

Florida
PTA[®]

everychild.one voice.[®]

Dollar\$
and
\$en\$e
2016 - 2017

Table of Contents

Background.....	5
School District Policy	5
Other Reference Materials	5
 The Treasurer (updated 2016-2017)	 7
Treasurer’s Duties	7
First Things To Do (updated 2016-2017)	9
 Treasurers Books, Files and Records.....	 10
Records Retention.....	10
Meeting Agendas and Minutes.....	11
Accounting/Financial Records or Ledger.....	11
Organization of Records	12
The Check Book	12
Treasurers Monthly and Annual Reports.....	12
 Protecting PTA Funds.....	 14
Board & Unit Responsibilities	14
The Role of The Principal	15
PTA Funds	15
PTA Funds vs. School Internal Accounts (updated 2016-2017).....	15
Co-Signer Responsibilities	15
Insurance	17
Signing Contracts	18
Waivers	18
 General Controls and Best Practices.....	 19
Conflict of Interest (Preventing Inurement)	19
Handling Cash and Funds	19
Cash Box (updated 2016-2017)	20
Equipment Log	20
Inventory Control	21
What to Do if Money is Missing	21
 Banking.....	 20
Account Types, Services & Fees.....	20
Ordering Checks	20
Deposits	21
Bank Statements (updated 2016-2017).....	21

Electronic Commerce	24
Electronic Banking Best Practices	24
Credit/Debit Cards	24
Accepting Credit/Debit Cards For Payment	25
Gift Cards and Pre-Paid Cards	25
Cloud Computing Storage	26
Budgets	27
Budget Committee & Creating a Budget.....	27
Carryover Funds	27
Budget Line Items	28
Allocating Funds (updated 2016-2017)	29
Interim Funds.....	29
Amending the Budget	29
Membership Dues in the Budget.....	29
Excess and Restricted Funds	30
Revenue and Expenses	31
Accounting for Expenses (Check Requests and Bill Payments).....	31
Bad Check and Other Fees	31
Membership Dues & Annual Reconciliation.....	32
Standards for PTA Funds	32
E-commerce and Affinity Programs	33
Raffles and Games of Chance.....	33
Fundraising.....	34
Substantiation of Contribution (Donation)	34
Fundraising for PTA “Charitable Class” – Not Individuals.....	35
Florida Department of Revenue	36
Sales Tax.....	36
Florida DOR Sales Tax Certificate of Exemption Form DR-5	36
Using the Sales Tax Exemption Certificate.....	37
Occasional Sales or Events.....	38
Solicitation of Funds (updated 2016-2017)	38
Incorporation (SunBiz)	38
Cooperating With Other Organizations	38
Annual PTA Audit (Financial Review)	39
When to Complete Audit/Review	39
Preparing For the Audit/Review	39
During the Audit/Review.....	40
After the Audit/Review	40
PTAs and Federal Taxes	41

Unrelated Business Income (UBI) (updated 2016-2017)	41
Lobbying & Political Activities	42
Internal Revenue Service (IRS) Requirements	42
Gross Revenue and Income	43
Accounting Period (Fiscal Year) & When to File	43
Who Completes Return/Files With IRS	43
Forms & Schedules	43
Filing & IRS Communications	44
Exempt Organizations Select Check	44
GuideStar –IRS Form 990 Information Service	45
501(c)(3) Determination Letter.....	45
W-9 Tax Payer Identification Number and Certification	45
Help	45
Federal IRS Form 990 Filing Information.....	46
Florida PTA Local Unit Compliance Requirements - Schedule & Due Dates	47

**ALL FORMS REFERENCED HEREIN ARE FOUND IN
SECTION 3: TREASURER FORMS.**

Background

DOLLAR\$ AND \$ENSE is a manual for Florida PTA Units. This guide is essential for all PTA Treasurers and is also beneficial to all board members. It includes information on best practices and financial controls to help limit both you and your unit's exposure to potential financial fraud or embezzlement of funds.

SCHOOL DISTRICT POLICY

Each school district within Florida sets their own district school board policies on a wide range of topics. A PTA unit should be aware of the policies directly relating to what they may refer to as external groups or independent school related organizations (ISRO). This can provide guidance on fundraising, use of facilities, when fees apply, and other important information. Many districts, that also have a Health & Wellness or similar policy, review this area to be aware of other requirements such as what items can and cannot be sold before, during, or after school, and what snacks and foods may or may not be served, and other important requirements.

Note: Most school districts policies are posted and available from their website.

OTHER REFERENCE SOURCES

Both the **Florida PTA website** and the **National PTA website** have items pertinent to the treasurer as well as other items related to maintaining a fiducially responsible unit. From the National PTA or www.pta.org refer to the *Running Your PTA* section from the Members Only tab. From Florida PTA or www.floridapta.org refer to the *Running Your PTA* tab and check out the information in both the Finance and the Officers sections. (Note: Annually, after the current officers are received by Florida PTA, your unit President, Secretary and Treasurer receives information in the *Kit of Materials* from Florida PTA, which includes this *Dollar\$ and \$en\$e Guide* and many of the other documents available from the website.)

The Florida PTA *Dollar\$ and \$en\$e Guide* compliments the *Finance Quick Reference Guide* section of the Official Back to School Kit from National PTA. The *Finance Quick Reference Guide* is available online. You must register to obtain the information (www.pta.org). This guide focuses on items and best practices that are pertinent to local units in all states, whereas the *Dollar\$ and \$en\$e* guide, created by Florida PTA, focuses on added information needed by the unit leaders and treasurers in our state.

PTA bylaws provide rules and requirements related to your unit's mission, purposes, basic policies, the election of officers, the duties of officers, general membership meeting requirements, executive board, committees, and the unit's relationship with the County Council PTA, Florida PTA and National PTA. As the name "by law" implies, this document and the items therein are legal and binding requirements of your unit, unit leaders and members. All board members, including the Treasurer, should have a copy and be familiar with the unit's current bylaws. It is a compliance requirement to have your PTA bylaws renewed or updated every three years. If changes are being made, you must provide notice your members 30 days in advance of the general membership meeting where they will be approved. The bylaws update process includes having changes to the bylaws voted on and approved by your general membership and then submitted to Florida PTA for the official approval and date stamp.

PTA Standing Rules and or **Policies and Procedures** provide basic rules and procedures developed, voted on, approved and reviewed by the board of directors annually. *Standing Rules* are applicable to and give direction to all board members. For example, the standing rules provide procedures for counting money during fundraisers, board meeting attendance requirements, the protocol for sending documents, approval requirements for reimbursement of expenses (including per diem), reimbursement policy and rates, and other matters. Standing

rules is a place to list standing committees. Standing committees are committees whose work continues all year long. Some examples of standing committees are Programs, Membership, Hospitality, Legislation, Health and Wellness. There is no standard list of standing committees. Each unit decides what committees are important to the smooth running of the PTA. The Standing Rules can also provide detailed job descriptions for the vice presidents and other elected officers.

Policies and Procedures are usually more specific to a certain board position, committee or task but traditionally contain much more detailed information. For example the *Standing Rules* might indicate documents and emails that must be approved by school administrators before distribution, and the *Policies and Procedures* would include how you gain approval or the who, what, where, when and how steps. If your PTA does not have official Policies and Procedures, you can include all of this information in the Standing Rules. Since both *Standing Rules* and *Policies and Procedures* include fiducially related items, the treasurer should review these documents carefully and keep a copy in the Treasurer's procedure book.

Although the documents and publications discussed above provide a foundation on which to build a solid financial system and internal controls for your PTA, there may be times when you or other board members will require assistance or help. Your **County Council or Region Representative**, and the **Florida PTA State Office** are always available to assist and to help you succeed.

One of the most important phone numbers for all PTA treasurers is **407-855-7604 or 800-373-5782, the Florida PTA Office**. Call when you need us.



The Treasurer

It is important to establish and enforce Internal controls for your PTA. Internal controls are a process designed to provide reasonable assurance regarding the reliability of financial reporting, the effectiveness and efficiency of your operations, and compliance with applicable laws and regulations. An individual with accounting or other similar experience that frequently misses meetings and is rarely available, is far less qualified for the position of Treasurer than a member who keeps accurate records, attend meetings regularly, and knows when to ask for help! A successful treasurer should have several important traits including:

- Establishing sound financial controls and practices and sticking to them
- Dependability - show up at all meetings and be prepared
- Consistency - don't make exceptions
- Organization - at least to a minimum degree
- Accuracy and honesty
- Willingness to ask questions when necessary
- Good communication - make sure the board and membership are kept informed about PTA finances

Basic Internal Controls and Guidelines for the Treasurer.

- Two signatures are required on every PTA check written. Pay every bill, no matter how small, by a **dual-signed check**.
- NEVER give anyone a pre-signed blank check or write a check made payable to "cash".
- Upon receipt, deposit money promptly in the bank.
- Count money received with the person presenting it. At least two people are required to count money for all deposits.
- Make separate deposits for each budgeted income line item. Do not mix a deposit for membership dues with income from a fundraiser.
- Use a Cash Receipt Voucher, a PTA Deposit Form or a Cash Count worksheet when counting money for deposit.
- For all deposits, keep a copy of the deposit receipt given by the bank and a copy of the deposit slip you prepared.
- Issue receipts for all checks and money received.
- Issue receipts for the sale of inventory.
- Present accurate Treasurer's reports at all meetings.
- Require original receipts, attached to a PTA check request form, for expense reimbursements.

Never make an exception to the established rules and guidelines. Consistency is one of the most important requirements of a treasurer. If you stick to these rules, you are well on your way to being a responsible treasurer.

TREASURER'S DUTIES

Your Local Unit bylaws dictate the responsibilities of the Treasurer. Article VII, Section 5 of your bylaws read:

The Treasurer:

- Shall have custody of all of the funds of the association;
- Shall keep a full and accurate account of receipts and expenditures;
- Shall make disbursements in accordance with the approved budget, as authorized by the association.

- Shall ensure that **three** signatures are on file at the bank, **with two signatures required on all PTA checks.** (Only elected officers of the PTA may be signatories on the bank account. Usually the bank requires a copy of the General Meeting minutes listing the names of the new officers who were elected/installed.)
- Shall present a financial statement at every meeting of the association and at other times when requested by the executive board and shall make a full report at the annual meeting.
- Shall be responsible for the maintenance of such books of account and records and conform to the requirements of Article XIII, Section 3, of the bylaws.
- The Treasurer's accounts shall be examined annually by an auditor or a audit committee of not less than three members who, satisfied that the treasurer's annual report is correct, shall sign a statement of that fact at the end of the report.
- The audit committee shall be appointed by the executive board. The committee's report shall be given at the next regular meeting after the audit is completed. (The audit committee members are only eligible to serve if they did not handle money and were not signers on the bank account for the fiscal period being audited.)
- Make sure the completed audit is sent to the Florida PTA each year (compliance@FloridaPTA.org).

Below are other responsibilities of treasurers that are not specifically mentioned in the bylaws:

- Keep the president informed of the financial matters of your PTA.
- Ensure your unit has standing rules or written procedures related to all banking and financial related processes approved for use by the board including but not limited to: check request (paper), online banking or bill payment and debit, credit or gift cards.
- Cash management is an important task. The membership may approve an expenditure, but you have to have the money available before you spend it. Watch the cash flow for situations where a bill comes due before the cash comes in. Ensure that your officers and chairs know that just because funds are allocated in the budget, it doesn't mean the money is in the bank. Refer to *Revenue and Expenses* section for more information.
- Keep your books up to date and in ink and backup all electronic files. Balance the check book and reconcile bank to book immediately when you receive a bank statement. Have the bank statement opened, reviewed and signed by a non-check signer. The reviewer should be looking at checks to verify there are dual signatures, vendor names are known, fees are not excessive, appropriate documentation is shown, deposit forms were used and that check requests have receipts or invoices attached. Refer to *Banking: Bank Statements* for more information.
- Coordinate with the Membership Chair that membership dues collected are remitted monthly using the *State and National Dues Payment Form* (see *Budgets: Membership Dues in the Budget and Revenue and Expenses: Membership Dues & Annual Reconciliation* for more information.)
- Deal with licensed Florida vendors. Refusal, or even hesitation, to pay sales taxes on fundraising events is reason to question the vendor's reliability. Refer to *Florida Department of Revenue* in this guide for more information.
- At least annually, review with your board items required by your unit to remain in compliance with state and federal regulations and those actions, activities or lack of that can lead your unit to possible fines, back-taxes and other potential litigation issues for misuse, fraud or embezzlement of unit funds or assets. Refer to *Protect PTA Funds: Board & Unit Responsibilities* for more information.
- Ensure reimbursement procedures are established in the Standing Rules to properly process all reimbursements.

FIRST THINGS TO DO

- Get a copy of last year's **PTA Audit / Financial Review** and **Treasurer's Annual Report**. You cannot write checks, acquire financial records from the previous Treasurer, change signatories on the bank account, or conduct banking related transactions until the Audit is completed. Once the Audit is complete and the signatories on the bank account are updated, checks can be written only on the Interim Summer Funds if they were approved on last year's Budget. You must wait until your new Budget is recommended by your Board and approved by your General Membership to write any other checks. See *Budgets* section and the *Annual Financial Review (PTA Audit)* section in this guide for more information.
- Study or become familiar with information in this guide, *Dollar\$ and \$en\$e* and the *Finance Section of the Back to School Kit from National PTA*.
- Refer to the *Records Retention Schedule* in the *Finance Quick Reference Guide* before discarding or destroying any documents or files.
- Review, set up and organize your Treasurer's books and related items. See the next section *Treasurers Books, Files & Records* and the *Finance Quick Reference Guide* for a list of items and related information.
- Review your unit's *Bylaws, Standing Rules and Policies and Procedures* (if applicable discuss with the board recommendations for improvement, particularly related to improving financial controls).
- Update bank signature card at your PTA bank to reflect new officers that are authorized to sign checks (this will require a copy of minutes from election meeting or a memo on letterhead).
- Remove/change all previous log-ins, users and passwords at bank and for any other e-commerce financial related accounts or files.
- Assist in creating a Budget for the upcoming school year. See *Budget* in this guide and *The Budget* section in the *Finance Quick Reference Guide* for more information.
- Identify board and committee members who can be trusted to handle financial transactions. Arrange and ensure proper training beforehand.
- Review your unit's insurance policy and related procedures particularly to bonding and liability (to remain in compliance and a valid policy).
- Identify any related school board policy or required school forms which you (the Treasurer) may have a role in completing or ensuring are completed.

Treasurers Books, Files and Records

PTAs and other organizations must keep books and records to show they comply with IRS tax regulations. If a PTA does not keep the required records, you may be unable to show that your PTA qualifies for exemption; thus your PTA may lose your federal income tax-exempt status.

In addition to the standard accounting and financial records (revenue, expense and balance sheets) the Treasurers books, files and records should contain notes, tasks, and items more specific to your unit and the duties of the Treasurer. As with the other positions and committee chairs, the treasurer should obtain these items from the preceding or outgoing Treasurer. Refer to *Contents of the Treasurer's File* in the *Finance Quick Reference Guide* for a list of items the Treasurer should possess.

RECORDS RETENTION

The PTA Treasurer and the unit President must be aware of the location of any and all unit records including the older or prior year records of the unit. With the various reporting and document retention requirements put forth by the federal government combined with the length of time some PTA units have been in existence, it is not uncommon for some units to have numerous boxes of prior year records! Although it is not always practical for all of these items to be in the same location, these items should be reviewed on a periodic basis and retained in a safe place. Thus it is best practice that the entire board is informed each year as to the location in which the prior years' records reside. It is very important that records be retained according to these guidelines. It helps to develop a records retention policy. Listed below are items that should be reviewed on a periodic basis and retained for the specified period.

The location of the PTAs records should be recorded in the minutes at the beginning of each year.

