



## AMY KAMM

*Treasurer*

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### DUTIES

- Supports Council and OOC Unit Treasurers
- Record and report all District income and expenses
- Liaison to professional accountant
- Receive and review Council and Unit budgets, annual financial reports, audits, and tax filings
- Chair of the Budget Committee
- Chair of the Finance and Compliance Committee



1008 S. Eight Street  
Moor Field  
Alhambra, CA 91801



[Treasurer@PTA1.org](mailto:Treasurer@PTA1.org)



(818) 653-7703



[PTA1.org](http://PTA1.org)

**First District**

**PTA®**

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# PROCEDURES AND FINANCIAL CALENDAR FOR COUNCIL TREASURERS 2022 – 2023

## PROCEDURES

- All checks must be made payable to **First District PTA**.
- **Checks must have two (2) signatures, even if the bank only requires one.**
- Three (3) copies of the district remittance forms are to be completed and sent with your check and a self-addressed stamped envelope to the First District PTA office. **REMITTANCES WILL NOT BE ACCEPTED WITHOUT THESE FORMS.**
- Multiple payments can be written on a single check and listed on one remittance form.
- Special instructions and reminders are given to Council Presidents at First District PTA Board meetings. Check with your president after the fourth Monday of each month for instruction.
- **Dates listed on the calendar are due dates to First District PTA** (except where noted, i.e., Due at Attorney General, IRS, and Franchise Tax Board). These dates are FINAL to allow time for First District PTA to process information and remittances and to forward through channels to meet State PTA deadlines. **Items must be RECEIVED BY FIRST DISTRICT PTA BY DUE DATE.**
- **Submit documents to First District PTA by uploading them to MyPTEZ.com or in paper form**
  - Rather than turning in paper copies, **the following financial documents should be uploaded to MyPTEZ Document Management:** Annual Financial Report, Audit Reports, IRS Form 990EZ/990N, California Franchise Tax Board (FTB) Form 199/199N, California Office of the Attorney General (OAG) Form RRF1 and CT-TR-1, SI-100, and AIM Workers Comp Payroll Report Confirmations. MyPTEZ is free to all PTAs for this use.
  - After uploading documents, **please write 'EZ' in the appropriate column(s) when turning in the Financial Data Transmittal Form** and forward the form to First District PTA.
  - **Documents submitted via email, USPS, or delivered to meetings must include a Financial Data Transmittal Form.**

### MAIL ALL CHECKS AND REMITTANCE FORMS TO:

**First District PTA, 1008 S. 8th Street, Moor Field, Alhambra, CA 91801**

**Phone: (626) 289-1448**

[www.PTA1.org](http://www.PTA1.org)

**PLEASE NOTE: THIS CALENDAR IS ISSUED ANNUALLY.  
USE THE CALENDAR AS A CHECKLIST AND PERSONAL WORKSHEET.  
PLEASE BE SURE TO READ AND ABIDE BY ALL DEADLINES LISTED.**

## FINANCIAL CALENDAR

<b>JUNE/JULY</b>	✓	
<b>Typical Tasks</b>		Update signature cards at bank. Check bylaws for list of authorized check signers ( <i>elected officers</i> ), including president and treasurer.
		Outgoing Treasurer prepares Annual Financial Report
		Outgoing Auditor prepares Year End Audit Report
		Attend First District PTA Leadership Conference
		Relax, go to the beach, play with your children, have fun with your family! 😊

<b>AUGUST</b>	✓	<b>August 23 – District Association Meeting &amp; District Board Meeting</b>
<b>Typical Tasks</b>		<b>At first Council/Unit Association Meeting:</b> <ul style="list-style-type: none"> <li>• Present Annual Financial Report and Year-End Audit Report</li> <li>• Approve proposed programs/projects/fundraisers (if applicable)</li> <li>• Adopt updated budget and calendar</li> </ul>
		Provide copies of Bylaws to whole board; review and file for any necessary changes.
		Have Conflict of Interest / Whistleblower Forms signed by each board member and keep on file.
		<b>File Nonprofit Raffle Registration Form (CT-NRP-1)</b> with \$20.00 fee for coming year. <b>File Nonprofit Raffle Report (CT-NRP-2)</b> for any raffles conducted during previous year. <b>Both are due to the Attorney General's Registry of Charitable Trusts by September 1<sup>st</sup>.</b>
<b>Items due on or before August 23<sup>rd</sup></b>		• <b>Per capita membership dues</b> - \$5.00 (National PTA \$2.25; State PTA \$2.00; 1 <sup>st</sup> District \$0.75)
		• Council and Unit Annual Financial Reports 2020 - 2021 (FYE 5/31)
		• Council and Unit Year End Audit Reports 2020 – 2021 (FYE 5/31)
		• Council and Unit 2021 – 2022 Budgets

### IMPORTANT

If at any time you receive a letter, postcard, invoice, or other communication from a government agency such as the Internal Revenue Service (IRS), California Franchise Tax Board (FTB), California Attorney General (AG) or Department of Justice (DOJ), Secretary of State (SOS), etc., it is imperative that you **notify the First District PTA treasurer immediately.**

