

FUNDRAISING

2023-2024

RESOURCE GUIDE



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Easy access to all of the live links in the Resource Guide are available at a scan of the QR code.



About PTA

VISION Every child's potential is a reality.

MISSION To make every child's potential a reality by engaging and empowering families and communities to advocate for all children.

PURPOSES

- To promote the welfare of children and youth in home, school, places of worship, and throughout the community.
- To raise the standards of home life.
- To advocate for laws that further the education, physical and mental health, welfare, and safety of children and youth.
- To promote the collaboration and engagement of families and educators in the education of children and youth.
- To engage the public in united efforts to secure the physical, mental, emotional, spiritual, and social well-being of all children and youth.
- To advocate for fiscal responsibility regarding public tax dollars in public education funding.

VALUES

- **Collaboration:** We will partner with a wide array of individuals and organizations to broaden and enhance our ability to serve and advocate for all children and families.
- **Commitment:** We are dedicated to children's educational success, health, and well-being through strong family and community engagement, while remaining accountable to the principles upon which our association was founded.
- **Diversity:** We acknowledge the potential of everyone, without regard, including but not limited to: age, culture, economic status, educational background, ethnicity, gender, geographic location, legal status, marital status, mental ability, national origin, organizational position, parental status, physical ability, political philosophy, race, religion, sexual orientation, and work experience.
- **Respect:** We value the individual contributions of members, employees, volunteers, and partners as we work collaboratively to achieve our association's goals.
- **Accountability:** All members, employees, volunteers, and partners have a shared responsibility to align their efforts toward achieving our association's strategic initiatives.

PTA NATIONAL STANDARDS FOR FAMILY-SCHOOL PARTNERSHIPS

- Standard 1: **Welcome All Families** The school treats families as valued partners in their child's education and facilitates a sense of belonging in the school community.
- Standard 2: **Communicate Effectively** The school supports staff to engage in proactive, timely, and two-way communication so that all families can easily understand and contribute to their child's educational experience.
- Standard 3: **Support Student Success** The school builds the capacity of families and educators to continuously collaborate to support students' academic, social, and emotional learning.
- Standard 4: **Speak Up for Every Child** The school affirms family and student expertise and advocacy so that all students are treated fairly and have access to relationships and opportunities that will support their success.
- Standard 5: **Share Power** The school partners with families in decisions that affect children and families and together—as a team—inform, influence, and create policies, practices, and programs.
- Standard 6: **Collaborate with Community** The school collaborates with community organizations and members to connect students, families, and staff to expanded learning opportunities, community services, and civic participation.



Leadership Competencies

Skills and Abilities Demonstrated by Effective Leaders

Successful leaders are effective leaders. Think of some of the most effective PTA leaders you have worked with. They fill their PTA role well, but their leadership capacity goes beyond that. They have skills and abilities that allow them to step into various roles. They see the value people have to offer and seek their involvement. They provide a clear purpose that others want to follow. They lead with integrity and strive to improve continually.

Texas PTA has identified a set of competencies that effective leaders demonstrate. Current and potential leaders can use these skills and abilities to improve their leadership. Local or Council PTA nominating committees can use them to recruit, nominate, and elect effective leaders. The competencies also drive our Full Circle Leadership Development program.

This list is by no means exhaustive. Rather, it is representative of the qualities PTA leaders demonstrate in the work they do to make every child's potential a reality.

Competencies	Descriptions
<i>Integral to All Categories</i>	
Communications	Listens actively and conveys information clearly, concisely, and accurately in both writing and speech
<i>Adaptive</i>	
Creativity	Sees and thinks of new ideas, alternatives, and ways to do things
Continuous Learning	Pursues the development of skills and knowledge
<i>Forward-Thinking</i>	
Critical Thinking	Obtains all relevant information, identifies problems and causes, evaluates information, and determines criteria that indicate solutions
Motivation	Demonstrates and promotes interest and enthusiasm
Vision	Demonstrates a clear understanding of the future and how to get there
<i>Interpersonal</i>	
Collaboration	Works as a team to achieve a common purpose, putting service before self
Initiative	Steps up unprompted and goes above and beyond with excellence
Relationship Building	Develops trust and mutual respect, and values diversity
<i>Intrapersonal</i>	
Empathy	Expresses verbal and nonverbal recognition of feelings, needs, and concern for others
Integrity	Does the right thing when no one is watching
Self-Awareness	Assesses their own strengths and weaknesses
<i>Technical</i>	
Delegation	Shares responsibilities, including guidance and follow up
Time & Resource Management	Effectively prioritizes and manages the resources to accomplish the goals of the group or project



Texas PTA Diversity, Equity, and Inclusion Policy

This Policy has been developed by the Texas PTA Diversity, Equity, and Inclusion Task Force, adopted by the Texas PTA Board of Directors (“Board”), and is intended to be consistent with the National PTA’s Diversity, Equity, and Inclusion Policy. This policy is also designed to further the commitment of Texas PTA to diversity, equity, and inclusion: To continually be a voice for all children by reflecting diversity and inclusivity in our membership, leadership, program content, advocacy, training, partnerships, and communications.

