, Treasurer, and Secretary.