PTA Records Retention Schedule

PERMANENT STORAGE:

1. Annual Audit Reports
2. Bylaws, including all amendments
3. Canceled Checks (for important payments, i.e., taxes, special contracts, etc. (checks should be filed with the papers pertaining to the transaction)
4. Charter (Issued by Florida PTA)
5. Contracts and Leases (still in effect)
6. Correspondence (Legal)
7. Equipment owned by PTA
8. Insurance Records: Certificates, Accident Reports, Claims, Policies
9. Minute books of board of directors and committees
10. Your records retention policy
11. Standing Rules (currently approved)
12. Tax-exempt status documents as follows:
 - Sales & Use Tax Certificate of Exemption (DOR Form DR-5)
 - Letter of determination from Florida PTA (recognition) of federal tax-exempt status
 - Letter assigning IRS Employee Identification Number - EIN (IRS Form SS-4)
 - Copy of annual 990 filed with the IRS (Form 990/990-EZ and Schedule A, or IRS Form 990-N (e-Postcard)

- IRS Form 990-T, if applicable, for reporting UBI, Unrelated Business Income Correspondence with IRS
- Other information returns filed with the government

10 YEARS

1. Treasurer's Financial Statements (Year-End) and Budgets
2. Grant Award Letters of Agreement

7 YEARS

1. Accounts payable records
2. Cash receipt records
3. Canceled Checks (Exception – See above “permanent”: Canceled checks for Important Payments such as taxes should be kept permanently and stored with the papers pertaining to the transaction)
4. Contracts and leases (expired)
5. Inventories (products and materials)
6. Purchase orders
7. Sales records
8. Vouchers for payments to vendors, officers, etc. (includes allowances and reimbursements to officers, members, etc., for travel and other expenses)

3 YEARS

1. General Correspondence (Corresponding Secretary)
2. Membership Lists (Including names and full contact information)
3. Petty cash vouchers

1 YEAR

1. Bank reconciliations
2. Correspondence with customers or vendors is non-contested
3. Duplicate deposit slips
4. Inventories of products and materials (update annually)
5. Membership envelopes/forms for current membership

Also refer to the *Finance Quick Reference Guide* for the *Records Retention Schedule* that includes which items and time period in which they should be retained before discarding or destroying any documents or files.

MEETING AGENDAS AND MINUTES

The Treasurer must maintain a copy of meeting agendas and minutes for all PTA business meetings (general, board and executive committee). With these records a copy of the Treasurers report, budget or other financial related data shared or distributed at the meeting should be attached.

ACCOUNTING/FINANCIAL RECORDS OR LEDGER

The accounting records of the PTA include the day to day, or month to month items documenting the flow of your unit's funds. Whether it's an old fashion General Ledger book (written in pen, not pencil), and official accounting software journal such as Quick Books, or a general computer software application such as Excel or anything in-between, both the Treasurer and the board members should be comfortable in the manner in which the unit's financial accounting records are documented and maintained.

ORGANIZATION OF RECORDS

The organization of the accounting records and associated documentation files are generally left to the discretion of the current treasurer. For a list of items the Treasurer should have or maintain, refer to *Contents of the Treasurer's File* in the *Finance Quick Reference Guide*.

Some Treasurers like to keep a file or tab matching or correlating to each line item in the budget (to store the hard copy supporting documentation) while other treasurers prefer to keep one tab, one folder or similar for each committee or financial type regardless if it is a deposit or expense. There are Treasurers that prefer keeping the hard copy records in a notebook rather than using folders or expanding files (as they feel the paper being three-hole punched and placed in the notebook rings is more secure). Regardless of the method or filing system used the Treasurer should feel conformable with the method or manner in which accounting records are kept. However it is important to note that the board can create a Standing Rule as needed dictating any particulars on how the accounting records are organized or maintained over and above what is stated in the unit bylaws. This might come about as a result or recommendation after an audit or annual financial review.

THE CHECK BOOK

The treasurer should have the checkbook in personal possession at all times. It should not be given to another person to keep, or left in the school building overnight. Secure all reserve supplies of checks, deposit slips and other banking documents. Report missing checks to your bank immediately.

Each check should be written for a specific purpose and signed at the time it is needed - not before. **NEVER** keep a supply of checks which already have one signature. Checks should **NEVER** be made out to cash (if lost or stolen it could be cashed by anyone) or signed without a vendor or payee name and amount already on the check. Your bylaws require **two signatures on every check**, with three signatures on file with the bank. There will be times when it is inconvenient to coordinate two signers, but it is the only sound financial practice. See *Protecting PTA Funds: Co-Signer Responsibilities* for more information. In addition to the amount, date and check number noted on the check request form and/or invoice, all checks written should be logged in either the check register, on the check stub, on software or accounting system or in a manual log book.

TREASURER'S MONTHLY AND ANNUAL REPORTS

Your bylaws require the PTA Treasurer to prepare a signed monthly financial report. Copies are normally submitted to the President and Secretary with additional copies made available to board members at the **board meetings**.

Financial reports are also required to be given at each **general meeting** and should cover the period since the last general meeting. Treasurers should also prepare an annual report to be presented at the final general meeting of the year. The report is to include all financial activity from the beginning of the fiscal year (July 1) through the most recent bank statement.

To avoid too much paper at general meetings, you may consider projecting the budget and reports on a screen (PowerPoint Presentation or transparency). In this case you should still have some hard copies available for members that want one, and also consider having a sign-up sheet to email an electronic copy or if you run short on hard copies.

The format of the treasurer's financial reports is the option of each PTA, but be sure the format complies with any requirements established by the school district. Information which should be reported includes the ending balance of the last report, revenues for the period covered, expenditures for the period and the current balance.

To present an understandable year-to-date report, it is recommended to use the currently approved budget, and adding a column for actual figures next to it. Remember to show any budget amendments that may have been adopted during the year. Using the budget for the reports allows for comparisons which help measure how closely the PTA was able to follow its plans for the year and may assist in making accurate estimates in the budget for the next budget year.

The Treasurer should be prepared to explain to members that a budget is merely an estimate of the year's revenue and expenditures. Small deviations from the budget are to be expected. However, it is the responsibility of the entire executive board to explain any significant differences in estimated and actual figures.

Be sure to point out that the PTA's fiscal year ends June 30 and mention any anticipated revenue or expenditures which may occur after the annual meeting (usually held in April or May).

The Treasurer's annual report, as well as each monthly report and signed bank reconciliations, is the means by which the members of the PTA are informed of the financial standing of the association. The money belongs to the entire membership and each member is entitled to a vote in all financial decisions.



Protecting PTA Funds

Because a PTA is a volunteer association, leaders can be casual about handling money at times. Some do not realize that as a member of the associations board of directors, they can potentially be held liable for mismanagement, abuse or embezzlement of the unit's funds. The leaders could also be held personally liable for the actions they do or perhaps do not perform! This section includes basic information to help protect yourself as individual and your unit from mismanagement of funds.

*Also refer to the Finance Quick Reference Guide for information such as a *Fraud Prevention Checklist*, *Specific Warning Signs* and other helpful information.*

BOARD & UNIT RESPONSIBILITIES

Even though the Treasurer has a major role in the financial and accounting operations of the unit, all board members are responsible for the general oversight of the financial operations of the unit. These same leaders also have an obligation to their members to be responsible and accountable in how they spend PTA money. This typically would include, but is not be limited to, either confirming or reiterating that the following activities be performed. (Note: Most of these items are specifically listed in all PTA unit bylaws.)

- A formal audit or financial review occurs at least annually. See *Annual Financial Review (PTA Audit)* for more information.
- A budget is adopted by general membership before funds are disbursed. See *Budgets* section for more information.
- Anticipate and request that the treasurer share informative financial reports at all General Membership meetings and during monthly Board meetings. See *Treasurers Books, Files and Records: Treasurers Monthly and Annual Reports* for more information.
- Monitor the budget between general memberships meetings.
- Verify that original financial bank statements are being examined by a member (in addition to the Treasurer), but who is not an authorized person on the account. See *Banks: Bank Statements* for more information.
- Ensure that the unit has appropriate and up-to-date insurance coverage (liability and either bond or officers coverage) and a rider policy as needed. See *Protecting PTA Funds: Insurance* and your unit's insurance policy for more information.
- Verify that the unit is reporting gross revenue to the IRS (Internal Revenue Service) annually. See *PTAs and Federal Requirements* for more information.
- Keep basic internal controls in place such as:
 - Authority and approval for disbursement of funds.
 - Proper documentation and accounting procedures.
 - Limiting Access (accounting records, merchandise, equipment sign-out sheets).
 - Dual accountability or verification of funds collected and funds disbursed.
 - Take action when "red flags" appear.
 - No reimbursements without original receipts.
 - Reimbursement procedures are followed.

THE ROLE OF THE PRINCIPAL

As stated in the PTA local unit bylaws, the principal is designated as an executive board member and, as all other board members, the principal has one vote. However, the principal has the additional duty of being the manager of the school itself and must adhere to policies and procedures set by the school district and the school board. A principal does not have the power to force a PTA to perform a specific activity, but as the school steward, and as a practical matter, the principal has authority to approve or “veto” any matters which affect areas of their responsibility in the school district. **It is important to work with the principal and school administrators to ensure that the needs of the students in the school and the activities of the PTA are aligned.** Few of us would think it appropriate for any other organization or business to impose its decisions on our schools. Likewise, a PTA does not have special rights to make school management decisions. A PTA is successful when it earns its standing by developing responsible relationships within the school administrators and the community.

PTA FUNDS

The executive board of a PTA, including the treasurer, has the responsibility to keep the association's funds secure, establish and maintain general financial internal controls, and exercise financial responsibility of the unit's funds. Local PTAs work in harmony with school personnel but PTAs are not supporting organizations, clubs or booster groups for any school. PTA units have their own bylaws that identify their purpose and policy.

PTA funds belong to the PTA membership. The funds do not belong to the treasurer, the officers, the executive board or the principal. The membership makes the budgeting, fundraising, and financial decisions, and sets policy which the board executes. A member who attends every general meeting should understand the purpose and mission of PTA (as set forth in the unit bylaws) and be aware of where the funds come from and how they are spent. See *Revenue and Expenses: Standards of PTA Funds* for more information.

PTA FUNDS VS SCHOOL INTERNAL ACCOUNTS

PTA may give money to the school to purchase an item the PTA is donating to the school. In some cases this is even encouraged (such as paying for buses for a school field trip) as if the property of function is truly for the school, rather than the PTA it alleviates potential liability concerns. In some cases, that is necessary in order to take advantage of school purchasing contracts or other special deals. However, the PTA must receive a receipt or copy of the invoice indicating that the money was spent as stipulated by the PTA. It is not sound financial practice to give money to the school or principal undesignated. **PTA Monies should never be deposited into an internal school account or be kept in a school safe.**

CO-SIGNER RESPONSIBILITIES

As indicated in your PTA unit bylaws, PTA checks require two signatures, and there should be at least three people listed on the “bank signature card” as authorized signers on the account. This usually includes the President, Treasurer and Vice President (or Secretary), but only elected officers of the PTA may be signatories on the bank account. **Individuals authorized to sign checks and handle PTA funds should not be of the same household, related by marriage or any other relationship.**

Some school districts do not allow school employees to be the Treasurer or to be in control of any funds or monies but they can be a co-signer of checks if they are an elected officer. While in other districts they cannot be a co-signer under any circumstances (it is considered a conflict of interest for the school employee). Check with your local school district.

In some cases, the bank will refuse to let one or more of the intended officers sign on the account. In this case, the executive board should vote on replacements to serve as check signers. The officers do not need to be replaced and will maintain their other duties but will not be allowed to sign checks. The minute of association should include who the signer's on the bank account.

A co-signer should never sign a blank check; the date, payee and amount should be filled in already. The co-signer should also request to see the original bill or invoice for the amount and know or feel confident that this was an approved purchase before signing a check. As a co-signer you may feel awkward questioning a check or the purchase, but accept the fact that sound financial practices are your duty as an officer, and this is more important than convenience. The right way may not always be the fastest or easiest, but it is always the right way.



INSURANCE

All individuals authorized to handle PTA funds must be covered by bond insurance. Just like a business, your PTA is exposed to certain risks. You may do everything you can to prevent something from happening to your PTA, but in reality no one can guarantee that things are going to run smoothly all of the time. PTAs are not immune from liability. Your PTA insurance policy is intended to protect not only the assets of the PTA but also the officers/board members under most circumstances. Insurance may also pay attorney fees to defend you as long as you are acting lawfully and in accordance with all PTA requirements, policies and the bylaws. There are separate risks that your PTA needs to be aware of:

General Liability: Provides coverage for legal liability arising from bodily injury, personal injury (false arrest, libel, slander, and other defined injuries), advertising injury, and property damage that results from activities and operations. Such insurance coverage may be purchased either on a continuous, year-round, comprehensive coverage basis, or on a one-time basis for special events. It usually does not cover: organized sports, property purchased for the school, etc.

Accident Medical: Designed to “compliment” your General Liability insurance, it provides medical coverage for risks that are specifically excluded from the liability policy such as, but not limited to, mechanical rides, school buses, automobiles and watercraft.

Fidelity Bond: Covers anyone that your PTA trusts with money whether it’s an officer, board member, volunteer or “courier”. If a person embezzles your money, this policy could replace those missing funds. To determine the limit needed, use your annual budget, and carry the bond for that amount.

Property: Protects your “raffle/auction” merchandise, fundraising merchandise, while it’s in your possession. This policy protects most personal property of your PTA such as popcorn machine, snow cone makers, school store supplies, emergency preparedness supplies, etc.

Directors & Officers Liability: Protects officers for their good faith actions as board members. If someone sues the officers for mismanaging or misrepresenting the PTA, the insurance policy could pay legal bills and provide protection for these allegations.

Your Board should review your insurance policy annually, to make sure you are following regulations set out in the insurance policy. You may need a "rider" for specific coverage (i.e., bounce house, food, etc.)

NOTE: Insurance requirements vary by school district. The school district’s insurance policy does not cover PTA events. Check with your principal, school district and/or County Council PTA (if any) on what coverage is required in your county. Many County Council PTAs include insurance to their local units with their annual dues payment to the County Council. Check with your County Council PTA (if any).

SIGNING CONTRACTS

Before a contract can be negotiated and signed, the general membership must approve the project. The Executive Board must give the President the authority to negotiate and ratify all contracts. The length of the contract must be limited to the term of the participating officers. Even if some or all of the officers are returning for a second year, the contract cannot be signed until the general membership approves the project.

The contract should be signed, “_____ PTA (or PTSA) by _____, President”. This will help the other parties in the contract understand that they are entering into a contract with the PTA and not the President as an individual. It is also preferable that another officer also sign the contract when possible. Refer to your unit’s insurance policy and related documents for other advice and guidance for signing contracts.

See the *Finance Quick Reference Guide* for more information on *Contracts*.

WAIVERS

There are two different waivers that are typically used by PTAs. The first is a Parent’s Approval and Student Waiver. This would be used anytime you need a person under the age of 18 to sign for a specific event. The other is a Participant’s Waiver. This would primarily be used anytime you want someone over the age of 18 to sign for a specific event. Check with your insurance company or the school administrators, they will provide sample waiver forms.



GENERAL CONTROLS AND BEST PRACTICES

Best practices and general controls are listed throughout this guide from bookkeeping and banking to audits. Below are some general items to follow when handling PTA funds.

- Every financial transaction should leave/have a paper trail (See *Handling Cash and Funds* below and the *Revenue and Expenses* section for more information).
- Maintain the original copies of documents whenever possible (bank statements, receipts, invoices, etc.) to minimize the chance of alteration.
- Control the access and the use of the financial resources of your unit (from cash box, to lock/drop boxes, the check book and other related items).
- Establish procedures in your Standing Rules so it is easier for people to follow from the start (require dual accountability for handling and counting funds, require receipts for reimbursement of expenses, etc.).
- Reconcile your bank statement regularly; keep books, checkbook register, and files up to date.
- The monthly bank statement must be reviewed and reconciled by a member who is not a signer on the bank account (review, sign, and list the name of person on the bank statement). The reconciliation should be recorded in the PTA monthly meeting minutes. For more information see Bank Statements on page 23 of this guide.
- Ask questions and make inquiries when necessary. Your County Council or Region Representative, and the Florida PTA State Office are always available to assist and to help you succeed

Refer to *Theft, Fraud and Embezzlement Guidelines* and the *PTA Financial Management Checklist* in the *Finance Quick Reference Guide* for more information on securing funds and protecting funds and assets.

CONFLICT OF INTEREST (PREVENTING INUREMENT)

A Conflict of Interest Policy should be established in your Standing Rules. It can include a statement that the PTA officers and board members are required to sign annually. This policy will help your PTA prevent inurement. See Section 3: Treasurer Forms for a *Sample Conflict of Interest Policy* your unit can use or modify for its use.

The **inurement** prohibition forbids the use of the income or assets of a 501(c)(3) tax-exempt organization to directly or indirectly unduly benefit an individual or other person that has a close relationship with the organization or is able to exercise significant control over the organization such as officers and insiders. An IRS requirement of a 501(c)(3) organization includes that no part of the organization's net earnings may *inure* to the benefit of a private shareholder or individual. Also inurement does not need to consist of cash or other financial benefits. **ANY** benefit conferred on individuals, officers, board members, any of their family members or others may be an inurement.

HANDLING CASH AND FUNDS

Handle funds with dual accountability and controls in order to prevent accusations of dishonesty, temptation to commit fraud, and to reduce your unit's exposure to liability.