**Please do not call these agencies yourself – CONTACT FIRST DISTRICT PTA**

<b>SEPTEMBER</b>	✓	<b>September 26 – District Association Meeting &amp; District Board Meeting</b>
<b>Typical Tasks</b>		<b>At Council/Unit Association Meeting:</b> <ul style="list-style-type: none"> <li>• Adopt Annual Financial Report and Year-End Audit Report</li> <li>• Approve proposed programs/projects/fundraisers (if applicable)</li> <li>• Approve updated budget and calendar</li> </ul>
		<p><b>All councils and units are required to file reports with the IRS, California Franchise Tax Board, and State of CA Office of the Attorney General</b></p> <p><b>Visit the California State PTA Tax Filing Support Center <a href="#">HERE</a> for more information.</b></p> <p><b><i>CAPTA.org &gt; PTA Leaders &gt; Services &gt; Tax Filing Support Center</i></b></p> <ul style="list-style-type: none"> <li>• <b>Send taxes certified mail, return receipt, and KEEP RECEIPT</b></li> <li>• Upload copies of completed filings to MyPTEZ Document Management</li> <li>• <b>Fiscal Year End 5/31 – Tax filing due date is <b>October 15<sup>th</sup></b></b></li> <li>• <b>Fiscal Year End 6/30 – Tax filing due date is <b>November 15<sup>th</sup></b></b></li> </ul>
		<b>INTERNAL REVENUE SERVICE - FEDERAL TAX REPORT</b> <ul style="list-style-type: none"> <li>• Gross receipts equal or less than \$50,000 – Form 990N electronic postcard</li> <li>• Gross receipts \$50,000 - \$200,000 – Form 990EZ and Schedules A, G, O and B, if applicable</li> <li>• Gross receipts more than \$200,000 – Form 990 and Schedules A, G, O and B, if applicable</li> </ul>
		<b>CALIFORNIA STATE FRANCHISE TAX BOARD</b> <ul style="list-style-type: none"> <li>• Gross receipts less than \$50,000 – Form 199N</li> <li>• Gross receipts more than \$50,000 – Form 199</li> </ul>
		<b>STATE OF CA OFFICE OF THE ATTORNEY GENERAL</b> <ul style="list-style-type: none"> <li>• Charitable Trust Registration Renewal Form (RRF-1)</li> <li>• Under \$50,000 in gross revenue, must file the AG's Annual Treasurer's Report Form (CT-TR-1)</li> </ul>
		<b>Councils and Units that are <u>incorporated</u> must also file with the State of CA Secretary of State</b> <ul style="list-style-type: none"> <li>• Statement of Information Form SI-100 – due biennially in the month you were incorporated</li> </ul>
<b>Items due on or before September 26<sup>th</sup></b>		<ul style="list-style-type: none"> <li>• <b>Per capita membership dues</b> - \$5.00 (National PTA \$2.25; State PTA \$2.00; 1<sup>st</sup> District \$0.75)</li> </ul>
		<ul style="list-style-type: none"> <li>• Council and Unit Annual Financial Reports 2020 - 2021 (FYE 6/30)</li> </ul>
		<ul style="list-style-type: none"> <li>• Council and Unit Year End Audit Reports 2020 - 2021 (FYE 6/30)</li> </ul>
		<ul style="list-style-type: none"> <li>• Council and Unit 2021 - 2022 Budgets</li> </ul>
		<ul style="list-style-type: none"> <li>• Council and Out of Council Presidents' Quarterly Reports</li> </ul>

<b>OCTOBER</b>	✓	<b>October 24 – District Board Meeting and Superintendent and Administrator Conference</b>
<b>Items due on October 1<sup>st</sup></b>		<p>Send to <b>First District PTA</b> (see top of page for address):</p> <ul style="list-style-type: none"> <li>Dues for a minimum of 30 members to qualify for State and District “<i>Ready, Set, Remit</i>” Award</li> <li>Dues for a minimum of 50 members to qualify for State and District “<i>Ready, Set, Remit and More</i>” Award</li> </ul>
<b>Due by October 15<sup>th</sup></b>		<ul style="list-style-type: none"> <li><b>Council and Unit Federal and State tax filings due, including RRF-1 filing (FYE 5/31)</b></li> </ul>
<b>Items due on or before October 24<sup>th</sup></b>		<ul style="list-style-type: none"> <li><b>Per capita membership dues</b> - \$5.00 (National PTA \$2.25; State PTA \$2.00; 1<sup>st</sup> District \$0.75)</li> </ul>
		<ul style="list-style-type: none"> <li>Liability Insurance Premiums: Units <b>\$TBD</b>, Councils <b>\$TBD</b></li> </ul>
		<ul style="list-style-type: none"> <li><b>2021 – 2022 membership cards expire 10/31</b></li> </ul>

<b>NOVEMBER</b>	✓	<b>November 28 – District Board Meeting</b>
<b>Typical Tasks</b>		Elect Nominating Committee at Association Meeting
<b>Items due on or before November 15<sup>th</sup></b>		<ul style="list-style-type: none"> <li>Per capita membership dues. <b>Fifteen (15) memberships (minimum) must be remitted to First District PTA to remain a “Unit in Good Standing”</b></li> </ul>
		<ul style="list-style-type: none"> <li><b>Council and Unit Federal and State tax filings as well as proof of RRF-1 filing (FYE 6/30)</b></li> </ul>

