



# Treasurer Topics

Summer Training Camp 2020

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# NYS PTA MISSION

PTA is a powerful voice for all children, a relevant resource for families and communities, and a strong advocate for the education and well-being of every child.

- ✓ PTA Funds education of PTA leaders and membership through attendance at conferences and workshops
- ✓ PTA Funds programs at PTA meetings to provide information on Parenting and Family Life and Parent Involvement
- ✓ PTA Funds programs for all children such as Arts-In-Education performances
- ✓ PTA Funds Reflections programs
- ✓ PTA Funds any project that carries out the Purposes of PTA

# 501(c)(3) STATUS

- Sales tax exempt
- Income tax exempt - Group Exemption #1258
- Contributions by donors may be treated as charitable contributions for tax purposes
- Must be organized and operate according to the mission set forth in the bylaws
- Advocate for the health, education and welfare of all children.

# 501(c)(3) STATUS

- Non-sectarian
- Non-commercial
- Non-partisan
  - Cannot engage in political activity
  - Can engage in insubstantial amount of lobbying
- Resources cannot be used for private benefit (inurement)

# TOOLS AND TEMPLATES

- Register for the National PTA Local Leader Kit  
<https://www.pta.org/local-leader-kit>
- The Finance Section has great resources
  - finance e-learning courses
  - templates for financial documents

# INSURANCE

## AIM Playlist of Events



**STOP:** This activity is potentially excluded from your policy. Contact AIM for more details.



**PAUSE:** Use Caution. Even though this event is potentially covered under your policy, this is a high risk event and you need to take extra precaution when hosting.



**PLAY:** Covered Event

Email: [aim@aim-companies.com](mailto:aim@aim-companies.com)

Call: 800-876-4044

# EXCESS FUNDS

- There is no ruling from the National or New York State PTA or the IRS that limits the amount of money that a PTA can carryover from the previous year.
- Sufficient funds for start-up expenses, leadership training, back-to-school activities should be accounted for.
- Funds not spent in one budget year should be included as part of the next year's budget.



# EMERGENCY RESERVE FUND

An emergency reserve fund is considered an integral part of a PTA unit's planning and budget process. This fund is intended to serve as means to maintain financial stability in the event of an unforeseen circumstance such as unplanned expenses arising from a project or the loss of the ability to hold a fundraiser. As a rule, a healthy reserve is about one half of a full year's average expenditures and should not exceed one full year's average expenditures.

# DONATIONS-ONE STUDENT/FAMILY

Due to IRS regulations, this is not allowed!

- IRS regulations for 501(c)(3) organizations
  - Funds must be used to further the mission and purpose of PTA
    - PTAs purpose is not general welfare or disaster relief
  - Individual beneficiaries must be eligible members of a charitable class
    - Must be large enough that the potential beneficiaries cannot be individually identified, or
    - Sufficiently indefinite that the community as a whole, rather than a pre-selected group of people, benefits when a charity provides assistance
- Use your PTA experience, help In other ways outside PTA

# IRS 990

- **ALL** PTAs must file
- Fiscal year July 1<sup>st</sup> to June 30<sup>th</sup>
  - File between 7/1 and 11/15
  - 2020 return is for 7/1/19 to 6/30/20
- 990-N e-postcard filing – if **gross** receipts are less than \$50,000
- 990-EZ or 990 - if **gross** receipts are between \$50,000 and \$200,000
- If 990-EZ or 990 is filed, you **must** also file Schedule A
- Request a filing extension on Form 8878
- All documents are downloadable in pdf format from *www.irs.gov*

# 501(c)(3) STATUS REVOKED

If your unit receives notification that its tax-exempt 501(c)(3) status has been revoked, there is a process to have it reinstated. Contact your Region Director *immediately* for assistance.

If your status is revoked, then your unit

## May

- Continue to be a PTA
- Sell memberships
- Run programs/events
- Pay bills
- Maintain PTA insurance
- Attend State/Region PTA events and trainings
- Advocate

## May Not

- Use the New York State Sales Tax Exempt form (ST-119.1) for purchases
- Solicit/accept tax-deductible donations
- Apply for grants for not-for-profits
- File the 990 until status is reinstated

# SUNSHINE/RAINY DAY FUND

- Sunshine Fund – *No Budget Line*
  - IRS regulations specifically forbid Sunshine/Rainy Day Funds
  - Must not appear in PTA reports and procedures

# QUESTIONS, PLEASE!

- Now it is your turn!

# TREASURER RESOURCES

- NYS PTA Resource Guide – Section 5A Finance & 5B Insurance
- NYS PTA Website
  - [www.nyspta.org](http://www.nyspta.org) > Leaders > Run Your PTA > Treasurer Information
- NPTA eLearning Library
  - [www.pta.org](http://www.pta.org) > Run Your PTA > E-Learning
- NPTA – Back to School Kit: <http://www.ptakit.org/>
- Region Treasurer/Director
- NYS PTA Treasurer, Patricia Frazier- [treasurer@nyspta.org](mailto:treasurer@nyspta.org)
- NYS PTA Membership and Insurance Manager, Dania Welch-  
[dwelch@nyspta.org](mailto:dwelch@nyspta.org)