23rd District PTA
everychild. onevoice.

2026-2027

Have a HEALTHY PTA!

A Strong PTA:

- **Follows clear and transparent financial procedures!**
  - Only **current** check signers have access to the bank account and safe.
  - **All** funds are accounted for and secured.
  - Prepares/presents financial reports at both Executive Board and Association meetings.
  - Completes "5 Minute Financial Review" monthly.
  - Pays bills **ONLY** after securing appropriate approvals.

Reach Out to District If:

- Financial reports aren't provided!
- Unit lacks receipts or financial documentation!
- Proper financial forms aren't being used!
- Money isn't counted by two people!
- Officers missing meetings/don't communicate!

Help@23rdDistrict.org

Ask This Question:

"Will This Directly Benefit the Children?"

If the answer is "No." PTA shouldn't do it!

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GIFT CARDS GUIDANCE

Hospitality

- ***Tangible***, ***small*** items of an "insignificant value" may be given to thank everyone (not one specific person) Examples include: candy, flowers, or a basic PTA-branded spirit wear shirt. This purchase would fall under **"Hospitality"**
- Gift cards **cannot** be purchased as personal gifts for teachers, staff, or volunteers.
- An appreciation lunch/meal is considered an acceptable "de minimis" benefit by the IRS. **No alcohol**. This purchase would fall under **"Hospitality"**
- Purchases not benefiting children or making your PTA run are most likely hospitality!
- **ALL "Hospitality" (and everything under Hospitality) must be 5% or less of the expenditures for the year.**

When CAN We Buy Gift Cards?

- Gift cards are considered "same as cash" by the IRS, and **must be treated same as cash.**
- **Gift cards cannot be purchased to be given to adults EVER, nor given directly to students.**
- Gift cards may be purchased as undetermined prizes for students in *low value amounts ($10.00 or less)* to specific stores only.
- **Donated** gift cards must be used for the donated purpose (in support of an event), and that use must be documented and recorded.

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GIFT CARDS GUIDANCE

CONTRACTS/RAFFLES/PERMITS

Signing PTA Contracts

- The activity/fundraiser being contracted must be in the adopted budget, and the activity must be approved by **the principal.**
- The contract **must be in writing**.
- The **president** and an **elected officer** must sign
- **No multi-year contracts**
- Signatures should read: "(Full Name of the Unit), (First Last Name) (Year) and (Title), and (First Last Name) and (Title) (Year)" e.g.: "Marvel High School PTSA, Tom Holland, President 2026-2027 and Mark Ruffalo, Vice President of Programs 2026-2027."

PTA Raffles and Permits (We Need Them!)

- **There are some important numbers in your bylaws – Article XIV!**
  - **EIN (**Federal Tax ID Number**)**
  - **FTB (**Franchise Tax Board**)**
  - **CT (**Charitable Trust**)**
- **Units must renew with the Registry of Charities and Fundraisers every year**.
- RRF-1 submittal **must** include 990 *or* CT-TR-1
- **A raffle permit is required before any raffle activity takes place, don't forget the report!**
  - Find it online (CT-NRP-1/CT-NRP-2): **http://oag.ca.gov/charities/forms**
  - Check unit status online: http://rct.doj.ca.gov/Verification/Web/Search.aspx?facility=Y

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CONTRACTS/RAFFLES/PERMITS

PTA CHECK/DEBIT CARD RULES

- **Only elected officers designated as check-signers in the unit or council bylaws may have or use check/debit cards.**
- **Only check/debit cards issued by the PTA's bank are permitted. No store-check cards or credit cards are permitted.**
- **Bank check/debit cards may be used for purchases when the pre-approval expense authorization process is followed ONLY. If the expense is not preapproved, the card CANNOT be used.**
- **The motion to use the card must be made *before* purchasing, and card use must be included in the motion for the expenditure approval [e.g.: "I move to buy of three Convention registrations at $249 each, for a a total of $747, to be purchased using the Sunshine PTA debit/check card."**
- **NO cash advances/cash back on purchases is permitted.**
- **An "Authorization for Payment via Electronic Services" form signed by two authorized check signers must be submitted to the treasurer with documentation (receipts) for any debit transaction.**
- **All card transactions must be documented in the monthly financial reports.**
- **A change in check-signers requires a change in authorized card users *and* requires a financial review.**
- **Loss of the card requires a financial review.**
- **When term ends, access to the account must be removed and cards destroyed.**

CAPTA STANDING RULES FOR CHECK/DEBIT CARDS MUST BE REQUESTED FROM TWENTY-THIRD DISTRICT PTA AND ADOPTED BY THE UNIT BEFORE A DEBIT/CHECK CARD MAY BE ISSUED OR USED!

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PTA CHECK/DEBIT CARD RULES

PTA FUNDS AND FUNDRAISING

Remember: The objective as a PTA isn't to be **wealthy**, but to fund the approved **programs** for the current year!