<b>DECEMBER</b>	✓	<b>December 5 – Annual Holiday Luncheon - District Association Meeting</b>
<b>Typical Tasks</b>		Submit books to your auditor - according to the bylaws - for the mid-year audit (Fiscal YE 5/31)
<b>Items due by December 1<sup>st</sup></b>		<ul style="list-style-type: none"> <li>Reflections Entries and Forms</li> </ul>
<b>Items due on or before December 6<sup>th</sup></b>		<ul style="list-style-type: none"> <li><i>Worker's Compensation Annual Payroll Report and Estimated Surcharge 5%</i> (covers the period from January 5, 2022 – January 4, 2023). Write "No payment made" across the form if no workers were paid.</li> </ul>
		<ul style="list-style-type: none"> <li>Per capita membership dues</li> </ul>
		<ul style="list-style-type: none"> <li>Council and Out of Council Presidents’ Quarterly Reports</li> </ul>

<b>JANUARY</b>	✓	<b>January 23 – District Board Meeting</b>
<b>Typical Tasks</b>		Submit books to your auditor - according to the bylaws - for the mid-year audit (Fiscal YE 6/30).
<b>Items due on or before January 23<sup>rd</sup></b>		<ul style="list-style-type: none"> <li>Per capita membership dues</li> </ul>
		<ul style="list-style-type: none"> <li>Council and Unit Mid-Year Audits (FYE 5/31)</li> </ul>

<b>FEBRUARY</b>	✓	<b>February 27 – District Association Annual Meeting &amp; Founders Day</b>
<b>Typical Tasks</b>		Present mid-year audit to the executive board
		<b>Notify membership of Slate of Officers (28 days before the election)</b>
		Celebrate PTA Founders Day/Present Honorary Service Awards
		Collect and remit Founders Day Freewill Offering through channels
<b>Items due on February 1<sup>st</sup></b>		<b>DUE to CA State PTA Office:</b> <ul style="list-style-type: none"> <li>• High School Senior Scholarship Applications</li> <li>• Teachers Matter – Membership per capita paid as of 2/1/22 and applications submitted</li> </ul>
<b>Items due on or before February 27<sup>th</sup></b>		• Per capita membership dues
		• Council and Mid-Year Audits (FYE 6/30)
		• Founders Day Freewill Offerings from units and councils
		• Council and Out of Council Presidents' Quarterly Report
		• Register for California State PTA Convention (April 28 – 30, 2022, Ontario, CA)

<b>MARCH</b>	✓	<b>March 27 – District Board Meeting</b>
<b>Typical Tasks</b>		Association Meeting in March or April: Elections for next term; Adopt mid-year audit
<b>Items due on March 1<sup>st</sup></b>		<b>DUE to First District PTA (see top of page for address):</b> <ul style="list-style-type: none"> <li>• Final membership per capita remittance to qualify for State awards</li> <li>• 100% school memberships to qualify for "100% school enrollment" District award</li> </ul>
<b>Items due on or before March 27<sup>th</sup></b>		• Per capita membership dues
		• Founders Day Freewill Offerings from units and councils
		• District Commemorative Scholarship Applications

<b>APRIL</b>	✓	<b>April 24 – District Association Meeting</b>
<b>Typical Tasks</b>		Association Meeting in March or April: Elections for next term; Adopt mid-year audit
		After elections, arrange for a budget committee meeting for the following year. Check your bylaws and standing rules for members of the budget committee (typically your incoming/outgoing president and treasurer).
<b>Items due on April 1<sup>st</sup></b>		<b>DUE to First District PTA (see top of page for address):</b> <ul style="list-style-type: none"> <li>• Final membership per capita remittance to qualify for District awards, including Senior Membership Incentive Award</li> </ul>
<b>Items due on or before April 24<sup>th</sup></b>		• Per capita membership dues
		• Founders Day Freewill Offerings from units and councils
		• Registrations for June District Leadership Training Conference
		• Council and Unit Annual Historian's Report and Hours
		• Council and Out of Council Presidents' Quarterly Reports

<b>MAY</b>	✓	<b>May 22 – District Board Meeting &amp; Membership Awards</b>
<b>Typical Tasks</b>		Attend unit and council training
		Invite incoming officers to the last board meeting
		Have President-elect meeting with officers-elect: Plan, ratify chairpersons, discuss goals
		Present budget to the association for adoption
		Release funds for any summer expenses and any expenses prior to first association meeting of year
<b>Due on May 1<sup>st</sup></b>		Enter 2022 - 2023 council and unit officer contact information into MyPTEZ Officer/Board Member Contact System
<b>Items due on or before May 22<sup>nd</sup></b>		<ul style="list-style-type: none"> <li>• Per capita membership dues</li> </ul>
		<ul style="list-style-type: none"> <li>• Founders Day Freewill Offerings from units and councils</li> </ul>
		<ul style="list-style-type: none"> <li>• Registrations for June District Leadership Training Conference - FINAL</li> </ul>

<b>JUNE</b>	✓	
<b>June 10<sup>th</sup></b>		Attend First District Leadership Training Conference, location TBD
<b>Typical Tasks</b>		Pass on materials, procedure books, etc.
		Prepare Year-End Annual Financial Report
		Submit books to your auditor - according to the bylaws - for the year-end audit
<b>Items due on or before June 12<sup>th</sup></b>		DUE to <b>First District PTA</b> (see top of page for address): <ul style="list-style-type: none"> <li>• <b>FINAL</b> per capita membership for fiscal year 2022 – 2023</li> </ul>

Any questions, please contact our office or  
 First District PTA Treasurer Amy Kamm  
 at (818) 653-7703 or email at [treasurer@pta1.org](mailto:treasurer@pta1.org)

Have a wonderful year!