1. Make pre-arrangements with the Treasurer so funds can be counted and deposited immediately after an event. Daily deposits may be needed for larger or longer events (i.e., Book Fair).

2. Some school districts indicate **large bills** are not accepted. Your unit can create a Standing Rule or a best practice for handling larger bills if needed (some will not accept a \$100 bill, others use a security pen before accepting larger bills) or adopt the same policy as your local school board to put in your PTAs Standing Rules.
3. When accepting a **check and/or a money order**, ensure it is dated and signed, and the check is made payable to your PTA and both the written and legal amounts are equal. It is advised that you only accept checks with a name, phone number, student name or some other way to track back whom to contact in the event the check does not clear the bank. Consider adopting the same policy as your local school board for insufficient funds into your Standing Rules.
4. Always have **two people present when counting cash**. It does not always have to be the Treasurer. There are times when it is more practical and a stronger internal control to have two people verify the funds and place in a self-sealing security plastic money bag for the treasurer. But regardless of which two people are counting, they should both fill out and sign either a *Cash Count*, *Cash Verification* or *PTA Deposit Form*. And when appropriate attach any supporting documentation (register receipt, order form tally sheet, carbonless copy pages of receipt book, etc.). See Section 3: Treasurer Forms.
5. Funds should be **counted daily and either secured or deposited each night**. If security is an issue, have two people go to the bank together. You can also ask a school resource officer or local police or sheriff's department to assist you with taking funds to your bank.
6. Keep **record of the deposit amount in an additional location** other than with the actual deposit (If the deposit is lost or stolen prior to arriving at the bank, would you know the amount?).

CASH BOX

There are events and circumstances where change or a cash box is needed with startup monies. Never borrow funds from another event or have a person "front the funds". Documentation for this request and transaction would be needed. Use either a traditional *Check Request Form* (check payable to the committee chair to get change for them self) or a *Cash Box Request Form* (where the Treasurer makes a withdrawal from the bank). To ease accounting, an equal deposit should be made at the end of the event.

Sometimes the cash box funds are only need for a few days or a week, such as with a book fair and at others times a cash box is needed for several months or for most of the year, as with a uniform shop or school store. However a cash box is not set up indefinitely nor should it ever cross over a financial year-end. (For example, selling t-shirts last week of school, and then again on orientation day). At the beginning request change, and end make a matching deposit amount (returning cash box funds).

EQUIPMENT LOG

If your PTA has purchased equipment such as cameras, coolers or other items of value the PTA and the people using the item(s) have a responsibility to exercise efforts to keep those items secure. The Treasurer should maintain a list of these items for the unit's records, update the list as needed and validate the items on the list at least annually.

Sometimes items are purchased by the PTA for use by different people throughout the school year, in that case you might consider using a log or check-out sheet and possibly create a usage statement for the people using the equipment to sign (simply reminding them that the item belongs to the PTA and to exercise reasonable care and whom to notify if they have questions or problems returning the item).

To prevent potential liability issues, there are also general guidelines to consider especially for electric, mechanical and other types of items (that possibly may be more prone to a possible safety concern) regardless if they are used by your unit or purchased by your PTA and given to the school or another entity. Refer to your insurance policy and their related materials for more information.

INVENTORY CONTROL

Especially for items that are stocked and maintained from year to year, it is beneficial to have and keep history data to refer to when making future orders. Inventory control and the management of inventories including thoughts and decisions such as:

- which items to stock,
- how much to stock to keep on hand,
- when to buy,
- how much to buy, and
- efforts made to minimize pilferage and damage.

Because inventory is money, treat it as such! Keep inventory secure. Count or verify the inventory or product when originally received, compare it to the invoice and report discrepancies immediately. Have and use a master count or inventory worksheets. If people are aware the sheets are being used they are usually more careful.

WHAT TO DO IF MONEY IS MISSING

As fundraising dollars grow, so does the potential for fraud. Contact your county council, or the Florida PTA State Office immediately, if you suspect money is missing. They can assist and provide guidance on the steps to take. In the interim remember the following:

- Don't make accusations.
- Document all information related to the event including allegations.
- Gather facts and documents.
- Identify all bank accounts involved and consider closing or freezing the accounts.
- Meet with your County Council or Region Representative to discuss your options, including contacting the authorities.
- **Do not accept any restitution on your own (for any amount). Even accepting \$1 could void any potential criminal investigations and remove any legal recourse for restitution.**

Also refer to *Theft, Fraud and Embezzlement Guidelines* section in the *Finance Quick Reference* Guide for more information on

- *Preventing Theft, Fraud, and Embezzlement*
- *Fraud Prevention Checklist*
- *PTA-Specific Warning Signs*
- *Reasons Why Some PTAs Find it Difficult to Report Fraud*
- *The Cost of Not Prosecuting Fraud*
- *Suspected Fraud Action Step by Step*

Banking

Shop around for banks comparing the rates and services needed (or not needed) by your unit. Only the board can approve a change in banks (and must be recorded in the minutes). The bank will need the PTA's Federal Employer Number (EIN). Call the state PTA office for help if you can't locate your PTA's EIN number. **DO NOT** provide the bank with a personal Social Security Number in place of the PTA's EIN number to establish a new bank account. However, for identification purposes **only**, most banks require a driver's license and social security number for signers on the PTA account. See *Finance Quick Reference Guide* for more information on Banking.

Some banks may indicate your unit must be "incorporated" to open an account; this is not true for a PTA. Contact the Florida PTA office for assistance if needed.

ACCOUNT TYPES, SERVICES & FEES

PTAs are allowed to earn interest on their bank accounts. PTAs can maintain checking, savings, CDs or other forms of bank accounts. If your unit chooses to use online services, proceed with caution, establish internal controls and discuss security measures the bank offers to help reduce risk of fraud and embezzlement. Also refer to *Electronic Commerce* in this guide and in the *Finance Quick Reference Guide* for more information.

With many checking accounts some bank branches are offering added security features such as various text and email alerts when either minimum balances are reached, withdrawals are made, etc. It is also worth inquiring on other services they offer when you have or open a new account such as zippered pouches, security sealed money bags, carbon checks, notary services and more. Inquire with your bank what they offer for free, and what items come at an additional cost.

Banks are very competitive, it is worth shopping around and comparing the fees and services offered. Although many offer free checking services the range of fees for bank statements, checks, minimum balance amount and penalties for falling below minimum balance can vary greatly.

Refer to *Revenue and Expenses: Bad Check and Other Fees* for information on accounting and budgeting for these items.

ORDERING CHECKS

Order pre-numbered checks and deposit slips wisely and avoid excessive inventory. When you receive your check order, make sure all of the checks are there, and that none are missing. Report any missing checks to your bank immediately.

Because all PTA checks should have two signatures it is best to have two separate signature lines on the checks. You may consider inquiring on "maximum dollar amount" checks. And although it is not required, some units prefer to keep the larger or desk set check book that come 3 to a page, have attached stubs and carbonless copy for record keeping.

Refer to *Protecting PTA Funds: Co-Signer Responsibilities* and the *Treasurers Books, Files and Records: The Check Book* for more information related to checks. Refer to *Electronic Commerce* for information if your board approves usage for online banking or debit cards.

DEPOSITS

To allow for more transparent accounting practices, it is advised to keep deposits separate as to the reason or the line item in your budget. (Example, funds collected for a yearbook and funds collected for membership dues should have two separate bank deposit slips.)

Deposit all monies promptly in the local PTA approved bank account. **NEVER** deposit monies in a personal bank account or in the school account. **NEVER** allow the school, school clubs or other organizations to deposit money in the PTA account. If other groups deposit money through the PTA, it is as if you, as a taxpayer with a Social Security number, allow someone else to use that number. A PTA may jeopardize its tax exempt status by assisting another organization to avoid compliance with tax laws.

When preparing the bank deposit ensure the checks are dated, signed and made payable to your PTA. Then endorse using a permanent stamp or write "For Deposit Only".

Ensure a *Cash Count Worksheet*, *Cash Verification* or a *PTA Deposit Form* signed by two people has been verified before taking the deposit to the bank (see *General Controls and Best Practices: Handling Cash and Funds*). Keep the receipt given by the bank and either attach it to the dual signed form, your deposit book or hold until the monthly bank statement when it arrives.

See *Finance Quick Reference Guide* for information on *Deposits and Joint Fundraising*.

BANK STATEMENTS

Bank statements along with check images or cancelled checks should be reviewed on a monthly basis. If your bank will only mail one bank statement, it should be sent to a non-check signer on the account. They should receive the unopened bank statement and review the activity before passing it on to the Treasurer for reconciliation. The reviewer should reconcile the statement, look at each check to make sure there are two signatures, verify that vendor names on the checks are known and that fees are not excessive, check for appropriate documentation including deposit forms and check requests with receipts, then sign the statement and give it to the Treasurer. This can be done at a board meeting. The non-check signer, who reviews the bank statements, must sign and date when the statement was reviewed.

Immediately upon receiving a bank statement, either the original copy from the reviewer or from on-line access, the Treasurer should reconcile and balance the ledger (books) and the check book and prepare a monthly report for the next meeting.

It is a good practice to record the review in the minutes and announce at each board meeting which bank statement(s) have been reviewed and by whom.

Caution: Be sure to receive and review statements from all PTA accounts!

Electronic Commerce

As electronic banking has expanded so has the use of ATM, debit, credit and gift cards. Although these provide many conveniences, they can create an opportunity for misuse (just as with cash, check and other forms of payment). Any PTA unit considering using any form of electronic commerce, should first agree as a board and set internal controls. This section of the guide provides some basic information and best practices that should be put into place in addition to the standard controls set forth for protecting your unit's financials and assets.

ELECTRONIC BANKING BEST PRACTICES

Many of you may have already been offered such cards by your financial institution as a way to make banking "easier." The local unit PTA's board of directors should discuss and set policy **BEFORE** obtaining any debit/credit/gift cards for use by the local unit PTA.

Internal Controls for Electronic Banking:

- Policies/procedures should be in writing and **reviewed annually**.
- Financial responsibilities, including the monitoring of credit/debit card use should be separated between multiple people: A person(s) who does not have the authority to approve payment should review invoices for appropriate use of funds based on the pre-approved budget;
- Bank statements and bank reconciliations should be reviewed on a monthly basis by someone who does not have the authority to approve debit/credit card purchases.

Refer to the *Finance Quick Reference Guide: Online Bill Payment* and *Online Banking* for more information,

CREDIT/DEBIT CARDS:

When allowing volunteers to use a PTA issued debit/credit card, you always run the risk of fraud and misuse. If your board approves and allows their use then you must have strong internal controls. **And ANY person who is given a debit/credit/gift card MUST sign a PTA agreement, such as the one in Section 3: Treasurer Forms.**

By having pre-approved written internal controls, ensuring the controls are followed, your unit can reduce these risks while also maintaining accurate record-keeping, Consider these best practices:

- No more than two debit/credit cards issued by bank;
- Have written debit/credit card policies and/or procedures in place. These policies and/or procedures will state by whom and for what the debit/credit card can be used as well as cardholder responsibilities.
- Have each new cardholder sign a statement clearly stating they have received the debit/credit card and have read and agreed to the terms and conditions of the debit/credit card policy.
- Get a debit/credit card that will allow limits by each user.
- Set up an approval process to make sure all debit/credit card receipts are received and all charges are part of a budget pre-approved by the general membership. (Example an expense form document would still be required, see sample Debit/Credit/Gift Card Expense Form in Section 3: Treasurer's Forms
- Make sure that all expense forms are signed and dated by the card holder as well as the designated approver.
- Make sure the cards of all former volunteers are destroyed AND deactivated immediately upon resignation, termination or the end of a term of office.
- Assign a person who does not have a card to review receipts and reconcile them to the bank or credit card statement.
- Set up with the bank, that one copy of bank statement is sent to non-signer on the account.
- Set up with bank, to have text alerts sent to president, treasurer and non-signer on the account for all debit/credit card transactions.
- Notify bank immediately of any questionable charges and investigate the card usage for possible fraudulent activity.

For additional information refer to the *Finance Quick Reference Guide: Using Credit Cards for Bill Payments*, and *Use of ATM/Debit, Gift or Deposit Only Cards*.

ACCEPTING CREDIT/DEBIT CARDS FOR PAYMENT

If your board approves the use of credit or debit cards for payment (such as membership, donations or fundraising items) consider these items when establishing your unit's policy:

- Research & understand the risk and potential liability verses benefits (compliance with Payment Card Industry Data Security Standards)
- Keep enough documentation, for example, signatures of cardholders, for each transaction to ensure that disputed charges do not become a problem.
- Store any physical documents containing credit card data in a locked drawer, locked file cabinet, or locked office which the PTA solely controls (shred when no longer needed)
- Do not transmit cardholder's credit card data by email, mail or fax
- Do not store credit card data, PIN or CVV2/CVC2/CID numbers for customers, paper nor electronically in an unsecured area
- Ensure that the person taking the credit card information and/or processing the transaction is properly trained in best practices
- When a refund is necessary, the refund must be credited only to the same account from which the purchase/donation was made

For additional information refer to the *Finance Quick Reference Guide: Accepting Credit Cards and PayPal Nonprofit Services* for additional information.

GIFT CARDS AND PRE-PAID CARDS

In many cases gift cards and other prepaid cards (credit cards, phone cards, etc.) are almost the same as cash, so if your board approves their use for any reason, proceed with caution as they can easily be misused if you do not have strict internal controls.

BEST PRACTICES:

- Issue receipts for all checks and money received.
- Policies and Procedures should be in writing for the purchasing, distribution and use of gift cards.
- Do not purchase gift cards or prepaid cards unless truly needed.
- Do not purchase with the intent of keeping extras on hand or just because you may need them.
- You cannot return gift cards or pre-paid credit cards, thus accounting for these items may be difficult to track (because documentation is required for both the original purchase of the card and for each purchase made with the card).
- Individuals purchasing gift cards must submit a receipt. Any gift card purchased must have a receipt and check request form (or notation as to their intended purpose and which line of the budget the expense is applied).
- If gift card will be used as a reward, recognition or thank you (such as a door prize for attending an event or prize for reading the most books) that would not have a restriction on its usage (other than the retailer in which it is valid for) then have the recipient sign for the card and include supporting documentation (such the flier advertising the prize, news article or a picture of the winner) indicating who received what card for what purpose.
- If gift card will be used for purchases by pre-approved committee chair or officer to purchase pre-approved items for a pre-approved event, activity or purpose (such as administrative type items, newsletter printing, supplies, etc.) the person receiving the card **MUST** sign for the card, confirming the amount indicated on the card is accurate (usually a 1-800 number to verify card balance) and

acknowledgment that receipts are needed to confirm approved items were purchased. This can be written directly on the check request form or create a separate agreement. See sample *Debit/Credit/Gift Card Expense Form* in **Section 3: Treasurer Forms**

CLOUD COMPUTING STORAGE

Cloud storage is a service that allows customers to save data by transferring it over the internet or another network to an offsite storage system maintained by a third party. The use of cloud storage provides many benefits, but should be used with caution. Refer to the Finance Quick Reference Guide for additional information.

Budgets

A budget is not only a guide but also a working document. It shows a plan for spending those funds to meet the needs of the unit's yearly activities, for obtaining funds and also should allow adjustments when those estimates are not exactly accurate. (See Section 3: Treasurer Forms.) A budget does not show what a local unit must do; it shows the general membership what the unit intends to do. Just because a program or fundraiser is listed on the budget does not mean that it must be done. But if it is not on the budget, it can't be done.

BUDGET COMMITTEE & CREATING A BUDGET

The Treasurer should serve as the chair of the Budget Committee. Unless your *Bylaws* or *Standing Rules* state otherwise, the officers will make up the Budget Committee. The budget committee usually meets before the school year starts to create a tentative budget for the new school year, shares the tentative budget with the board, then at the first general meeting of the year presents the budget. The budget **must be adopted by the general membership** before any funds are spent.

Prepare a budget, as required in PTA bylaws, and use it. Do not raise money just because it is traditional and later decide how to spend it. When creating a budget consider:

- the amount of money on hand, or carried over from the previous school year.
- have you been fulfilling the purpose of PTA.
- study the receipts and expenditures of the past, noting items to be repeated or discontinued.
- consider the costs of new programs and projects.
- add, delete or rename line items (this should be rare, and most prefer to leave a line item as zero for more than a year before deleting from the budget),
- review and adjust carryover amount (see *Carryover* below for more information).