Keep It Simple: **Programs** and **Fundraisers**

A **program directly benefits children** and is not designed to **make a profit for PTA.**

A **fundraiser** is something that **makes a profit for PTA.**

Fundraising and PTA

- Raise what is needed to meet the adopted budget and run the PTA for the current year!
- Do not use/exploit children for fundraising!
- Remember, the **3:1** rule!
    - Every **one** fundraiser supports **three** programs!
    - If there are **three** fundraisers, there should be **nine** programs – **keep.it.simple!**

Financial Responsibility and PTA

- **Make sure all expenses are approved and ratified!**
- Make sure every expense is **substantiated**!
- Units **may use** *digital payments* but **must use** a **separate account** for collection with separate reports, binders, and financial reviews for the life of the account.
- **Do not use PTA funds to buy gifts or personal items.**
- **Make sure that Hospitality expenses are less than 5% of your budget!**

Reimbursements and PTA

- All expenditures **must be approved** or reimbursements cannot happen!
- **Always** keep receipts (and keep PTA purchases separate from personal purchases!)!
- Forms must be completed and signed (in ink!)!
- No blank checks or checks written to CASH.
- Every check must have a proper payee, and a written dollar amount.
- **No personal benefit/inurement:** Volunteers may **not** be compensated or given perks for service; we want **volunteers**, not **employees**!

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APPROVING PAYMENTS

Officers of the PTA have an **obligation** to spend funds
according to the purposes of the PTA.

Every expenditure requires the approval process:

- *First:* **Budget Adopted by Association**

Budget adoption says, "This is our plan for the year, and how much we want to spend on each part of it."

  - Must be approved by the association before any spending occurs.
  - Includes all activities and plans for the fiscal year
  - Can be amended by the association with a **2/3** vote of approval,
  - *Verbiage: "I move to adopt the budget as presented"*

- *Second:* **Funds Released by Association**

Releasing funds says, "We want open up this pot of money [line item] and spend out of it."

  - Specific line items and amounts must be released before spending happens and cannot exceed current bank balance.
  - Needed funds are released from one association meeting to the next, so strong planning is needed!
  - Amended line items must also be released if the amounts in the line items increase.
  - *Verbiage: "I move to release the following funds (line item, amount), (line item, amount), for a total of (amount)."*

- *Third:* **Expenses Approved by the Board**

Approving expenses says, "We want to buy this specific item(s)."

  - The executive board approves expenditures from released funds.
  - Payments must be substantiated with documentation.
  - *Verbiage: "I move to pay the bill to (name) in the amount of (total)."**
    See debit/check card rules for debit/check card use

- *Fourth:* **Expenses Ratified by Executive Board/Association**

Ratifying expenses says, "We want to acknowledge we did just what we asked for permission to do."

  - All expenses are ratified (acknowledged).
  - Expenses are ratified from one meeting to the next (EB to EB, GA to GA).
  - *Verbiage: "I move to ratify check #(insert) to check #(insert) and ACH payments (if there are any) in the total amount of (total)."*

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APPROVING PAYMENTS

CASH HANDLING

- **Never leave the money alone.**
- **Never take money home**
  - There **must** be at least **two PTA members** present at **all** times with any PTA funds.
  - **One person should be an officer**
  - Counters (and check-signers) **may not** be related by **blood** or **marriage (or living together)**.
  - Each person counting money must count **separately, using a separate form** that will be verified by the second person.
  - **Only** the people counting should be in the room when counting
- **Everything** counted (cash, coins, and checks) **must** be included on a **Cash Verification Form.**
  - Forms **must** be **complete** (Checks individually recorded, cash and change recording incrementally, all sections sub-totaled, grand totals recorded, and signed.)
  - Funds **must** be totaled *and* verified by **two** people; both people sign the form.
  - **Print** each signer's name next to his/her signature (in ink!).
- A copy of the completed **Cash Verification Form** should be kept by each counter/signer, as well as a copy filed for record with the unit financial officers.
- **PTA cannot have "petty cash."** Event change requires approval in advance and is recorded as a withdrawal and redeposit to the event line item.
- **Times** and **Locations** for cash-handling (counting funds, etc.), should be scheduled **in advance.**
- **All** PTA funds must be counted in a secure location
- Once funds are *counted*, *documented*, and *verified*, they must be ***secured*.**
  - Funds should be immediately put into the custody of the **Treasurer for deposit (or in the safe)**.
  - If the **Treasurer** is not available, and access to the safe is not available, funds should be placed in an envelope (with the **Cash Verification Form**) and sealed. Both signers must sign the envelope seal before storing with site admin in the school safe.
- **Do not make change with your personal money**; only make change by following PTA protocols.
- **Do not mix personal money and PTA money**
- **Do not commingle funds**. PTA may only handle those funds over which it has complete control.
- **PTA may not fundraise for ASB, Boosters, Student Council, or individual grade levels/classes**.

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