# Tax Filing Requirements

## Tax-exempt organizations, including PTAs, must file annual returns

Tax-exempt organizations operating in the State of California, including PTAs, are legally required to file annual returns with the following federal and state agencies:

- 1) United States Department of the Treasury *Internal Revenue Service (IRS)*
- 2) State of California *Franchise Tax Board (FTB)*
- 3) State of California *Attorney General's Registry of Charitable Trusts (AG/RCT)*

California State PTA is committed to providing information to help your PTA remain in compliance with its annual filing requirements. Please visit the California State PTA Tax Filing Support Center at <http://capta.org/pta-leaders/services/tax-filing-support-center/> for step-by-step pointers on what your PTA needs to file and other useful materials.

If your PTA requires assistance completing any of the required filings beyond information provided in the applicable forms, instructions and publications, contacting a Certified Public Accountant (CPA) or tax professional, such as an Enrolled Agent (EA), specializing in nonprofit organizations exempt from federal and state income tax as public charities is recommended.

### 1) Internal Revenue Service - Form 990 Series

- There are three forms in the Internal Revenue Service (IRS) Form 990 series. **Only ONE should be filed** which is generally based on your PTA's financial activity (refer to the chart below).

IF YOUR PTA'S GROSS RECEIPTS ARE...	FILE FORM...	COMPLEXITY
Normally \$50,000 or less (refer to Appendix B of the Form 990-EZ Instructions for guidance regarding "normally")	<b>990-N</b>	<b>Low</b>
Normally greater than \$50,000, less than \$200,000 during the year, <b>AND</b> total assets are less than \$500,000 at the end of the year	<b>990-EZ</b>	<b>Medium</b>
Equal to or greater than \$200,000 <b>OR</b> total assets are equal to or greater than \$500,000 at the end of the year	<b>990</b>	<b>High</b>

- The IRS requires the applicable form in the 990 series to be filed no later than 4 ½ months after your PTA's fiscal year ends. For example, if your PTA's fiscal year ends on June 30, the applicable form must be **filed with the IRS by November 15.\***
- For 990 series forms and instructions, please visit the following page at the IRS website: <https://www.irs.gov/charities-non-profits/form-990-series-which-forms-do-exempt-organizations-file-filing-phase-in>
- If your PTA generates *unrelated business income* equal to or greater than \$1,000 during the year, it may be required to file IRS Form 990-T, *Exempt Organization Business Income Tax Return*, in addition to form 990-N, 990-EZ, or 990. For more information, please visit the following page at the IRS website: <https://www.irs.gov/charities-non-profits/unrelated-business-income-tax>

**\* Due 15th day of the 5th month following the end of your Fiscal Year (FY). For PTAs with an FY end of June 30 the date is November 15 Check your BYLAWS for your Fiscal Year**



# Tax Filing Requirements

## 2) Franchise Tax Board - Form 199 Series

- There are two forms in the Franchise Tax Board (FTB) Form 199 series. **Only ONE should be filed** which is generally based on your PTA's financial activity (refer to the chart below).

IF YOUR PTAs GROSS RECEIPTS ARE...	FILE FORM...	COMPLEXITY
Normally \$50,000 or less	199N	Low
Normally greater than \$50,000	199	Medium

- The FTB requires the applicable form in the 199 series to be filed no later than 4 ½ months after your PTA's fiscal year ends. For example, if your PTA's fiscal year ends on June 30, the applicable form must be **filed with the FTB by November 15.**\*
- For more information on filing requirements, Exempt Organization Forms and Publications, please visit the following page at the FTB's website:  
<https://www.ftb.ca.gov/file/business/types/charities-nonprofits/annual-and-filing-requirements.html>
- If your PTA generates *unrelated business income* in excess of \$1,000 during the year, it may be required to file FTB Form 109, *California Exempt Organization Business Income Tax Return*, in addition to form 199-N or 199. For more information, please visit the page listed above for FTB Exempt Forms and Publications.

## 3) Attorney General's Registry of Charitable Trusts - Form RRF-1

- The Attorney General's Registry of Charitable Trusts (AG/RCT) requires all charitable organizations operating in the State of California, including PTA units, councils and districts, to be registered with the Registry of Charitable Trusts and to file Form RRF-1 annually.
- The AG/RCT requires Form RRF-1 to be filed no later than 4 ½ months after your PTA's fiscal year ends. For example, if your PTA's fiscal year ends on June 30, Form RRF-1 must be **filed with the AG/RCT by November 15.**\*
- Beginning with the 2019-20 fiscal year, all nonprofits, including PTAs, with gross receipts of \$50,000 or less are required to file a CT-TR-1 Treasurer's Report Form with the AG/RCT together with the RRF-1 filing. Effective 01/2021, back filings of old RRF-1s must be on the newest version of the RRF-1 form and have a CT-TR-1 form attached or it will be rejected by the Attorney General's office.
- For more information as well as the forms and instructions, please visit the following page at the AG's website: <https://oag.ca.gov/charities/renewals>
- If your PTA does not have a CT number yet, **please complete the INITIAL REGISTRATION NOW** as the process can take approximately 90 days to complete.

**\* Due 15th day of the 5th month following the end of your Fiscal Year (FY). For PTAs with an FY end of June 30 the date is November 15 Check your BYLAWS for your Fiscal Year**

## MOTIONS AND MINUTES for MEETINGS

### FOR FINANCE OFFICERS

#### Treasurer's Report – prior year

- **Treasurer:** The Beginning Balance on 5/22/22 was \$12,000; Deposits totaled \$1,000; Disbursements totaled \$3,000, leaving an Ending Balance on 6/30/22 of \$10,000.
- **President:** Any questions? (Assuming no questions.) Hearing none, Treasurer's Report will be filed for audit.
- **Secretary:** Records totals for beginning balance, deposits, disbursements, and ending balance. Recommend including the Treasurer's Report as an attachment to the master copy of the minutes.