CARRYOVER FUNDS

Unless you're a brand new PTA, the budget starts with the money being carried over from previous school year and ends with the money being carried forward to next year. Any difference between the revenue and expenses will be reflected in the change in the ending cash balance. It is a general principle that if you only raise funds for what you intend to spend in the current year, then you will have a minimal carryover balance. But after a couple years of successful income and being cost effective with expenses, you may find that your carryover cash balance has become larger than necessary. In that instance, your membership could approve a budget with the expenses exceeding the revenue amount as a way to reduce the carryover funds. As long as you maintain a proper carryover balance and the budget, approved by the general membership, clearly shows that there will be a "Net Loss" for the year (which results in a reduction in the cash balance), then it is quite appropriate to have a budget where revenue does not match expenses. In the example, you will see that the PTA had a carryover balance of \$12,000. They expected to raise \$25,950 and spend \$26,970. This resulted in a Net Loss of \$1,020 but they were still left with a carry forward balance of \$11,280.

BUDGET LINE ITEMS

There is no right or specific way a PTA must name their budget line items. Just keep a little flexibility and be sure the treasurer, board and your members understand the methodology used in naming the budget line items.

The budget must be specific enough so the membership understands how its money will be spent, but not so rigid in naming the line item that the board is unable to function. Avoid getting too specific with line items, maybe create a line item for Training rather than creating individual lines for specific training.

There are many schools of thought when naming the budget line items. Some prefer listing whom rather than what; and others would be the other way around. An example may be printing; a unit may have printing cost as a line item and everything printed regardless what it is or what it is used for it goes under printing. The table below provides a few examples.

Example Whom Budget Line Items	Example What Budget Line Items
Student/Classroom – any expenses for the students, or classroom. Such as supplies, equipment, other resources (item remains either with the student or with the classroom).	Special Projects - student scholarships, Reflections program, parent education and student enrichment activities
Teacher/Staff – items that directly benefit the teachers of staff with no direct benefit to the students. Generally think of the item as belonging to the person (not the school, not the student).	Hospitality - refreshments served at PTA general meetings and for student and teacher appreciation to generate a feeling of belonging and working together
Programs/Family Involvement – all cost associated with the program, workshop or meeting including printing, film/video rental, guest speaker, refreshments, etc. Could include General Meetings, before or after school event or enrichment, newsletter. Generally think of the item directly benefiting more than one group (students/family, school, PTA and/or community).	Committee Activities and Programs - speaker's travel expenses, film/video rentals, membership campaign expenses, baby-sitting for meetings, etc.
School Grounds – items for the school, but not directly for a classroom possibly a special plaque, general décor, landscaping, microwave for the staff break room.	Awards -student end of year awards, teacher/staff awards, awards of state life memberships, National PTA Life Achievement Awards.
Leadership and Promotion of PTA Work council dues, delegates' expenses to attend conferences, state and national conventions, leadership training workshops.	Information and Education Services – newsletter, reprinting brochures, guides and handouts from state or National PTA, additional subscriptions to National PTA <i>Our Children</i> , etc.
Administrative – items and expenses of the PTA not specific to a program, the students, the staff or the school. Might include PTA cost for printing, postage, supplies (other than for classroom, staff, program or family involvement).	Administrative Work - secretary's and treasurer's record books, copy costs and supplies, office supplies, postage, telephone calls and other expenses of president, other officers and chairs.

ALLOCATING FUNDS

It is important to remember that fund raising is not a primary function of a PTA. The real working capital of the PTA lies in its membership. By investing their human resources in programs or action, PTAs are able to benefit children and youth with smaller amounts of money. PTAs improve schools, for example, by supporting efforts to obtain funding; by working with the school staff to strengthen curriculum; by planning good programs for parents and students; and by providing volunteers for school activities and services. Many times it is the expectation of the public and, in some cases the members, that PTA functions to provide material aid to the school. Before approving proposals for equipment and services, a PTA should consider whether or not the proposal is a public responsibility. A PTA gift of money or equipment to a school may have the effect of creating or increasing inequalities among schools. A PTA renders a greater service by securing public support for education. At times it is necessary for a PTA to finance certain services and/or equipment until the public accepts responsibility for these necessities. As soon as money becomes available from other sources a PTA should allocate more of its funds for projects such as leadership training and parent education.

PTAs cannot pay salaries for teachers. A local unit PTA is not an employer.

INTERIM FUNDS

These are minimal, “pre-budgeted” items that permit the board to spend a small portion of the annual carryover during the summer prior to the adoption of the annual budget for the school year. A welcome back breakfast for teachers during the preplanning period would be one example. Another line item in the interim section of the budget would be for expenses related to the Florida PTA Leadership Conference/Convention and PTA training that could not be prepaid in the prior fiscal year.

AMENDING THE BUDGET

Be prepared for budget estimates to be high or low and have contingency plans. Review and make necessary recommendations to general membership on budget changes (amendments). It is recommended to plan a mid-year budget review to update the budget to include actuals. Amendments to the budget must be voted upon and approved by the members at a General Membership Meeting. If an actual line item exceeds the budgeted amount, those line items must be adjusted to actual. Reasons for amending the budget include adjusting existing revenue or expenditure lines to better reflect actual results or adding or removing programs in the expense section based on the level of income earned. Since the treasurer shall make disbursements only in accordance with the approved budget, it is important to note that bills not included in the budget cannot be paid by the treasurer until authorized by the association. This may slow things down when the board wants to make a fast decision, but the board has an obligation to operate within its budget. Refer to *Finance Quick Reference Guide* for more information.

MEMBERSHIP DUES IN THE BUDGET

The local unit is the agent for collecting the state and national portion of the dues. Because this portion of dues is not considered revenue to the unit (according to the Internal Revenue Service) only the local portion of the dues must be shown in the revenue section of the budget. The state and national portion of the dues can be listed above the revenue section or reported as two line items in the revenue section (State/National portion and local portion) but the State/National portion backed out of total revenue when reported to the IRS. Also refer to *Budgets: Membership Dues in the Budget*.

EXCESS AND RESTRICTED FUNDS

There is no ruling from the IRS or PTA that limits the amount of money that a PTA may carry over to the next budget year. No PTA board has the authority to write checks to the school or to the principal for unbudgeted items to “clean out” the accounts at the end of the fiscal year. All expenditures must be budgeted and approved by the general membership at a meeting. Every PTA should include a section in the budget for interim expenses during the summer, including sufficient funds for leadership training for board members, start-up expenses for the new school year, etc. Funds not spent in one budget year should be carried over and included in the new budget.

While it is a common PTA rule that one board cannot obligate the next year’s board, there is one exception to that rule. The IRS has strict regulations on restricted funds. When funds are raised and/or donations are made for a specific purpose, such as technology, a new playground, etc., the funds raised must be spent for that purpose. It does not matter if it is one year, five years, or 25 years from now. If someone donates money for a specific purpose, it must be spent on that purpose. Otherwise, you will have to notice the donors that you intend to use the money for a different purpose and if they wish to have their money back, you must send it back. You must keep and report income and expense in separate line items for restricted funds. If you advertise that money raised is going towards something as well as other PTA projects, then the funds are not restricted and your board and future boards are able to use that money for whatever budget purpose they wish.

Revenue and Expenses

Management or the accounting of your unit's revenue and expenses is an important task. The membership may approve an expenditure, but you must have the money available before you spend it. Watch the cash flow for situations where a bill comes due before the cash comes in. Help your officers and chairs know that just because money is in the budget doesn't mean it is in the bank.

The Treasurer and President may consider meeting with committee chairs and spelling out procedures for deposits and expenses (which committee has them, which committees are allowed purchases and when). For example, the year book committee may not be allowed to have any expenses other than the invoice from the yearbook company. At times it is also necessary to hold off on a purchase until later in the year and to ensure the funds are available for the item. For example most likely you should not be making purchases in the fall of an event that does not occur until late spring. Refer to Section 3: Treasurer Forms for a *Treasurers Planning Sheet* that you unit might chose to use to help coordinate and identify whom and when revenue and expenses occur for your unit.

ACCOUNTING FOR EXPENSES (CHECK REQUESTS AND BILL PAYMENTS)

Your PTA should adopt a general check request system to reimburse expenses or to pay bills. Based on your *Standing Rules*, either the president or committee chair must authorize the item, receipts are attached; then the treasurer prepares the check (see sample *PTA Reimbursement/Check Request Form* in Section 3: Treasurer Forms). Don't just stare straight to the bottom line of the receipt or invoice, you should be reviewing the receipt for legitimacy and accuracy (items and quantities) and ask questions if needed. The Treasurer may request further documentation of approved expenses, but may not withhold writing checks because of personal preferences. In addition to the writing out the check itself, the Treasurer should record the check amount, date and check number in a minimum of three places such as check request form, on the invoice or receipt itself and logged or recorded in either the check register, on the check stub, a software or accounting system or in a manual log book. Attach the original receipt to the check request.

After the check is written and distributed as needed hold the documentation until the check clears and is listed on one of the bank statements. Then once the check cleared the bank you can file the paperwork accordingly (by line item or expense type) and check it off either in your check register, check stub, accounting system or manual log book.

BAD CHECKS AND OTHER BANK FEES

You should have an area of your budget to record bank fees. This may include a monthly charge, a special charge for copies of a statement, a stop check payment or bad checks. Although you cannot determine if or how many checks may be given to your PTA for which there are insufficient funds (check can't clear the bank, account closed, etc.) you can minimize your exposure and increase restitution based on your practices. Your unit should also consider including information in your *Standing Rules* as to how bad check are handled. Such as how restitution should be handled (formal letter, personally contact, how much time is allowed for repayment, can payments be made or must it be paid in full immediately, are checks allowed form this individual in the future).

MEMBERSHIP DUES & ANNUAL RECONCILIATION

Annually, at the beginning of each school year, your unit is sent membership cards from the Florida PTA State Office. The number of cards sent is based on the number of dues paid the previous year. Your unit is accountable for these cards and must remit dues monthly (or as they are collected from membership) and account for the unused cards on or before May 1, 2017.

The Treasurer should be working with the Membership Chair to ensure an accurate list of PTA membership is kept. Although the membership chair may choose to keep the original membership form completed by the member, the Treasurer should record the member name with each deposit form in the Treasurers records.

At least monthly, the state and national portion of membership dues (\$3.50) must be remitted to the Florida PTA State Office for each membership sold. The check should be made payable to Florida PTA and mailed with the *State and National Dues Payment Form*. (Located in the Kit of Materials and in Section 3: Treasurer Forms of *Dollar\$ & \$en\$e* and online at www.floridapta.org). An exception to the monthly dues payment would be if you sold less than 10 memberships in one month. Then it is not cost effective (check processing, stamp, envelope, etc.), and you may hold your payment and submit dues when you have collected dues for at least 10 members.

Membership cards must be reconciled annually at the end of the school year. This is where the membership cards sent to your unit are compared to membership dues received by Florida PTA. Any difference in the reconciliation is your unit's outstanding balance owed. Your unit must either return the unused cards, remit more dues, or a combination of the two. Coordinate with the Membership Chair to ensure any **outstanding balance for membership dues is reconciled with the Florida PTA State Office on or before May 1 of each year.**

To solicit/sell memberships and then fail to forward the state and national portion of the dues is a fraudulent act. Membership dues are one of the compliance requirements necessary to maintain your unit's 501(c)(3) tax-exempt status and why PTA/PTSAs are exempt from paying federal taxes on gross income. Refer to *PTAs and Federal Taxes* section of this guide for more information.

STANDARDS FOR PTA FUNDS

PTAs are often called upon to finance programs and purchase needed equipment that tight school budgets cannot afford. It is the responsibility of each PTA to determine what it will do to address the needs of their school. Before approving proposals for material aid to the school or community, a PTA should consider whether or not the proposed equipment or service is a public responsibility.

If a public responsibility is urgently needed, and public funds are not immediately available, a PTA may initiate and coordinate the service while encouraging public agencies to take over the financing and operation of the service. In emergencies, PTAs may provide for the pressing needs of children and youth while they work to alert the public to its obligations.

A PTA renders a greater service by working to secure adequate funding for programs that have an enduring benefit than by purchasing equipment for schools. PTAs should not contribute to the problem of inequities within a school district by excessive fundraising.

As money for services and equipment becomes available from other sources, a PTA should allocate more of its funds to such projects as leadership development, parent education, and child health and safety programs. PTA funds should always be used to further the mission of PTA.

PTAs need to be aware of the risks involved in soliciting or accepting commercial contributions to finance, or assist in financing, projects. Such contributions may create obligations that violate the noncommercial policy of PTA—a policy designed to protect PTAs from exploitation. Every PTA leader should be familiar with and understand the noncommercial policy.

E-COMMERCE AND AFFINITY PROGRAMS

E-commerce and affinity programs are becoming popular sources of revenue. In both types of programs, a portion of the sale of a product or service is contributed to a particular charitable cause. The amount of the contribution is usually governed by the sales or the usage of a product or service.

E-commerce purchases are made through the Internet. PTAs can enter into agreements with companies whereby the companies return a percentage of member and nonmember purchases to PTAs as a “contribution”. PTAs can also be designated as recipients of charitable contributions whenever a customer is asked to designate a charity.

Affinity programs, such as PTA credit cards, are based on the usage of the card. Each time a holder of the credit card makes a purchase using the card, the sponsoring PTA receives a percentage of the purchase or a set amount. PTAs may also receive a sign-up fee for each card issued.

When either type of agreement is formulated, a PTA should verify that the agreement is structured to protect the PTA’s tax-exempt status and does not compromise PTA policies. Either agreement can be structured to avoid unrelated business income (UBI) as earned income would be subject to additional tax report filings and possible fees and contributions are not. The money received by PTAs should be accounted for as contributions on their financial statements. See *PTAs and Federal Taxes* for additional information on UBI.

RAFFLES AND GAMES OF CHANCE

Considerable care should be taken when and if a PTA Board decides to conduct a drawing, raffle or a game of chance as a fundraiser to be certain that it is in compliance with Florida Statute, Section 849.0935. This statute governs under what circumstances charitable groups (including PTAs) may conduct drawings and award prizes. Please note there are many conditions associated with the process. For the full statute and related chapters refer to this link:

<http://www.leg.state.fl.us/Statutes, Title XLVI Crimes, Chapter 849 Gambling. Here is just a small portion of the Statute 849-0935, Section 3:>

- (3) All brochures, advertisements, notices, tickets, or entry blanks used in connection with a drawing by chance shall conspicuously disclose:
- (a) The rules governing the conduct and operation of the drawing.
 - (b) The full name of the organization and its principal place of business.
 - (c) The source of the funds used to award cash prizes or to purchase prizes.
 - (d) The date, hour, and place where the winner will be chosen and the prizes will be awarded, unless the brochures, advertisements, notices, tickets, or entry blanks are not offered to the public more than 3 days prior to the drawing.
 - (e) That no purchase or contribution is necessary.

Section 4 covers what would be considered unlawful activities by the organization conducting the drawing. What may be of particular interest to PTAs is Section 4(b) which states that it is unlawful:

- b) To require an entry fee, donation, substantial consideration, payment, proof of purchase, or contribution as a condition of entering the drawing or of being selected to win a prize. However this provision shall not prohibit an organization from suggesting a minimum donation or from including a statement of such suggested minimum donation on any printed material utilized in connection with the fundraising event or drawing;

If your board and the school (some school districts do not all raffles or similar to be conducted on school grounds) approves the raffle or game of chance, be sure to exercise financial controls including the starting and ending ticket numbers for accountability. If you are selling tickets at multiple price points consider using different colors. This helps with accounting whereas if you sold 100 of the blue \$5 tickets you should have \$500, and if you sold ticket 1 through 100 of the \$1 tickets, you should have \$100. Contact the Florida PTA State Office if you need additional information or guidance related to this topic.

The Florida Attorney General has issued many Attorney General Opinions on gambling issues and you may access the most recent by following the path: [/owa/www.myfloridalegal.com]www.myfloridalegal.com/About the Office / AG Opinions / Searchable Database of Attorney General Opinions. The website is updated as quickly as an opinion is issued and is searchable back to 1974.

FUNDRAISING

In addition to state requirements for fundraising or solicitation of funds (see Florida Department of Revenue in the next section) there are other items your PTA must be aware of before engaging in fundraising activities, check with your school district as many have their own requirements for reporting or conducting fundraising. Also Refer to the *Finance Quick Reference Guide* for information on:

- *Fundraising and the Purpose of PTA*
 - *Protecting PTAs tax-exempt status*
 - *PTAs Noncommercial Policy*
 - *The 3 to 1 Rule*
- *Selecting Appropriate Fundraising Activities*
- *Seeking Corporate Sponsorship*
 - *Sponsorship vs. Endorsement*
 - *Recognition Guidelines*

Substantiation of Contribution (Donation)

Your PTA should consider providing written acknowledgment for donations, especially larger ones. The IRS has no disclosure requirements or formal forms to complete for organizations that receive cash, or non-cash contributions for which the organization provides no goods or services in return. However, a donor must obtain a written acknowledgement from a charity for any single contribution of \$250 or more before the donor can claim a charitable contribution on his or her federal income tax return.

If you provide written acknowledgement (letter, post-card or email) Include:

- Your PTA unit name.
- Amount of cash contribution or the description (but not the value) of a non-cash contribution
- Description and good faith estimate of the value of goods or services, if any, that was provided in return for the contribution
- A statement that no goods or services were provided by your PTA unit (if that was the case).

A donor may request a W-9 Tax Identification Number Certification or a 501(c)(3) Determination Letter prior to their making a contribution (see these topics in the PTA and Federal Taxes section) then your PTA unit should still provide a written acknowledgement of their contribution.

Refer to *Substantiation Requirements for Charitable Contributions* in the *Finance Quick Reference Guide* for more information on contributions, including *Quid Pro Quo Contributions*, *Contributions of Cash*, *Sample Receipt Forms*, *Penalties*, *Documentation Requirements*, *Non Cash Requirements* and *Special Validation Issues*.

There are also requirements for solicitation of funds for *Disaster Assistance*, refer to the *Finance Quick Reference Guide* for more information.

Fundraising for PTA “Charitable Class” – Not Individuals

IRS regulations governing 501(c)(3) charitable organizations, like PTA units, are quite clear when it comes to using moneys collected to benefit **specific individuals**. The group of individuals that may properly receive assistance from a charitable association is called a “charitable class”.

The information below is from The National PTA “Money Matters” Treasurer’s Manual. This summarizes the rules that must be followed when the PTA considers fundraising or donations.

A charitable class must be large or indefinite enough that providing aid to members of the class benefits the community as a whole. Local unit PTA bylaws, Article III – Purposes, establishes the “**charitable class**” who may properly receive assistance from your 501(c)(3) Federal Tax-Exempt organization.

There are many schools that have a family or child in need that they would like to donate funds to. In this case, take your fundraising expertise outside of the PTA to ensure that your PTA works within its purpose. PTA members volunteer their time and efforts to further the goals that the PTA stands for. They have a strong sense of commitment to the community and those in it. No matter how well intended it might be, however, as a 501(c)(3) charitable organization, PTA funds cannot be used to benefit specific individuals or their families.

If your community would like to collect funds to assist an individual, their families, or others outside of the PTA “charitable class”, the organization efforts must but conducted outside of the PTA, and any checks collected must be made payable to that individual and must not be deposited into the PTA account. When donations are made payable to the PTA, the monies become PTA funds, and, distribution of those funds to such individuals would be prohibited by IRS regulations.

Florida Department of Revenue

There are several state rules and regulations in regards to any group, business or organization in our state related to selling of goods, collecting of sales tax or soliciting of funds or donations. This section covers the most common information that PTA units must be familiar with to remain compliant with the Florida Department of Revenue (DOR). Our state also has special regulation on raffles and other games of chance. Refer to *Revenue and Expenses: Raffles and Games of Chance* for more information.

SALES TAX

Because PTAs have an IRS classification code of “1, charitable organization” or a “2 as an educational organization” Florida State Statutes allow them to be treated differently from businesses or organizations who exist to raise a large amount of money or who conduct frequent fund-raising events. The key benefit PTAs receive from the State of Florida is a significant reduction in paperwork, such as reporting and record keeping, when certain limitations on the number and frequency of fund-raising events are observed. It is not illegal for a PTA to go beyond these limitations, as long as they comply with the additional requirements regarding collecting and submitting sales taxes.

- **The PTA is responsible for paying sales tax on all resale items.** When PTAs purchase items for resale, such as candy or T-shirts, applicable sales taxes **MUST** be paid on those items.
- **PTAs have been granted the privilege of paying sales tax to the vendor** (rather than the state directly) on the wholesale cost of any items (regardless how much the markup for resale might be). This includes school store and uniforms if operated within the school (tax must be paid and submitted at least on the wholesale amount either by the vendor or by your unit).
- If you are using percentages with a vendor, you would pay sales tax on their percentage and not the PTA portion. It is illegal for a vendor to furnish the money to pay the sales tax for you - the PTA remits the tax to the vendor and they simply turn it in along with the paperwork.
- The only known exception for a PTA on resale items is selling *used* uniforms at the school, for the students sales tax would not need to be collected or remitted.
- If a PTA provides volunteer staff for a school store or uniform shop run by the school, it is the school district which must comply with DOR reporting requirements. All school districts have the capability to comply.
- PTA must pay sales tax for yearbooks. The exemption for tax in the state statute referring to the sale of yearbooks, magazines, newspapers, directories, bulletins, and similar publications is only for schools.
- It is illegal to allow a vendor to pay or offer to pay your sales tax for you (there should be a separate line on the invoice indicating the sales tax amount). They remit what you pay to them.

Remember, sales taxes pay for most children’s services. Cheating on sales tax cheats children. Refer to *Finance Quick Reference Guide* for additional information.

Florida Sales Tax Exemption - Form DR-5 (Consumer Certificate of Exemption)

Your PTA is not required to have a Florida Department of Revenue Sales and Use Tax Certificate of exemption; however, you are entitled to one if your 501(c)(3) federal income tax-exempt status is in good standing with the IRS. Many people confuse the 501(c)(3) Federal Income Tax Exemption and the Florida Department of Revenue Sales Tax Exemption. Although the two types of tax exemptions go hand-in-hand, please note the difference.

In order to qualify to apply for the sales tax certificate using Florida Department of Revenue Form DR-5, your PTA must be in good standing with the IRS by filing a timely annual 990 informational income tax return. (See PTAs and Federal Taxes on pages 41 and 46 of this guide.)

Once the certificate is obtained, your PTA is exempt from paying sales tax on items which they consume. For example, your PTA is exempt from paying sales tax on a tape recorder to be used by the secretary or a “For Deposit Only” stamp to be used by the treasurer. The same applies when a PTA purchases a gift for a school, such as a computer or a globe for the library. When you make these purchases, you must present the certificate of exemption and pay for the purchase with a PTA check.

As of May, 2016, the Florida Department of Revenue has a new DR-5 application form and procedure. This is the link for the instructions and the blank fillable form.

http://dor.myflorida.com/Forms_library/current/dr5_fillable.pdf

Exemption category for which you are applying on the DR-5 form is: 501(c)(3) Organization

Please apply for a 501(c)(3) determination letter to attach to your DR-5 application on the Florida PTA website under “Running you PTA”, “online forms”. We will email the necessary documents to you upon receipt of the request (and if your local unit is in good standing).

<http://www.floridapta.org/running-your-pta/online-form/501c3-determination-letter>

Once obtained, the sales tax exemption number must be renewed every five years. (The certificate has the expiration date at the top of the form). There is no application fee. The Department of Revenue should send you a notice when it is time to renew. However if you do not receive a notice, it is your responsibility to apply for renewal when the certificate expires.

If you need assistance with completing the Form DR-5 application or renewal, contact the Florida PTA State Office for assistance rather than calling the Department of Revenue (DOR) directly. DOR staff isn’t familiar with the specific application procedures for PTAs. The Florida PTA staff understands the most common PTA questions and contacts the state DOR if necessary.

You can verify a state sales tax exemption certificate number by using the web link. This link takes you to the SUNTAX Portal Production System and required a user ID and password to login.

<https://suntax.state.fl.us/irj/portal/anonymous>

See Section 3: Treasurer Forms for a sample DR-5 Application/Renewal Form

USING THE CONSUMER CERTIFICATE OF EXEMPTION

The Treasurer should maintain the original and copies of the Consumer Certificate of Exemption and educate members on the rules for its usage when applicable.

A Consumer Certificate of Exemption can only be used by the person or group for whom it is issued and who is paying for the product or item. I.e. they should never use the certificate for their own personal use! The PTA certificate should not be used by the school, or the school certificate used by the PTA. The person using the certificate would be making a purchase using PTA funds (or they will be submitting receipts to be reimbursed) for items which the PTA unit would be using or consuming (and are not reselling in any form). Example if they are buying materials to make an item, then will be selling the item, then tax must be paid. Either pay the tax when the

materials are purchased, or collect tax on the finished product and remit tax to the state. This increases the likelihood that every PTA is operating under the same interpretations.

The following information covers the most common sales tax related issues which face PTAs most frequently:

OCCASIONAL SALES OR EVENTS

Some PTA events will be considered *occasional sales* and you may need to remit sales tax to the state department of revenue based on the funds you charge and/or collect. The most common examples of occasional sales for a PTA would be an auction where items are donated or meal events, such as spaghetti dinners where food is prepared and served by PTA members. It will not be necessary to collect and submit sales tax when they occur no more frequently than twice during any 12 month period. There are exemptions for admission charges for an event or program sponsored if the purpose for which the group received a 501(c)(3) exception and the PTA takes an active role in planning and conducting. Contact the Florida PTA State Office and they can guide you to the correct procedures if you need to collect and remit tax for occasional sales (dealer certificate) if applicable.

Note: For the example above, if you purchase supplemental items to complete the spaghetti dinner and you are charging for the dinner then your PTA unit should NOT be using the Consumer Certificate of Exemption and should be paying sales tax when you purchased the items from the retailer as this would be considered reselling (see Sales Tax for more information).

SOLICITATION OF FUNDS

Local Unit PTAs are not required to register for a Solicitation of Funds certificate if they are affiliated directly with a school The Solicitation of Contributions Act (Chapter 496, Florida Statutes) requires businesses, groups, persons, organizations and others who solicit donations from people in the state of Florida to register with the Department and renew annually, include copies of financial reports (copies of various IRS 990 Forms may be used to comply) and other item requirements to remain in compliance. **Only the Florida PTA State Office and our County Council PTAs are required to register and renew their certificates annually.**

INCORPORATION (SUNBIZ)

Incorporation with the State of Florida for PTA units is not necessary. Unfortunately some uninformed financial institutions indicate that you must be incorporated with the state to open a checking account, this is not true for PTA/PTSA units! For information on incorporation or how to dissolve your incorporation with the state (SunBiz), contact the Florida PTA office.

COOPERATING WITH OTHER ORGANIZATIONS

Cooperation does not include participation in fundraising or membership enrollments of other organizations or contributing to finance the work of another organization (although a PTA may bear its share of the costs of a cooperative project). Contact the state office if you need additional information.

Annual PTA Audit (Financial Review)

The purpose of the annual audit or financial review is to certify the accuracy of the books and records of the financial officer and to assure the membership that the association's resources/funds are being managed in a businesslike manner within the regulations established for their use. By exposing the books and records for review it is an excellent chance to detect the level of internal financial controls (strong or weak). Refer to *Finance Quick Reference Guide* for additional information.

WHEN TO AUDIT/REVIEW

All PTAs must have their financial records reviewed annually even if the Treasurer is holding the office for another year. The records also would need to be reviewed at any time during the school year that the treasurer is replaced. Check your PTA's bylaws for the procedure to select the person (s) to conduct the financial review.

The Treasurer should start verifying the financial records are in order before the end of the fiscal year (June 30). Then once the June bank statement is received, reconciled and the Treasurer's Annual Report produced then the books and financial records can be turned over to the audit or Financial Review committee. However if your gross revenue exceeds \$50,000 and your unit files a 990-EZ or 990 with the IRS (Internal Revenue Service) you may choose to complete the return first, then turn over financial records to the Financial Review committee or auditor so they can review the return and schedules. Once the Financial Review is complete, the outgoing Treasurer can sign and mail the return.

PREPARING FOR THE AUDIT/REVIEW

After the June financial report has been reconciled and Treasurer's Annual Report produced, the treasurer (no one else) should deliver the following to the Audit Committee:

- Copy of last year's annual audit report (as of June 30 previous year)
- Checkbook and Checkbook Register
- Cancelled & Voided Checks
- Treasurer's Ledger Book (also referred to as a Cash Book)
- Treasurer's reports from all PTA/PTSA meetings including final General Membership Annual Meeting
- All Bank Statements (July 1 prior year through June 30 current year)
- All Deposit Receipts
- All Cash Verification Forms and receipts
- All Check Request forms with receipts/ bills attached
- Copy of Final Approved budget and all amendments (approved by the members)
- Copies of all board, executive committee and association meeting minutes (From Secretary's Procedure Book)
- Current copy of approved local unit bylaws
- A printed copy of "Annual Financial Review (PTA Audit)" information from Florida PTA Kit of Materials, Section 3, Dollars and Sense
- Receipts of bills paid or itemized statements
- If any were conducted, copies of any interim audits that were conducted during the year
- Filed copy of IRS Form 990, 990EZ or 990N (*e-Postcard*) IRS confirmation from previous tax year.

DURING THE AUDIT/REVIEW

The outgoing Treasurer (or incoming) cannot write checks or make withdraws after the books are closed for an audit or review; however bank deposits may be made if needed. Basically during an audit or review they are establishing the validity of the treasurer's report and tracing figures back through original deposit slips and receipts and comparing to documentation and the bank statements. Refer to *Finance Quick Reference Guide* for procedures on conducting an *Internal Financial Review and Additional Resources for a Sample Financial Review Form*. See Section 3: Treasurer Forms.

Once the audit/review is complete, the auditor or each member of the financial review committee prepares the statement. In addition to the traditional information on the form (beginning and ending balances, gross receipts, check issued and any outstanding checks) they can and should mention the level or accuracy of records and any comments related to internal controls. Refer to Section 3: Treasurer Forms and the *Finance Quick Reference Guide* for sample reports.

AFTER THE AUDIT/FINANCIAL REVIEW

The signed audit report statement is given to the President and both the incoming and outgoing treasurer. Also check with your local school district as some require a copy of the annual financial report as well. Gross Receipts/Income should now be reported to the IRS (see *PTAs and Federal Taxes*) and the books and financial records given to the incoming Treasurer.

PRESENT TO THE MEMBERS: At the first general meeting of the next school year, the Annual Audit /Financial Review report must be presented by the Treasurer and adopted by the general membership. Be sure to include "Adopt Audit Report" after the Treasurer's Report on the agenda for your first general meeting.

COMPLIANCE REQUIREMENT: You are required to send a copy of the annual audit report to the Florida PTA office by September 30 each year. Email to: (compliance@FloridaPTA.org) or FAX to 407-240-9577. You may also mail to Florida PTA, 1747 Orlando Central Parkway, Orlando, FL 32809.

Note: The office places a copy of the audit in the Florida PTA permanent records as required by the IRS, and a copy can be provided back to the local unit if needed in the future.

If you feel there is a mistake on the Financial Review, you can ask for another review. Keep the original audit report and attach it to the amended audit report. Refer to Section 3: Treasurer Forms or the *Finance Quick Reference Guide* for samples and more information. Of course, any amendment or correction to the audit must be reported to the members at the next General Membership Meeting.

PTAs and Federal Taxes

Nonprofit educational or charitable associations such as PTAs can be exempt from paying income taxes, if they file for a 501(c)(3) and they adhere to the laws governing such associations. A key point to guide PTAs is the importance of maintaining their important role as advocates for children. A PTA which diverts its energies to overemphasize fundraising reduces its effectiveness and increases the likelihood it must maintain complicated and extensive financial records. Federal tax laws reinforce this by imposing little or no paperwork on PTAs who keep fundraising to a reasonable minimum.

Refer to the *Finance Quick Reference Guide* for more information on *Federal Requirements*.

UNRELATED BUSINESS INCOME (UBI)

Tax-exempt status means that the PTA does not pay federal income tax on revenue from activities that are substantially related to the purpose for which the PTA was given exempt status. However, the PTA may be required to pay tax on other types of revenue referred to as unrelated business income (UBI). The net income from such activities will be subject to UBI tax if these three conditions are met:

1. The activity constitutes a trade or business.
2. The trade or business is regularly carried on.
3. The trade or business is not substantially related to the exercise or the performance of the organization's exempt purpose.

Note: Trade or business includes any activity carried on for the production of income from selling goods or performing services.

The income from most PTA fundraising activities is exempt from federal income taxes and not considered UBI because:

- The activities are conducted only once per year.
- At least 85% of the work for the activities is conducted by volunteers. (work substantially conducted by PTA volunteers)
- The activities consist of selling donated merchandise (e.g., a silent or live auction of donated merchandise).

UBI Exceptions:

The main exception to the activity being considered UBI is when the activity is conducted substantially by PTA volunteers, **if at least 85% of the work of the activity is conducted by PTA volunteers**. Examples of this would be if PTA volunteers run a PTA store or volunteers count and submit box tops. Also the income from sales of **donated merchandise** (such as used uniforms) is exempt from federal income tax.