#### Ratify checks – prior year

- Have a list of all of the checks written since the last association meeting to the end of the prior fiscal year.
- **Treasurer:** *"I move to ratify check numbers 1234 - 1254 totaling \$3,000 for the period from 5/22/22 - 6/30/22."* Motion seconded from the floor.
- **President:** Any discussion? (Pause for discussion). All in favor say Aye, those opposed say Nay. Assuming it passes, President says "Motion adopted.:"
- **Secretary:** Records the motion and either records the list of checks ratified or includes the list of checks ratified as an attachment to the master copy of the minutes.

#### Annual Financial Report – prior year

- **Treasurer:** Presents the report.
- **President:** Any discussion? (Pause for discussion). Hearing none – the Annual Financial Report will be filed for audit.
- **Secretary:** Includes the Annual Financial Report as an attachment to the master copy of the minutes.

#### Budget – current year

- **Treasurer:** *"I move to adopt the proposed budget for the 2022 - 2023 fiscal year as presented."* Motion seconded from the floor.
- **President:** Would you like to speak to your motion? *Treasurer presents highlights.*
- **President:** Asks for discussion and calls for the vote as above.
- **Secretary:** Records the motion and includes the budget as an attachment to the master copy of the minutes.

#### Release of Funds

- **Treasurer:** *"I move to release up to \$500 for the Reflections program, up to \$200 for Red Ribbon Week, up to \$900 for Spirit Wear..."*. (A report listing the budget categories being

*released may be presented instead of reading each line separately.)* Motion seconded from the floor.

- **President:** Asks for discussion and calls for the vote as above.
- **Secretary:** Records the motion and either records the list of funds released or includes the list of funds released as an attachment to the master copy of the minutes.

**REMEMBER: THE RELEASE OF FUNDS ALONE DOES NOT AUTHORIZE ANY CHAIRMAN OR OFFICER TO SPEND THE FUNDS. Plans must be presented to the executive board for approval. Individual motions are still needed to authorize each expenditure. “I move to authorize up to \$800 for the purchase of spirit wear.”**

### Treasurer’s Report – current year

- **Treasurer:** The Beginning Balance on 7/1/22 was \$10,000; Deposits totaled \$1,000; Disbursements totaled \$5,000, leaving an Ending Balance on 8/25/22 of \$6,000.
- **President:** Any questions? (Assuming no questions.) Hearing none, Treasurer’s Report will be filed for audit.
- **Secretary:** Records totals for beginning balance, deposits, disbursements, and ending balance. Recommend including the Treasurer’s Report as an attachment to the master copy of the minutes.

### Ratify checks – current year

- Have a list of all of the checks written from the beginning of the fiscal year to the current date.
- **Treasurer:** *“I move to ratify check #'s 1255 - 1275 totaling \$5,000 for the period from 7/1/22-8/25/22.”* Motion seconded from the floor.
- **President:** Asks for discussion and calls for vote as above.
- **Secretary:** Records the motion and either records the list of checks ratified or includes the list of checks ratified as an attachment to the master copy of the minutes.

### Audit

- **Auditor (or Chair of the Audit Review Committee):** “The beginning balance of the [Insert name of account (checking, savings, Paypal, Square, etc.)] account on 1/1/22 was \$22,000; Deposits totaled \$12,000; Disbursements totaled \$14,000, leaving an ending balance of \$10,000 as of 6/30/22. I/The audit committee have/has examined the records of the treasurer (and financial secretary) of \_\_\_\_\_ PTA and find them to be correct.”

\*\*\* OR \*\*\*

“The beginning balance of the [Insert name of account (checking, savings, Paypal, Square, etc.)] account 1/1/22 was \$22,000; Deposits totaled \$12,000; Disbursements totaled \$14,000, leaving an ending balance of \$10,000 as of 6/30/22. I/The audit committee have/has examined the records of the treasurer (and financial secretary) of \_\_\_\_\_ PTA find them substantially correct with recommendations. Recommendations have been communicated to the Executive Board.”

- **President:** Are there any questions?

- A motion is made from the floor: ***“I move to adopt the audit for the [Insert name of account] for the period January 1, 2022, through June 30, 2022, as presented.”*** Motion seconded from the floor.
- **President:** Asks for discussion and calls for the vote as above.
- **Secretary:** Records the motion and includes the Audit Report, Audit Checklist, Recommendations, etc. as attachments to the master copy of the minutes.

### Programs and Fundraisers

- **Program or Fundraising Chair:** ***“I move to approve the proposed programs and fundraisers for the 2022 - 2023 fiscal year as listed in the agenda/on the Sunshine PTA master calendar.”*** Motion seconded from the floor.
- **President:** Would you like to speak to your motion? *Program or Fundraising Chair presents highlights.* President asks for discussion and calls for the vote as above.
- **Secretary:** Records the motion and either records the list of Programs and Fundraisers in the minutes or includes the list of Programs and Fundraisers as an attachment to the master copy of the minutes.

# Spotlight on Finance

**Every PTA board member has a fiduciary responsibility/financial responsibility to:**

- Protect the assets of the association – financial assets, volunteers, reputation
- Ensure compliance with federal and state laws, and policies and procedures of the association
- Ensure assets are used to meet the needs of children and PTA members
- Ensure the association remains transparent to all members
- Ensure that the association will continue.

## **Specific financial duties of the president**

- Must sign all authorizations for payment (along with the secretary) and may sign checks as approved by the executive board or association.
- Upon election of officers, appoint a budget committee.
- Have all contracts and other legally binding documents approved by the executive board and the association before signing with another elected officer.
- Make sure all financial due dates are met so that the association remains in good standing with California State PTA.

## **Budget information**

- The budget committee is appointed by the president and chaired by the treasurer (or appointed by the president-elect and chaired by the treasurer-elect if the budget is being developed for the new term in advance of taking office). The committee should include the financial officers, the principal or his/her representative, a teacher, the president-elect and others.
- Goals and programs must be identified before creating a budget. The budget is a guide outlining expected income and expenditures.
- Present proposed budget at the last association meeting of the year to get preliminary approval.
- Present proposed programs, fundraisers and budget at the first association meeting of the year to get association approval.

**Adoption of the budget does not authorize the expenditure of money. Release of funds does not authorize expenditures. Plans must be presented to the executive board and authorized before expenditures are made. The association must still ratify all expenditures.**

## **REMEMBER**

**For every one fundraiser, there should be at least three non-fundraising projects/activities.**

## PTA FINANCE BASICS

**The financial health of your PTA is crucial to the success of speaking up for all children and families.** California State PTA provides guidance, support and training in board fiduciary duties and governance to support the work of your PTA.

## FINANCIAL CHECKLIST

## PTAS ARE PUBLIC CHARITIES

PTAs are legally classified as “public charities” and are organized and operated exclusively for the exempt purposes recorded in Article II of all PTA bylaws. Public charities may not carry on any activities not permitted under Section 501(c)(3) of the Internal Revenue Code (IRC).

As public charities, PTAs:

- Are eligible to receive tax-deductible contributions
- Are generally exempt from paying federal and state taxes
- Must file federal and state Returns annually
- May not use its funds to benefit a private person.

Additionally, PTAs are noncommercial and may not endorse a commercial entity or engage in activities not related to promoting the Purposes of PTA. The name “PTA” may not be used in conjunction with commercial activities, including the promotion of commercial goods and services.

## PTA OFFICERS ARE FIDUCIARIES

PTA officers and board members are PTA fiduciaries. A fiduciary is a legal and ethical relationship of trust. PTA members, supporters and donors trust PTA officers and board members to prudently:

- Carry out the purposes of PTA (per bylaws Article II)
- Protect the assets of the organization including cash, physical property, volunteers and the PTA's reputation
- Disburse assets to meet the needs of the children and members served by the PTA
- Comply with federal, state and local laws
- Ensure that the association remains transparent
- Ensure continuity of the association.

Only a highly trusted PTA member may serve as a PTA fiduciary.

## TEN FINANCIAL CONTROLS FOR ALL PTAS

Internal controls are the basic policies and procedures PTAs use to safeguard their assets, deter and detect errors, prevent fraud and theft, ensure accuracy, and produce reliable and timely financial reports:

1. Association members elects a treasurer and other financial officers annually
2. Association members approves all PTA programs, activities, fundraisers and expenditures
3. The association adopts and monitors the PTA budget, approving changes as needed
4. A minimum of two trained PTA members receive, count and record cash and checks received





5. Following approval by the association and executive board, the president and secretary sign a Payment Authorization Form for each and every PTA expenditure
6. Check-signers are not related by marriage or by blood
7. Two authorized check-signers sign every PTA check
8. The PTA auditor or another trained PTA member opens and inspects monthly Bank Statements
9. The treasurer and other financial officers report “Income Statements,” “Budget Updates,” and other financial reports at each meeting of the association and executive board
10. The PTA board orders a midterm and fiscal-year-end audit annually, which are reported to the executive board and association.

## BUDGETS

**Adoption of the budget does not authorize the expenditure of the money.** Plans must be presented to Executive Board and the Executive Board must authorize expenditures. Amend budget by a vote of the association as needed. Refer to the California State PTA [Toolkit](#).

## BASIC PTA OPERATING EXPENSES: ARE YOU COVERED?

Like any business, PTAs have basic operating expenses that should be financially supported by the annual membership campaign. When the local portion of membership dues is too low, the PTA will be challenged to meet its minimal operating expenses. Fundraising should be reserved for the added value the PTA wishes to provide for students, faculty and families. What are some of the basic operations of a PTA and why are these important?

- **Communication** to members regarding PTA activities, locally and statewide, promotes the power of the organization. This can include PTA-to-member communication – print and/or email, and possibly a PTA website.
- **Family-engagement** programs and fun events provide relevancy to the work of PTA. One or two annually are good starters: math, science, arts or family reading nights; carnivals; and international fairs. Positive discipline, study skills and other topics can inform parents on how to encourage their children and help them learn at home.
- **PTA insurance coverage** assures that the PTA can host events for members, the school and the community. Without PTA and its insurance, many school districts will not permit the scheduling of popular events.
- **Hospitality** at meetings contributes to that “walk-in-the-door” welcome. Members who feel welcomed and included over time will consider contributing time to the organization.
- **Local training** availability and at the California State PTA Annual Convention builds capacity within the PTA for its work and advocacy on behalf of students and families. Individuals attending these trainings should be reimbursed their expenses as appropriate. Training is a cost of doing business in every organization – public or private – and is an investment in success.
- **Business services** may be important for your PTA. Some PTAs’ operations are extensive and require assistance in the area of financial accounting systems, audits, or tax preparation. While these are privately available, California State PTA services now include PTAEZ, a financial accounting system and tax-preparation assistance. PTAs may consider purchasing hardware or software for the website coordinator, etc. When the PTA provides these helpful services, individuals will be more willing to accept nominations for offices or chairmanships.