We've had units that reported UBI for a retailer that provided funds to the unit when patrons used their businesses credit cards. Then another reported UBI due to the number of restaurant nights and yet another that did not need to report UBI because the restaurant had the PTA file a W-9 and the proceeds were classified as a donation to the PTA (not subject to UBI) verses earned income payment (which would be considered UBI). Contact the Florida PTA State Office if you need assistance in determining if an activity would be subject to UBI tax.

The law requires nonprofits to report unrelated business activities **when gross receipts are at least \$1,000 collectively** by filling IRS form 990-T and pay taxes on such income. Nonprofits also risk losing their tax-exempt status if such activities become the primary focus and make the tax-exempt mission secondary. Add each event (spirit nights are not an individual event.)

LOBBYING AND POLITICAL ACTIVITIES

A 501(c)(3) organization may conduct a limited amount of lobbying activity but is prohibited from intervening in any political campaign activities (all PTA bylaws also preclude a PTA from political activity as we are a non-partisan association).

PTAs Cannot: Endorse candidates or a political party for public office. Invite only one candidate or political party in an election to speak to the PTA. Ask candidates to sign pledges on any issue (tacit endorsement). Tell PTA members to only vote for a candidate who supports "X" position. Distribute any campaign materials on behalf of a candidate. Wear campaign buttons or t-shirts during a PTA meeting.

The IRS defines lobbying as *an attempt to influence legislation and legislation includes action by Congress, state legislatures, local councils or similar governing bodies, with respect to acts, bills, resolutions or similar items (such as legislative confirmation of appointive officers). It includes action by the public in referenda, ballot initiatives, constitutional amendments, or similar procedures. It does not include actions by executive, judicial, or administrative bodies. An organization is considered to be attempting to influence legislation if it contacts, or urges the public to contact, members or employees of a legislative body for the purpose of proposing, supporting or opposing legislation, or if the organization advocates the adoption or rejection of legislation.*

Refer to the *Finance Quick Reference Guide: Additional Important Information* for additional information on *Lobbying and Appropriate Legislative Activities* contact the Florida PTA State Office at any time if you have questions or need additional information or guidance.

Caution, verify your insurance policy is valid before conducting a lobbying related activities or events.

INTERNAL REVENUE SERVICE (IRS) REQUIREMENTS

As a 501(c)(3) tax-exempt charitable organization, every PTA/PTSA must file an IRS Form 990, informational tax return, at the end EVERY fiscal year, regardless of income or gross revenue. Failure to file a return in one year may result in a penalty, late filing fee and or the gross receipts for that year will be subject to income tax. Failure to file an IRS Form 990 return for three consecutive years will result in the automatic revocation, loss of your Federal income tax-exempt status. Even if you file the tax return late in the third year, your status will be automatically be revoked at midnight on the due date of the return (November 15th).

Part of the Federal law requirement to remain a 501(c)(3) as a PTA unit, is the submission of membership dues. If your PTA does not submit membership dues to the Florida PTA State Office, your PTA is not a tax-exempt organization under Federal law. The state office is required to notify the Internal Revenue Service that your PTA is inactive. Then Federal law requires that you notify all of your members, donors, potential donors and participants in your activities that you are not tax exempt and that no contribution and/or out of pocket expenses may be deducted from their Federal Income Tax. The lack of tax exempt status is effective for the entire fiscal year. **In addition, Federal law requires that your unit file an income tax return and pay income taxes on all your gross receipts.** To solicit memberships and then fail to forward the state and national dues is a fraudulent act.

GROSS REVENUE AND INCOME

The gross revenue of the PTA unit must be reported each accounting period or year to the IRS. The term gross revenue means **ALL** PTA funds brought in (think of it as deposits), excluding any money carried over from the previous year and State and National dues portion (\$3.50) collected and remitted. The IRS provides a revenue exemption for the State and National dues portion because these entities report the amount as their gross revenue, therefore you only need to report the membership dues amount over and above the \$3.50 into your gross revenue. When a PTA collects \$10,000 in a candy sale, but pays \$6,000 to the candy vendor, the **entire \$10,000** is considered gross revenue. The remaining profit or income would be \$4,000.

(Revenue – Expense) = Income (or also known as net profit).

ACCOUNTING PERIOD (FISCAL YEAR) & WHEN TO FILE

The term accounting period (also called tax year) refers to the PTA's fiscal year. All PTA units in Florida should have an accounting period July 1st through June 30th. The IRS forms will request you enter your accounting period. Based on the date of your accounting period determines your IRS tax reporting or filing window which occurs every year by the 15th day of the 5th month. Thus PTA units in Florida should file after July 1st but before November 15th.

WHO COMPLETES RETURN/FILES WITH IRS

The incoming Treasurer and President should ensure revenue is reported to the IRS, either by the incoming or outgoing Treasurer after the financial review (audit) is complete. This is so that the gross revenue can be confirmed through the financial review process.

- If your PTA files the 990-N (*e-Postcard*), the new Treasurer should complete the return after the Financial Review (PTA audit) has been completed. It is done after because through the process of the financial review, the gross revenue and income for the PTA will be confirmed.
- If your PTA files the 990-EZ or 990, the outgoing Treasurer should complete the return and the required schedules prior to turning the financial records over to the Financial Review committee. This is so the Financial Review committee can review the return and schedules. Once the Financial Review is complete, the outgoing Treasurer can sign and mail the return.
- KEEP copies of all documents for your file.

FORMS & SCHEDULES

The gross revenue determines what 990 form your PTA unit must file with the IRS:

- Gross revenue less than \$50,000 must file an electronic **990 N (e-Postcard)**.
- Gross revenue in excess of \$50,000 but less than \$200,000 must file form **990 EZ**.
- Gross receipt greater than or equal to \$200,000 (or total assets greater than or equal to \$500,000 at the end of the tax year) must file a **990**.
- 990-T Unrelated Business Income (if it is \$1,000 or more in addition to the 990 form based on gross revenue amount)

The CPA, who serves the Florida PTA, recommends that a PTA with gross receipts exceeding \$200,000 obtain the services of a professional accountant to fill out the 990 with the required schedules.

The activities your unit performs and the types of fundraising you engage in determines what schedule(s) need to be filed with their 990 or 990EZ. Every PTA who files a 990EZ short form or 990 long form, must prepare at least Schedule A since your association is a 501(c)(3).

- Schedule A, Part III (Public Charity Status and Public Support) usually filed with all 990 EZ and 990 forms.
- Schedule B (Schedule of Contributors)
- Schedule G (Supplemental Information Regarding Fundraising or Gaming Activities)
- Schedule M (Non-Cash Contributions) based on questions answered on the 990.
- Schedule O (Supplemental Information to Form 990)
- Form 8283 (Noncash Charitable Contributions)
- 1099-Misc (if a person, not a business had been paid at least \$600 for services [including parts and materials] during the calendar year. Please call the state for additional information on the proper way to file this form.

Refer to the *Finance Quick Reference Guide: Federal Requirements* for more information including *Instructions for Form 990EZ* and other federal requirements.

The IRS 990N (e-Postcard) can be accessed at this link:

<https://www.irs.gov/Charities-&-Non-Profits/Annual-Electronic-Notice-Form-990-N-for-Small-Organizations-FAQs-How-to-File>

IRS 990 Series Forms and Instructions can be obtained through this link:

<http://www.irs.gov/uac/Current-Form-990-Series-Forms-and-Instructions>

FILINGS & IRS COMMUNICATIONS

Whenever the IRS writes to your PTA, always answer. Never ignore an inquiry. Keep copies of all correspondence. It is good practice to send written responses, certified mail, return receipt. When mailing a return note on the certified mail receipt what is inside the envelope. For example: 990EZ and Schedule A and G (2011-12). This also gives proof of what you actually mailed.

The IRS and Florida PTA both REQUIRE each local unit to provide a copy of their filed 990 with the Florida PTA State Office. Immediately upon completion (and filing with the IRS) of your 990 Tax Return, please forward a copy to us via U.S. Mail (1747 Orlando Central Parkway, Orlando 32809); via facsimile 407-240-9577 or by email to: compliance@floridapta.org.

New IRS Information

The IRS has added two new helpful webinars on 990 Overview and 1023-EZ forms. Please visit their website for more information: <https://www.stayexempt.irs.gov/>

EXEMPT ORGANIZATIONS SELECT CHECK

The IRS provides an online *Select Check Tool* that can be used to:

- Confirm if an organization is eligible to receive tax-deductible contributions. Exception: If an organization has a "group number" for which it is associated, such as a PTA they will not be found using this search option. The parent group would need to confirm eligibility, such as Florida PTA for our local units. See Guide Star below for information to confirm if an EIN (Employee Identification Number) is valid and registered. See Determination Letter.

- Determine if an organization had ever had their nonprofit status revoked.
- View information included in an organization's 990-N (e-Postcard) if filed.

The IRS Exempt Organization Select Check can be accessed at this link:

<http://www.irs.gov/Charities-&-Non-Profits/Exempt-Organizations-Select-Check>.

GUIDE STAR

Guide Star is a 501(c)(3) public charity that collects, organizes, and presents information on IRS-registered nonprofit organizations. They are not a charity evaluator or a watchdog, they simply provide the information in an [easy-to-understand format](#) while remaining neutral.

Unlike the IRS Select Check tool, confirmation of a federal tax reporting 990 and 990 EZ can be verified (whereas only a 990-N confirmation is available from IRS. Guide Star can also be used to confirm if an EIN (Employee Identification Number) is valid and registered (or not registered) with the IRS regardless if it is associated with a "group number" to obtain its 501(c)(3) status.

501(C)(3) DETERMINATION LETTER

Is a written statement **confirming the tax exemption status** of a group, business or entities EIN (Employer Identification Number). This is usually a letter obtained for the IRS, except for those with a parent affiliation structure (such as PTA) and has a group number attached to their tax exemption status. Some business or individuals may request this information from your PTA unit prior to them providing a donation, contribution or doing business with your PTA. A PTA unit can obtain a 501(c)(3) Determination Letter by completing the online request from at www.floridapta.org "Running Your PTA tab".

W-9 TAX PAYER IDENTIFICATION NUMBER AND CERTIFICATION

Is a form available from the IRS designed as a written confirmation and certification as to the accuracy of a TIN (Tax Identification Number) or an EIN (Employee Identification Number). A business may request a W-9 form to be completed, signed and certified before doing business or providing a contribution to your PTA. This is the form suggested to use at spirit nights; the funds would be considered a donation and not linked to UBI. (See completed W-9 in samples.)

HELP

It is always a good idea to contact the PTA State Office with questions, rather than calling the IRS. Most IRS taxpayer assistance staff members are not familiar with the working of PTA finances and may not give consistent answers. The PTA office staff is familiar with the most common tax questions PTAs must answer and may be contacted at 407/855-7604 or 1-800-373-5782.

Florida PTA / PTSA Income Tax Filing Information Federal IRS Form 990

IRS Form 990 Filing due to IRS Date: November 15, 2016

Your **IRS Form 990** tax return **or an extension request, IRS Form 8868**, must be filed with the IRS no later than this **due date: November 15, 2016** (the 15th day of the fifth month after the end of the fiscal year-end).

In Florida, your PTA/PTSA's fiscal year ends on June 30, therefore, your Federal Internal Revenue Service (IRS) *Form 990* tax return (or extension) is due this year on or before midnight **November 15, 2016**. You can file the IRS 990 beginning on July 1, 2016, or as soon as your PTA audit / financial review is completed and gross receipts/income is determined.

Failure to file an IRS *Form 990* tax return in one year will result in a penalty. Failure to file a *Form 990* tax return for 3 consecutive years will result in revocation, the automatic loss of your tax exempt status. Even if you file the tax return late in the 3rd year, your status will automatically be revoked at midnight on the due date of the return (November 15th).

Important Florida PTA Compliance Requirement:

Immediately upon filing your 2015 IRS *Form 990* or the *Form 8868*, extension request, you are required to forward a complete copy to the Florida PTA State Office.

- If you file IRS **Form 990** or **Form 990EZ**, forward a complete, signed, copy, including all schedules, to the Florida PTA State Office by November 30, 2016. **Fax: 407-240-9577 Email to: compliance@floridapta.org or mail via United States Postal Service to: Florida PTA, 1747 Orlando Central Parkway, Orlando, 32809**
- If income / gross receipts are normally less than \$50,000, and you file **990-N (e-Postcard)**, immediately upon filing acceptance, you are required to forward the IRS proof of filing receipt to the Florida PTA **Email to: compliance@floridapta.org or FAX to: 407-240-9577 (Be sure to include you PTA name and county in the email you send or write your PTA's name/county on the form before forwarding).**

990 Filing Requirements	
Form to File	If your PTA's gross receipts are:
990N	Normally equal to or less than \$50,000
990EZ	Equal to or more than \$50,000 and less than \$200,000 and total assets are less than \$500,000
990	Equal to or more than \$200,000 or more and total assets are equal to or more than \$500,000

To File: Form 990-N online (e-Postcard)

- **New IRS 990N Procedure - One-time registration now required 2016 - How do I file Form 990-N, the e-Postcard?**

<https://www.irs.gov/Charities-&-Non-Profits/Annual-Electronic-Notice-Form-990-N-for-Small-Organizations-FAQs-How-to-File>

Tax Period for current filing is **2015 (07/01/2015 – 06/30/2016)**

Gross Receipts are the total revenue / income from all sources in a **Tax Period**, and does not account for any expenses. This is the total of all deposits made to your PTA/PTSA bank account during the tax period.

For additional questions or help, send an email to: Compliance@FloridaPTA.org

FLORIDA PTA LOCAL UNIT COMPLIANCE REQUIREMENTS & STANDARDS OF AFFILIATION
SCHEDULE AND DUE DATES

To ensure that your local unit PTA/PTSA remains in good standing and in compliance with Florida PTA and the IRS, and to continue affiliation with Florida PTA, you are **REQUIRED** to complete the following items by the dates indicated. Because the due dates vary, you may keep this form in your procedure book to use as a checklist to assist your unit in meeting these compliance requirements. All PTA forms are available online at **www.FloridaPTA.org**.

These required items may be sent by the due date set out below via:

1. **Email:** Compliance@FloridaPTA.org
2. **FAX:** 407-240-9577,
3. **Mail:** Florida PTA, 1747 Orlando Central Parkway, Orlando, FL 32809

Item	Due to Florida PTA Office	Format Sent	Date Sent To Florida PTA	Notes
Local Unit New & Returning Officer Contact Information	July 1st (or as soon as elections are held)	Submit ONLINE Only: www.FloridaPTA.org President must maintain current email addresses for the board		Must have new registration every year even if there are no changes in officers' information.
Membership Dues For all PTA/PTSA local units.	Monthly as dues are collected	Mail Only: Send with State & National Dues Payment Form from the website www.FloridaPTA.org		Send \$3.50 per membership sold - The State & National portion of membership dues.
Audit / Financial Review as of June 30 each year.	September 30th	Fax, mail or email compliance@floridapta.org		Refer to Dollars & Sense and National PTA Money Matters Guide
Copy of IRS 990 Due to IRS by Nov 15 th each year.	November 30th	Fax, mail or email compliance@floridapta.org		All PTAs/PTSAs are required to file an IRS 990 each year. File either 990N (e-Postcard), 990EZ (short form) or 990 (long form).
Bylaws	Every three years	Upload bylaws online on www.floridapta.org Running Your PTA Bylaws Tab – or Fax, mail or email to compliance@floridapta.org		Bylaws must be reviewed, updated and APPROVED at State Office at a minimum of every 3 years.

As a 501(c)(3) non-profit parent organization, Florida PTA is required by federal and state laws to have these documents and information listed above for each of their subordinate local unit PTAs and county councils.

By meeting these requirements on the due dates specified, your local unit PTA will not only remain in good standing, but will also be eligible for awards and participation in the Reflections and Scholarship programs. The IRS can impose fines and penalties for those group(s) or individuals that do not comply with their annual filing requirements, regardless of whether or not they have a parent organization.

Numerous units have been able to refute an IRS fine or penalty because the Florida PTA office was able to produce the required document(s) that a local unit was unable to locate. If you have any questions regarding compliance, please contact Florida PTA by email **compliance@floridapta.org** or call 407-855-7604 or 1-800-373-5782.

PTA Deposit Form

Committee/Event: _____ Date: _____

Deposit Verified: _____

(2 signers please) _____

- Submit item(s) to be deposited and this completed form along with any accompanying documentation if any (such as check stub, letter of payment, etc.) to the Treasurer.
- A copy of this form and any accompanying documentation must be filed in the appropriate committee section in the Treasurer's records.