- **Recognition** and honoring PTA volunteers provide multiple returns to your PTA: Volunteers feel valued, the community embraces the recognition and the recognized volunteers become role models and ambassadors. Include a volunteer recognition or Founders Day event and remember: The use of Honorary Service Awards funds the California State PTA High School Graduating Senior Scholarship Program.

Review the sample budgets in the California State PTA [Toolkit](#). How long has it been since your PTA increased its dues portion? Evaluate your basic operational expenses and the local dues portion, and make adjustments through a bylaws amendment. Then sell the work of your PTA!

## PTA FINANCES AND EMAIL: PHISHING SCAMS

**If you get an email from a fellow PTA officer asking to wire funds, do not send money.**

Both email-phishing scams and crypto-ransomware/malware are increasingly common and can have devastating impacts on businesses and non-profit associations of all sizes. As a non-profit association, PTA can be vulnerable to these types of cybercrimes at all levels and, in fact, we have heard reports of email-phishing scams happening to local leaders.

Email-phishing scams are typically fraudulent email messages appearing to come from legitimate enterprises (e.g., your PTA treasurer or president, your Internet service provider, your bank). These messages usually direct you to a spoofed website or otherwise get you to divulge private information such as bank account information or account passwords. The perpetrators then use this private information to commit identity theft or trick you to wire money.

Establish communication “backchannels” such as text messages or phone calls to verify the authenticity of the request. Additionally, remember to keep your personal and PTA computer systems and firewalls up-to-date to minimize the potential for viruses to infect your system with malware.

### Additional Resources:

- California State PTA Online Toolkit – [Finance Policies and Procedures](#)
- Osterman Research White Paper – [Best Practices for Dealing with Phishing and Ransomware](#)
- Tipwire Video – [Tips to Protect Yourself from Phishing](#)

## FUNDRAISING

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.** Often times PTAs must fundraise in order to support the vital programs and services on campus that support student learning and family engagement.

[FUNDRAISING](#) [HEALTHY FUNDRAISING](#)

### ADDITIONAL RESOURCES

- [TOTEM Accounting Guidelines](#)
- [Twelve things to know and do](#)
- [Conflict of Interest Policy](#)
- [Whistleblower Policy](#)
- [Financial red flags](#)
- [Understanding PTA audits](#)
- [Record-keeping guidelines for PTAs](#)

- [Basic PTA operating expenses: Are you covered?](#)
- [Audit Q&A Guide](#)

## **PTA FINANCIAL POLICIES AND PROCEDURES (California State PTA Toolkit)**

[Fiduciary Responsibilities](#)

[Signs of Good Financial Procedures](#)

[Sample Financial Calendar of Activities](#)

[Records Retention Schedule and Destruction Policy](#)

[Commingling of Funds](#)

[Fiduciary Agreements and Gifts to School](#)

[Contracts](#)

[Hold Harmless Agreement](#)

### **FINANCIAL RED FLAGS**

- Unapproved annual budget and/or calendar of events
- Board unfamiliar with payment authorization procedure
- Receipts not attached to Payment Authorization/Request for Reimbursement Form(s)
- Fundraising projects that benefit a board member financially (Conflict of Interest)
- Lack of documentation of fundraiser income and expenses
- Only one person counting money; no cash verification sheets
- Only one person signing checks; only one person on bank signature card
- Signing blank checks
- Late payment of bills
- Bank statements sent to officer's house rather than the school
- Bank statements not reviewed by a non-check signer
- No treasurer's reports at executive board or association meetings
- Reports are given orally with written information to be provided "later"
- Organization not meeting Federal and California filing requirements and deadlines
- Audits not performed as scheduled
- Failure to provide a year-end audit on request

### **FINANCIAL SITUATIONS TO AVOID**

- President writes the checks because the treasurer has no experience, is unavailable, etc.
- Funding projects without going through the approval process required by PTA
- School staff member as treasurer or president
- Paying for salaries for ongoing staff positions (encumbering future boards)
- Lack of/incomplete minutes, particularly in matters involving use of funds; no motions releasing funds or approving expenses
- Banks that do not return processed checks or make copies available

# Sample Financial Calendar of Activities

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 [toolkit.capta.org/finance/policies-and-procedures/sample-financial-calendar-of-activities/](https://toolkit.capta.org/finance/policies-and-procedures/sample-financial-calendar-of-activities/)

## UPON ELECTION/MARCH/APRIL

President-elect appoints the budget committee to develop the budget based on proposed PTA programs for the upcoming year.

Treasurer-elect chairs budget committee.

Board-elect adopts preliminary budget.

## MAY/JUNE

Present proposed budget for adoption to the current executive board and the membership at the last PTA meeting of the year.

Association approves and releases any funds required prior to the next association meeting in the fall. This allows the board-elect the ability to cover routine summer expenses as outlined in the bylaws.

## AUGUST/SEPTEMBER

Re-present budget to association for adoption at its first meeting. Release any funds required prior to the next association meeting.

Present audit and year-end Annual Financial Report to association. Send approved audit, year-end Annual Financial Report and approved current year budget to council or district as directed. Upload copies of all documents to MyPTEZ.

Send the first remittance of per capita dues **through PTA channels**. Send dues as received and at least monthly thereafter. No remittance for E-membership dues.

***Through channels:*** The route of formal communications through the PTA. Typically from unit to council, council to district PTA, district PTA to California State PTA.

## OCTOBER

Confirm tax forms for prior fiscal year are filed as required with copies forwarded to council or district as directed ([Tax Requirements](#)) and uploaded to MyPTEZ. (Contact District PTA for assistance if needed.)

Send checks for insurance premiums **through channels**.

Send checks directly to the council or, if out of council, to the district, by the appropriate council or district deadline. The premium must be forwarded through PTA channels to be received in the California State PTA office by December 20, or a late fee of \$25 will be assessed by California State PTA.

## **NOVEMBER/DECEMBER**

Send per capita dues through channels. Send dues as received and at least monthly thereafter. No remittance for E-membership dues.

Balance membership totals with council and district membership reports.

Prepare books and financial records for the midyear audit.

## **JANUARY**

Submit books and financial records for mid-year audit, as specified in the bylaws.

Present budget versus actual report to the executive board and association and revise budget if necessary.

Ensure that Workers' Compensation form and additional premium, if required, have been forwarded through channels by the appropriate due dates.

## **FEBRUARY**

Send Founders Day freewill offering through channels to district PTA, when collected. The event may be held during a month other than February.

## **MARCH**

Ensure all per capita dues have been forwarded through channels. No remittance for E-membership dues.

Register for convention.

## **APRIL**

Issue convention checks for authorized expenditures for elected delegates, if necessary.

Begin transitioning with newly elected financial officers.

## **MAY/JUNE**

Attend workshops for financial officers, when offered.

Submit books and financial records to outgoing auditor for end-of-term audit, as stipulated in the bylaws (after close of fiscal year).

Give financial records and materials to the incoming financial officer (except those in audit).

Assist incoming officers with changing authorized signers at the bank as needed. The treasurer-elect should contact the bank to determine the requirements for changing authorized signers.

Prepare Annual Financial Report that reflects the fiscal year. Prepare and file tax returns (end of fiscal year) and upload to MyPTEZ. The fiscal year is listed in the bylaws and on previous tax returns. The recommended fiscal year is July 1 to June 30.

Ensure all per capita dues have been forwarded through channels so that there are no audit exceptions. No remittance for E-membership dues.

*Other pertinent dates should be added (or adjusted) to the calendar to meet time frames specific to each PTA and fiscal year.*



## myPTEZ DOCUMENT MANAGEMENT

Unit and Council Presidents should have received a login to [www.myPTEZ.com](http://www.myPTEZ.com), along with instructions to upload their roster and assign roles to their officers. If you assign the role of 'OC Admin' to your Treasurer, they can use the Document Management module to upload your financial documents.

### myPTEZ Tax/Document Management Quick Reference Guide:

Tax/Document Management provides PTA units, councils and districts the ability, at no cost to upload all required tax confirmation documents directly to California PTA. The following guide can be used as a quick reference at all levels of California PTA. For more detailed instructions, please refer to myPTEZ's online help manual located in the "Help" menu in your myPTEZ account.

### Document Management

**FYE:** June 30      **FEIN:** 956092516      **FTB#:** 0263890      **CT#:** 018658      **CORP#:** C0263890

**My Organization**    Council    Unit

Working with: First District, California Congress of Parents and Teachers, Inc....

Fiscal Year	Document Type	Government ID	Status
— All —	— All —		— All —
2017 - 2018	SOS_SI 100	C0263890	N
2017 - 2018	Workers Comp Payroll Report		
2017 - 2018	Audit_Mid-Year		N
2017 - 2018	FTB_199_199N	0263890	N
2017 - 2018	Annual Financial Report		N
2017 - 2018	Audit_Year-End		N
2017 - 2018	IRS_990_990EZ_990N	956092516	N
2017 - 2018	Budget		N
2017 - 2018	AG_RRF1	018658	N
2016 - 2017	SOS_SI 100	C0263890	N
2016 - 2017	Workers Comp Payroll Report		N

**Status Legend\***    'C': Confirmed; must be uploaded.\*    'U': Uploaded; must be confirmed.\*    'N': Neither uploaded or confirmed.\*

Upload

Download

Reports

This is the "Document Management Screen" that will be referred to in the instructions below. This is where you will be able to view, filter and report on the document status for the Organization that you are viewing.

### "EZ" Upload Steps

1. Click on the "Admin" menu and select "Document Management"
2. You will automatically be directed to your organizations Document Management Screen. If you need to access a different organization (this only applies to Districts and Councils) select the "Council" or "Unit" tabs located next to "My Organization". You will then be directed to the Document Management Screen for the particular organization that you select.
3. Once you are on the correct Document Management Screen for the correct organization, select "Upload" on the bottom of the screen.
4. You will then be prompted to select a "Document Type" and a "Fiscal Year". The fiscal year that you select will be considered the year that the document belongs to, it is not necessarily the same fiscal year that you are currently in.
5. You will then click on "Select File". This option will not be available until you select both the "Document Type" and the "Fiscal Year". Browse through the files on your computer and double click on the file that you wish to upload.
6. Repeat steps 1-5 for all necessary documents.

### Status Legend:

U: Uploaded, must be confirmed

C: Confirmed, must be uploaded

N: Neither uploaded/confirmed

Blank: No further action needed (Both uploaded and confirmed)