Item	Quantity	Total Amount
Rolled coins:		
One's:		
Five's		
Ten's		
Twenty's		
Fifty's/Hundred's		
TOTAL CASH:		
TOTAL CHECKS		
GRAND TOTAL DEPOSIT		

Treasurer's Use Only

Deposit date _____ Trans. ID _____

Amount \$ _____

Mthly Statement/Check Cleared: _____

Budget updated: _____

PTA Reimbursement/Check Request Form

Requestor's Name: _____ Date: _____

Phone # or E-Mail: _____

Committee/Event: _____

Approved By: _____ Date: _____

Check Payable To: _____

Indicate where check should be sent (check one): Put in my box at school

School office: (will pick up) Other/Mail to:

- Submit this completed form with the original invoice/receipt(s) to the Treasurer. **All reimbursements must have receipt or invoice.**
- Payment requests need to be turned in within 30 days of expenditure.
- You must cash reimbursement checks within 60 days or check issued date to assure payment.
- A copy of this form and receipt/invoice must be filed in the appropriate committee section in the Treasurers records.

Date	Invoice #/Retailer/Itemized Items	Amount
	Total:	

Treasurer's Use Only

Check date _____ Check # _____ Amount \$ _____

Mthly Statement/Check Cleared: _____ Budget Updated: _____

Cash Box/Change Request Form

Committee: _____ Today's Date: _____

Event/Reason Needed: _____

Date Needed: _____

Anticipated date deposit to replace will be made: _____

- There are events and circumstances where change or a cash box is needed with startup monies. You can buy change with funds on hand, but never borrow from another event or have a person “front the funds”.
- So funds are needed for a few days or a week, such as with a book fair and at others times a cash box is needed for several months or for most of the year, as with a uniform shop or school store.
- At the beginning request change and at the end, make a matching deposit amount (returning cash box funds) but never cross over a financial year (summer).

Item	Quantity	Amount	Total Amount
Pennies		X .50	
Nickels		X 2.00	
Dimes		X 5.00	
Quarters		X 10.00	
Ones		X 1.00	
Fives		X 5.00	
Tens		X 10.00	
Twenties		X 20.00	
GRAND TOTAL REQUEST			\$

Treasurer's Use Only

Withdraw date _____ Trans. ID _____ Amount \$ _____

Mthly Statement/Appeared: _____ Budget updated: _____

Funds Replenished/Deposit Returned Date: _____

COMBO DEPOSIT/EXPENSE WORKSHEET

This worksheet is a tool to be used throughout the PTA fiscal year to keep track of your committees budgeted funds (deposits and expenditures). The treasurer will issue a statement at all board meetings to reflect any revenue or expense made to your committee. It is your responsibility to make sure your deposit (s) are on his/her report. Each committee is responsible for tracking its revenue and expenditures throughout the PTA fiscal year and must inform the executive board if there is a need for additional funds. Additional funds are subject to board approval. Any questions please contact your PTA President or Treasurer.

Committee: _____
 Budgeted Deposits: _____ Budgeted Expenses: _____

Date	DEPOSIT Description	Amount	Running Deposit Total
Date	EXPENSE Description	Amount	Running Expense Total

Treasurer Planning Sheet - Deposit/Check Request By Committee

Committee	Funds in-	Funds out			
	Deposits	Approved Purchase Start		Check Reimbursement paid for...	
		2014	2015	Purchases /Receipts	Invoice
School Spirit T-Shirts	Yes (Aug)	Sept	NA	no	Yes (in/out only)
Membership	Yes (Aug)	Sept	NA	no	Yes (in/out only)
Public Relations	Yes (Sept)	NA	NA	hold	hold
Fall/Winter Fundraiser	Yes (Sept)	NA	NA	no	Yes (in/out only)
Awards	no	NA	TBD	no	yes
Newsletter	no	Sept	TBD	no	yes
Book Fair	Yes (Oct&May)	Oct & May	TBD	yes	yes
Hospitality	no	Dec	TBD	yes	no
Program	no	TBD	TBD	yes	yes
AR/Media Help	no	TBD	TBD	no	yes
Yearbook	Yes (Dec)	TBD	TBD	no	Yes (in/out)
Teacher Mini Grants	no	NA	TBD	yes	yes
Jog-A-Thon	Yes (Mar/Apr)	NA	TBD	yes	yes
Enhancement Hour	no	hold	hold	possible	possible
Album/Scrapbook	no	hold	hold	yes	no
Photography Coordinator	no	hold	hold	possible	no
School Grounds	no	NA	NA	no	no
Grade Level/ Homeroom Coordinator	no	NA	NA	no	no
*School Store	no	NA	NA	no	no
*Student Pictures	no	NA	NA	no	no
*Uniform Repeat Shop	no	NA	NA	no	no
*Box Tops	no	NA	NA	no	no
*Scholastic Book Clubs	no	NA	NA	no	no

* = funds and expenses managed through the school accounts, not PTA activities
 NA = Not Authorized for purchases or check request
 Hold = board approval at meeting before expenses authorized
 TBD = Authorized expense start time to be determined.

CASH VERIFICATION SHEET

Date: _____ Event: _____

Date: _____ Event: _____

of Checks: _____ Total Amount: _____

of Checks: _____ Total Amount: _____

of \$100's: _____ Total Amount: _____

of \$100's: _____ Total Amount: _____

of \$50's: _____ Total Amount: _____

of \$50's: _____ Total Amount: _____

of \$20's: _____ Total Amount: _____

of \$20's: _____ Total Amount: _____

of \$10's: _____ Total Amount: _____

of \$10's: _____ Total Amount: _____

of \$5's: _____ Total Amount: _____

of \$5's: _____ Total Amount: _____

of \$1's: _____ Total Amount: _____

of \$1's: _____ Total Amount: _____

Total Amount In Change: _____

Total Amount In Change: _____

Total Amount: _____

Total Amount: _____

Signature

Signature

Signature

Signature

Print Name

Print Name

Print Name

Print Name

Date: _____ Event: _____

Date: _____ Event: _____

of Checks: _____ Total Amount: _____

of Checks: _____ Total Amount: _____

of \$100's: _____ Total Amount: _____

of \$100's: _____ Total Amount: _____

of \$50's: _____ Total Amount: _____

of \$50's: _____ Total Amount: _____

of \$20's: _____ Total Amount: _____

of \$20's: _____ Total Amount: _____

of \$10's: _____ Total Amount: _____

of \$10's: _____ Total Amount: _____

of \$5's: _____ Total Amount: _____

of \$5's: _____ Total Amount: _____

of \$1's: _____ Total Amount: _____

of \$1's: _____ Total Amount: _____

Total Amount In Change: _____

Total Amount In Change: _____

Total Amount: _____

Total Amount: _____

Signature

Signature

Signature

Signature

Print Name

Print Name

Print Name

Print Name

Cash Count Worksheet

Date: _____

Committee: _____ Event: _____

Counter 1 Name: _____ Counter 1 Name: _____

COINS

Pennies _____ @ 0.01 = _____
Nickles _____ @ 0.05 = _____
Dimes _____ @ 0.10 = _____
Quarters _____ @ 0.25 = _____
.50 Piece _____ @ 0.50 = _____
1.00 Piece _____ @ 1.00 = _____

TOTAL COINS \$ _____

Currency

Ones _____ \$ 1.00 = _____
Twos _____ \$ 2.00 = _____
Fives _____ \$ 5.00 = _____
Tens _____ \$ 10.00 = _____
Twenties _____ \$ 20.00 = _____
Fifties _____ \$ 50.00 = _____
Hundreds _____ \$ 100.00 = _____

TOTAL CURRENCY \$ _____

Rolled Change

Pennies _____ @ 0.50 = _____
Nickels _____ @ 2.00 = _____
Dimes _____ @ 5.00 = _____
Quarters _____ @ 10.00 = _____

TOTAL ROLLED \$ _____

Total Cash (from above) \$ _____

Total Checks (attach tape) \$ _____

GRAND TOTAL \$ _____

Signature _____

COINS

Pennies _____ @ 0.01 = _____
Nickles _____ @ 0.05 = _____
Dimes _____ @ 0.10 = _____
Quarters _____ @ 0.25 = _____
.50 Piece _____ @ 0.50 = _____
1.00 Piece _____ @ 1.00 = _____

TOTAL COINS \$ _____

Currency

Ones _____ \$ 1.00 = _____
Twos _____ \$ 2.00 = _____
Fives _____ \$ 5.00 = _____
Tens _____ \$ 10.00 = _____
Twenties _____ \$ 20.00 = _____
Fifties _____ \$ 50.00 = _____
Hundreds _____ \$ 100.00 = _____

TOTAL CURRENCY \$ _____

Rolled Change

Pennies _____ @ 0.50 = _____
Nickels _____ @ 2.00 = _____
Dimes _____ @ 5.00 = _____
Quarters _____ @ 10.00 = _____

TOTAL ROLLED \$ _____

Total Cash (from above) \$ _____

Total Checks (attach tape) \$ _____

GRAND TOTAL \$ _____

Signature _____

Date: _____

**NAME OF PTA
ELECTRONIC BANKING AGREEMENT**

We _____ (name of PTA) hereby authorize _____ (name of person receiving debit/credit/gift card) to use the card for pre-approved budgeted items for _____ PTA business. By accepting the card, _____ (individual's name), agrees to the following:

1. Using the card for pre-approved budgeted items ONLY;
2. Not receiving CASH or store credit from any transaction;
3. Saving all receipts;
4. Not giving the card to non-PTA board members;
5. Not using the card for non-PTA related items;
6. Not purchasing alcoholic beverages;
7. After using the card, completing a Credit Card Expense Report (see attached) and giving it IMMEDIATELY to the president (or treasurer), with appropriate receipt attached;
8. Any charges for which a Credit Card expense report has not been submitted within ten (10) days will be considered the personal responsibility of the card holder and will be repaid to the PTA.
9. All Credit Card Expense report for volunteers will be reviewed and approved by the President and/or Treasurer;
10. All Credit Card Expense reports for the President will be reviewed and approved by the Treasurer and vice versa;
11. All completed credit card expense reports will be reviewed monthly by a NON-signer on the checking account.
12. If fraudulent activity is suspected, it will be investigated, referred to the proper authorities and criminally prosecuted as deemed appropriate.

The president or treasurer, as well as one non-account signer, must review all debit/credit transactions and sign *Credit/Debit Card Expense Form*.

I agree to all items set out above and hereby accept the credit/debit card for _____ PTA. I understand the card MUST be returned immediately upon my resignation, termination, at the end of my term of office from this PTA board, upon completion of the program/event for which I have been given authority to use the card or upon written request of the _____ PTA.

Signature - Authorized User

Date

Print Name

Credit Card # _____ Expiration Date _____

Date Card Given: _____

Date Card Returned: _____

_____ **PTA CONFLICT OF INTEREST POLICY**

Abide by the following:

- A conflict of interest exists when a board members would have to participate in the deliberation or decision of any issue of this PTA while, at the same time, the board member and/or his/her extended family has financial, professional, business, employment, personal and/or political interests outside the PTA that could predispose or bias the board member to a particular view, goal or decision.
- Board members shall declare to the officers of this PTA conflicts of interest (stating the nature of the conflict and pertinent information as appropriate) between their duties of this PTA and their and/or their extended families' financial, professional, business, employment, personal and/or political interests.
- When a conflict of interest is declared, the board members shall not use his/her personal influence of position to affect the outcome of this vote and shall leave the room during deliberations and the vote.
- The minutes of the meeting shall reflect that a conflict of interest was declared.
- Board members shall not during the term of office and thereafter;
 - a. Use PTA's name, influence, or resources for their benefit or gain when running for any public elected office or while serving as an elected official;
 - b. Directly or indirectly use their PTA position, the PTA name or organization for or against any specific candidate for elected public office, which is contrary to federal tax laws and the guidelines and policies of the PTA.
 - c. Board members and/or their families shall not use their relation to this PTA for financial, professional, business, employment, personal, and/or political gain.

We, the undersigned board members, have read and agree to abide by this policy and understand that the failure to adhere to the above guidelines may result in the termination of the undersigned as board members and will require the immediate return of all PTA property, documents and materials belonging to this PTA.

PTA ETHICS/CONFLICT OF INTEREST AGREEMENT

Signature

Position

Date

(Include enough spaces for each board member to sign or make individual copies)

Example Transaction Ledger

Date	Description	Method	Account	Deposit / (Payment)	
5/2/2014	Member Reimb.	1927	Yearbook Exp	(121.23)	17,388.77
5/2/2014	Vendor	1928	Prnt Prgm Exp	(175.00)	17,213.77
5/2/2014	Vendor	1929	FCAT Celebration Appr. Exp	(558.75)	16,655.02
5/2/2014	Vendor	1930	Yearbook Exp	(187.00)	16,468.02
5/2/2014	Vendor	1931	Yearbook Exp	(206.00)	16,262.02
5/2/2014	Vendor	1932	Yearbook Exp	(153.00)	16,109.02
5/2/2014	Vendor	1933	Yearbook Exp	(103.00)	16,006.02
5/2/2014	Vendor	1934	Yearbook Exp	(721.00)	15,285.02
	5th Grade				
5/2/2014	Deposit	Dep	Yearbook Inc	715.00	16,000.02
5/2/2014	United Recycling	Dep	Recycling Inc	87.50	16,087.52
5/4/2014	Vendor	1935	Teacher Appreciation Appr. Exp	(105.00)	15,982.52
5/8/2014	Vendor	1936	Teacher Appreciation Appr. Exp	(142.20)	15,840.32
5/8/2014	Vendor	1937	Teacher Appreciation Appr. Exp	(50.00)	15,790.32
5/8/2014	Vendor	1938	Teacher Appreciation Appr. Exp	(12.34)	15,777.98
5/10/2014	Member Reimb.	1939	Yearbook Postage Yearbook Exp	(18.95)	15,759.03
5/10/2014	Member Reimb.	1940	FCAT Celebration Prizes Appr. Exp	(93.98)	15,665.05
5/10/2014	Vendor	1941	Tournament Logo Items Walk-A-Thon Exp	(1,523.75)	14,141.30
5/10/2014	Vendor	1942	Teacher Appreciation Appr. Exp	(30.00)	14,111.30
5/10/2014	VOID	1943		0.00	14,111.30
5/10/2014	Vendor	1944	Teacher Appreciation All Pro Dad Exp	(54.00)	14,057.30
5/10/2014	Member Reimb.	1945	Teacher Appreciation All Pro Dad Exp	(203.06)	13,854.24
5/10/2014	Member Reimb.	1946	Teacher Appreciation All Pro Dad Exp	(29.96)	13,824.28
	FCAT				
5/11/2014	Celb.Refund	Dep	Vendor Chk was over (1929) Appr. Exp	12.30	13,836.58
	Teacher Appr.				
5/14/2014	Refund	Jnl	Vendor Chk was over (1942) Appr. Exp	38.37	13,874.95
5/17/2014	Vendor	1947	Spring Fund Marketing Spring Fund Exp	(868.57)	13,006.38
5/17/2014	Reclass Entry	Jnl	Rcls Spr Fund Exp Spring Fund Exp	343.37	13,349.75
5/17/2014	Reclass Entry	Jnl	Yearbook Exp	(343.37)	13,006.38
5/17/2014	Vendor	1948	Prnt Prgm Exp	(528.63)	12,477.75
5/17/2014	Vendor	1949	Trophy Prnt Prgm Exp	(9.10)	12,468.65

Sample Budget

5/1/2014 TO 5/31/2014	Current	Year To Date	Original	Variance
Balance As Of 5/1/2014	Period	Balance	Budget	
Checking Account				
Unrestricted	17,321.00		12,300.00	
Restricted-Adopt An Owl	189.00			
Total Checking Account	17,510.00		12,300.00	
State and National Membership Dues				
Incoming	0.00	1,473.50	1,575.00	101.50
Outgoing	0.00	1,473.50	1,575.00	101.50
Total State & National Dues	0.00	0.00	0.00	0.00
<u>Revenue</u>				
Fundraising Revenue				
Box Tops	0.00	1,980.00	2,500.00	520.00
Spring Fundraiser	0.00	5,698.00	5,000.00	(698.00)
Walk-A-Thon	0.00	9,880.00	10,000.00	120.00
Total Fundraising Income	0.00	17,558.00	17,500.00	(58.00)
Membership	0.00	631.50	900.00	268.50
Other Revenue				
Donations	0.00	25.00	0.00	(25.00)
Interest Income	0.00	0.00	0.00	0.00
Total Other Income	0.00	25.00	0.00	(25.00)
"Purposes" Revenue				
9 Week Celebration	0.00	0.00	275.00	275.00
Adopt An Owl	0.00	550.00	500.00	(50.00)
Appreciation	0.00	125.00	100.00	(25.00)
Family Fun Nights	0.00	800.00	1,000.00	200.00
Newsletter	0.00	0.00	600.00	600.00
Recycling	87.50	112.00	75.00	(37.00)
Yearbook	715.00	4,300.00	5,000.00	700.00
Total Program Income	802.50	5,887.00	7,550.00	1,663.00
TOTAL REVENUE	802.50	24,101.50	25,950.00	1,848.50
<u>EXPENSES</u>				
Administrative Expenses				
Hospitality	0.00	127.98	200.00	72.02
Insurance	0.00	554.00	600.00	46.00
Paper & Toner	0.00	500.00	500.00	0.00
Postage/Printing/Supplies	0.00	118.56	400.00	281.44
Remembrances	0.00	0.00	200.00	200.00
Volunteer Coordinator	0.00	24.55	100.00	75.45
Total Administrative Expenses	0.00	1,325.09	2,000.00	674.91
Conference & Convention Expense				
County Council Functions & Dues	0.00	85.00	500.00	415.00
Legislative Costs	0.00	0.00	100.00	100.00
State PTA Convention	0.00	755.00	2,000.00	1,245.00
Total Conference & Convention Expense	0.00	840.00	2,600.00	1,760.00
Fundraising Expense				
Box Tops	0.00	0.00	500.00	500.00
Spring Fundraising	525.20	525.20	1,200.00	674.80
Walk-A-Thon	1,523.75	1,523.75	2,000.00	476.25
Total Fundraising Expense	2,048.95	2,048.95	3,700.00	1,651.05
Membership Expense	0.00	0.00	150.00	150.00

Page 2, Sample Budget

	Current Period	Year To Date Balance	Original Budget	Variance
Program Expenses				
9 Week Celebration	0.00	2,398.02	3,000.00	601.98
Adopt An Owl	0.00	1,290.00	1,500.00	210.00
All Pro Dads	287.02	287.02	300.00	12.98
Appreciation	941.60	941.60	1,000.00	58.40
Battle of the Books	0.00	400.00	400.00	0.00
Health and Safety Fair	0.00	127.00	500.00	373.00
Newsletter	0.00	980.79	1,500.00	519.21
Parent Programs	712.73	1,357.29	2,000.00	642.71
Recycling	0.00	0.00	20.00	20.00
Red Ribbon Day	0.00	112.98	200.00	87.02
Reflections	0.00	83.29	350.00	266.71
School Enhancements	0.00	983.38	1,000.00	16.62
Technology	0.00	717.30	750.00	32.70
Yearbook	1,853.55	1,853.55	4,000.00	2,146.45
Total Program Expense	3,794.90	11,532.22	16,520.00	4,987.78
Summer Contingency 13				
Administration	0.00	190.00	200.00	10.00
Back To School Lunch	0.00	300.00	300.00	0.00
Membership	0.00	185.73	200.00	14.27
PTA Leadership Conference	0.00	219.00	300.00	81.00
Total Summer Contingency 2013	0.00	894.73	1,000.00	105.27
Summer Contingency 14				
Administration	0.00	0.00	200.00	200.00
Back To School Lunch	0.00	0.00	300.00	300.00
Membership	0.00	0.00	200.00	200.00
PTA Leadership Conference	0.00	0.00	300.00	300.00
Total Summer Contingency 2014	0.00	0.00	1,000.00	1,000.00
TOTAL EXPENSES				
	5,843.85	16,640.99	26,970.00	10,329.01
NET INCOME (LOSS) FOR YEAR		7,460.51	(1,020.00)	
Audit Adjustments				
Checking Account				
Unrestricted	12,279.65		11,280.00	
Restricted-5th Grade	189.00			
Total Ending Cash Balance	12,468.65		11,280.00	

Detail Budget Report 2013-2014 (As of 04/30/14 Bank Statement)

	July-Dec	Jan.	Feb.	March	Apr	May	June	Total
Beginning Balance	\$ -	\$ 2,221.55	\$ 2,285.55	\$ 1,970.32	\$ 1,680.01			\$ -
RECEIPTS								
Membership Dues	\$ 345.00	\$ 5.00	\$ 5.00	\$ -	\$ -	\$ -	\$ -	\$ 355.00
Uniform T-Shirts	\$ 3,019.00	\$ 29.00	\$ -	\$ 421.00	\$ 178.00			\$ 3,647.00
Fundraiser	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Box Tops	\$ 156.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 156.90
Computers For Edu.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Spirit Night (Ci' Ci's)	\$ 130.89	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130.89
Checking Interest	\$ 33.88	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33.88
Donation		\$ 52.90	\$ -					\$ 52.90
TOTAL RECEIPTS	\$ 3,685.67	\$ 86.90	\$ 5.00	\$ 421.00	\$ 178.00	\$ -	\$ -	\$ 4,376.57
EXPENDITURES								
<i>Sub total - expense</i>	\$ 271.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 181.00	\$ -	\$ -	\$ 461.00
TOTAL EXPENSES	\$ 2,661.60	\$ 22.90	\$ 320.23	\$ 711.31	\$ 854.31	\$ -	\$ -	\$ 4,570.35
TOTAL RECEIPTS	\$ 3,685.67	\$ 86.90	\$ 5.00	\$ 421.00	\$ 178.00	\$ -	\$ -	\$ 4,376.57
TOTAL (Balance+ Rcpt-Exp. =checking)		\$ 2,285.55	\$ 1,970.32	\$ 1,680.01	\$ 1,003.70	\$ -	\$ -	
Carry Over (Savings)	\$ -	\$ 1,749.30	\$ 1,749.51	\$ 1,749.73	\$ 1,750.09			
Grand Total (Chkng + Savings)	\$ -	\$ 4,034.85	\$ 3,719.83	\$ 3,429.74	\$ 2,753.79	\$ -	\$ -	

PTA Budget - 2013-2014
(As of 04/30/2014)

	2013-2014 Budget	2013-2014 Actual	2013-2014 Variance
REVENUE			
Membership Dues (\$5 x 71 members)	\$ 250.00	\$ 355.00	\$ 105.00
Uniform T-Shirts	\$ 4,000.00	\$ 3,647.00	\$ (353.00)
Fundraiser	\$ -	\$ -	\$ -
Special Projects	\$ -	\$ -	\$ -
Box Tops	\$ 550.00	\$ 156.90	\$ (393.10)
Computers For Education	\$ -	\$ -	\$ -
Spirit Night	\$ 800.00	\$ 130.89	\$ (669.11)
Checking Interest	\$ -	\$ 33.88	\$ 33.88
Donation	\$ -	\$ 52.90	\$ 52.90
TOTAL REVENUE	\$ 5,600.00	\$ 4,376.57	\$ (1,223.43)
EXPENDITURES			
Membership Dues (3.50 71 + 6 prior yr)	\$ 175.00	\$ 269.50	\$ 94.50
Uniform T-Shirts	\$ 2,074.80	\$ 1,897.43	\$ (177.37)
Fundraiser	\$ -	\$ -	\$ -
Positive Behavior Support (PBS)	\$ 260.20	\$ 166.73	\$ (93.47)
Special Projects (per studnet)	\$ -	\$ -	\$ -
Awards	\$ 1,500.00	\$ 1,346.62	\$ (153.38)
Hospitality /Teacher Relations	\$ 420.00	\$ 54.07	\$ (365.93)
History Celebration	\$ 175.00	\$ -	\$ (175.00)
Programs - General	\$ 725.00	\$ 375.00	\$ (350.00)
<i>Sub total - expense</i>	\$ 5,330.00	\$ 4,109.35	\$ (1,220.65)
<i>Administration</i>			
Bank Service Charge/Bad Debt	\$ 130.00	\$ 46.00	\$ (84.00)
Insurance	\$ 190.00	\$ 195.00	\$ 5.00
PTA Expense & Training	\$ 450.00	\$ 220.00	\$ (230.00)
<i>Sub total - Admin expenses</i>	\$ 770.00	\$ 461.00	\$ (309.00)
TOTAL EXPENSES	\$ 6,100.00	\$ 4,570.35	
TOTAL REVENUE	\$ 5,600.00	\$ 4,376.57	
SUB TOTAL (Revenue - Expense)	\$ (500.00)	\$ (193.78)	
Checking as of April 30th Statement	\$ 1,197.48	\$ 1,003.70	
Savings/Carry Over	\$ 1,750.09	\$ 1,750.09	
Grand Total Bank Balance	\$ 2,947.57	\$ 2,753.79	

_____ PTA
DEBIT/CREDIT/GIFT CARD EXPENSE FORM

Date _____

ATTACH ALL RECEIPTS TO THIS FORM. COMPLETE ALL INFORMATION.

INFORMATION
<p>Name and Position of PTA Member Authorized to use card:</p> <p>_____</p> <p>Address: _____</p> <p style="margin-left: 100px;">_____ <i>(if needed)</i></p> <p style="margin-left: 100px;">_____</p>

Payment Description

Retailer/Reason for Charge	Charge To:	Amount
		\$
<i>Exact Amount of Debit/Charge</i>		\$

Signed: _____
Authorized User

Date: _____

Approved by:

President / Treasurer

NON ACCOUNT SIGNER

Date

Date

PTA ANNUAL AUDIT/ FINANCIAL REVIEW FORM (PAGE 1 OF 2)

(2016/2017)



Purpose: To meet audit compliance requirements in the bylaws. Instructions follow:

- The Executive Board shall select an audit committee or auditor annually according to the Local Unit Bylaws, Article VII, Section 5. The PTA/PTSA Treasurer shall submit to the auditor(s) all financial records and forms listed below after the end of the fiscal period, June 30, each year. **The completed audit must be presented and adopted by the members at the first general membership meeting in the following year.** To remain in good standing, PTAs are required to email or mail a completed and signed copy of the Audit/Financial Review to Florida PTA. It must be postmarked, emailed or faxed on or before the last business day of September.
- **Email to: compliance@FloridaPTA.org. FAX: 407-240-9577**
Mail to: Florida PTA, 1747 Orlando Central Parkway, Orlando, FL 32809

Date Completed:		8 Digit Local Unit ID #:	
PTA Name:		County Council or County:	
Audit Committee Contact Person:		PTA Position:	
Street Address		Apt. Number	
City	Zip	Email	
Cell Phone		Home Phone	

Auditor/Audit Committee: Please complete Sections A and B. Audit Period Covered: July 1, 20 ____ to June 30, 20 ____

Section A

To the Audit Committee: Please check the boxes of the financial records provided to you from the Treasurer:

- | | |
|---|--|
| <input type="checkbox"/> All Bank Statements | <input type="checkbox"/> Treasurer's Ledger Book (also referred to as a cash book) |
| <input type="checkbox"/> All Deposit Receipts | <input type="checkbox"/> A copy of "Annual Financial Review (PTA Audit)" from Florida PTA Kit of Materials, Section 3, Dollars and Sense |
| <input type="checkbox"/> All Cash Verification Forms and receipts | <input type="checkbox"/> Checkbook and Checkbook Register |
| <input type="checkbox"/> All Check Request forms with receipts/ bills attached | <input type="checkbox"/> Cancelled checks |
| <input type="checkbox"/> Treasurer's reports from all PTA/PTSA meetings including final general membership Annual Meeting | <input type="checkbox"/> Receipts of bills paid or itemized statements |
| <input type="checkbox"/> Copy of Final Approved budget and all amendments (approved by the members) | <input type="checkbox"/> Copy of last annual audit report, (as of June 30 previous year) |
| <input type="checkbox"/> Copies of all board, executive committee and association meeting minutes (From Secretary's Procedure Book) | <input type="checkbox"/> If any were conducted, copies of any interim audits that were conducted during the year |
| <input type="checkbox"/> Current copy of approved local unit bylaws | <input type="checkbox"/> Filed copy of IRS Form 990, 990EZ or 990N (e-Postcard) confirmation Email from previous tax year. |

Section B

- Does amount shown on first bank statement (adjusted for outstanding checks and deposits) correspond to the starting balance recorded in checkbook register, ledger, treasurer's report and ending balance of audit from previous annual audit. Y N
- Were bank statements reconciled monthly by the treasurer and signed by another person not authorized to sign checks or related to a check signer? Y N
- Did all checks written contain two signatures (President, Treasurer or other Elected Official / bank signatory)? Y N
- Were all checks properly recorded in checkbook register, ledger and with treasurer reports? Y N
- Were all bank charges and interest recorded in checkbook register, ledger and treasurer reports? Y N
- Did the PTA purchase insurance? Y N
- Were all check requests and reimbursement authorizations approved by the president or designee and contain receipts? Y N
- Did the PTA make payments by credit card or debit card? Y N
- Did the PTA use Cash Verification Forms or Cash Count Sheet? Y N
- Were all funds received counted by two persons and verified by the treasurer? Y N
- Did funds received match deposits recorded in the checkbook register ledger and treasurer reports? Y N
- Was income spent according to the approve/amended budget? Y N
- Did the general membership meeting minutes include budget approval? Y N
- Did the general membership meeting minutes include a motion and vote for approval of all budget amendments? Y N
- _____ # of memberships collected? _____ # of memberships dues submitted to the state? Y N

Please contact and return the completed audit to the new incoming treasurer.

Outgoing Treasurer's Signature _____ Date _____

Daytime Phone Number _____ Email _____

Incoming Treasurer's Name _____

Daytime Phone Number _____ Email _____

PTA ANNUAL AUDIT / FINANCIAL REVIEW FORM (PAGE 2 OF 2)
 (2016-2017)



Date of Audit: _____ 8 Digit Local Unit ID# _____

PTA/PTSA Name: _____ County Council or County _____

Dates covered by this Audit / Fiscal Year: July 1, 20____ to June 30, 20____

1. Balance on Hand (From Audit as of June 30 of Previous Year).....\$ _____
2. Receipts / Income Received (Since Date of Last Audit).....\$ _____
3. **Total Cash (Add Line 1 and Line 2 together for Total)**.....\$ _____
4. Expenses / Disbursements (Since Date of Last Audit)\$ _____
5. **Balance on Hand as of Date of Audit (Subtract Line 4 from Line 3)**\$ _____
6. Bank Statement Balance as of June 30, 20____\$ _____
7. Checks/Transactions Outstanding as of June 30 (List check number/transaction, date and amount, use additional sheet, if needed.)

Outstanding Check Number/Transaction	Date of Check	Amount of Outstanding Check/Transaction

8. Total Amount Outstanding Checks (total from table above) \$ _____
9. **Balance in Checking Account (Subtract line 8 from line 6)** \$ _____

Reconciliation Note: Amounts on Line 5 and Line 9 should be the same.

Total Members paid for in current year _____ X \$3.50 = _____

- **Calculate Total Income/Receipts used for IRS reporting on Form 990** \$ _____
Total Members in current year _____ X \$3.50 = _____ (Amount of payment(s) to FPTA)
 (Subtract Amount of payment(s) to Florida PTA for State & National Dues **from Line 2**, income, above)
- **Calculate Total Expenses/Disbursements used for IRS reporting on Form 990** \$ _____
Total Members in current year _____ X \$3.50 = _____ (Amount of payment(s) to FPTA)
 (Subtract Amount of payment(s) to Florida PTA for State & National Dues **from Line 4**, expenses, above)

PLEASE CHECK ONE:

____ I (We) have audited the books and find them to be correct.

____ I (We) have audited the books and found the following problems and/or make these suggestions.

____ I (We) have audited the books and found significant problems that must be reported to the district PTA immediately for assistance.

I (We) have attached our findings/recommendations to this form.

 Auditor 1/ Reviewer Signature Auditor 2/ Reviewer Signature Auditor 3 / Reviewer Signature

 Printed Name Auditor 1/ Reviewer Printed Name Auditor 2/ Reviewer Printed Name Auditor 3 / Reviewer

 President's Signature Treasurer's Signature Date

The auditor/auditing committee report must be in writing. If the auditing committee finds there are not adequate records or inappropriate accounting procedures used, this information should be noted on the attached findings / recommendations.

Note: A copy of the Financial Review/Audit must be submitted to Florida PTA by the last business day in September. Once the appropriate 990 is filed with the IRS on or before November 15, you are required to forward a copy to Florida PTA .

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	
	<input type="checkbox"/> Exempt payee	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number									

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a “saving clause.” Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the “Name” line. You may enter your business, trade, or “doing business as (DBA)” name on the “Business name/disregarded entity name” line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the “Name” line and any business, trade, or “doing business as (DBA) name” on the “Business name/disregarded entity name” line.

Disregarded entity. Enter the owner's name on the “Name” line. The name of the entity entered on the “Name” line should never be a disregarded entity. The name on the “Name” line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the “Name” line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the “Business name/disregarded entity name” line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the “Name” line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the “Name” line is an LLC, check the “Limited liability company” box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter “P” for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter “C” for C corporation or “S” for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the “Name” line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the “Name” line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.