We acknowledge the potential of everyone without regard, including but not limited to: age, culture, economic status, educational background, ethnicity, gender, geographic location, legal status, marital status, mental ability, national origin, organizational position, parental status, physical ability, political philosophy, race, religion, sexual orientation, and work experience.

Effective Date: This policy was amended as of May 23, 2023, shall be reviewed by the Board every two years, and shall remain in effect until amended or replaced in its entirety as a result of action by the Board.

Scope: This policy shall guide Texas PTA, its Board, all constituent divisions (Local PTAs and other divisions, including Council PTAs), and their respective members.

Definitions: For the purpose of this policy:

- *Diversity* is the representation of and respect for people from different backgrounds and identities—including but not limited to race, ethnicity, culture, religion, socioeconomic status, age, geographic area, sexual orientation, gender identification, language, approaches to learning, diagnoses, or exceptionalities impacting learning or access to learning, and physical appearance. It also involves bringing different ideas, perspectives, lived experiences, talents, values, and worldviews to represent the wide variety of children, caregivers, educators, and communities within the PTA family.
- *Equity* provides fairness and access to resources, opportunities, and outcomes so that all communities are provided with what they need to be engaged and successful. This moves beyond an “equal across the board” approach to include the following:
 - a) Recognize and address bias and privilege.
 - b) Understanding and attending to specific individual and community needs, providing additional resources to those with greater needs.
- *Inclusion* is actions, behaviors, and social norms that strive to ensure all people feel safe, welcomed, and accepted. This means putting diversity into action with skill and intentionality, striving to ensure everyone feels respected, supported, and valued—and can fully participate with an equal voice and a right to be heard. This includes actively seeking out voices that have been traditionally underrepresented and/or marginalized.

Policy: Texas PTA, its Board, and its constituent divisions (Local PTAs and other divisions, including Council PTAs) shall:

- Promote and encourage awareness, inclusion, and engagement of all diverse populations represented in the community.
- Openly assess beliefs and practices to ensure inclusiveness and equity and to guard against discrimination.
- Strive to ensure that the membership, leadership, programs, partnerships, and published materials reflect the diversity of their communities.
- Facilitate communication with families in their communities in languages they understand to the extent possible.
- Identify and address barriers that hinder inclusivity.
- Foster programs and practices that eliminate bias, prejudice, and misunderstanding.
- Advocate for funding, laws, and regulations that support programs, policies, and services that meet the health, safety, and educational needs of all student populations in Texas public schools.
- Provide resources and training that develop a more diverse and inclusive group of members, leaders, and community.

Texas PTA first adopted a Cultural Diversity and Inclusion policy on July 26, 2012.

Standards of Continuing Affiliation



Each membership year, Local PTAs must meet **both** of the following requirements to attain Active Status with Texas PTA. The membership year begins on August 1.

1. Remit to Texas PTA state and national membership dues for at least 20 members.
2. Submit to Texas PTA the name and contact information (mailing address, phone number, and email address) of at least one current executive board member, preferably the president.

Local PTAs must comply with **all** of the following standards to remain in Good Standing with Texas PTA. Local PTAs that do not maintain Good Standing will be subject to a Local PTA Retention Plan as described below.

1. Maintain Active Status with Texas PTA.¹ (see requirements above)
2. Report all additional members and remit state/national dues to Texas PTA each year.
3. Submit to Texas PTA the name and contact information for all additional executive board members within 15 days of election or appointment.²
4. Review Local PTA bylaws (and standing rules, if applicable) every three years and submit to Texas PTA for approval.³
5. Each year, within 60 days of fiscal year-end, electronically file and have accepted by the IRS the appropriate "Form 990 Return of Organization Exempt from Income Tax".

Local PTA Retention Plan (initiated when a Local PTA does not maintain Good Standing)

Notification: Texas PTA will notify the PTA of the actions required to attain Good Standing. The PTA will have 30 days from the date of the notification to meet all Good Standing requirements to avoid moving into the Restriction Phase.*

Restriction: While in the Restriction Phase, the PTA is not eligible for awards, programs, or grants administered by Texas PTA or National PTA. The PTA will have 30 days to meet all Good Standing requirements to avoid moving into the Restructure Phase.

Restructure: For PTAs that do not attain Good Standing following the Notification and Restriction Phases, Texas PTA may begin the process of restructuring the leadership of the PTA or revoking the PTA's charter. A PTA that signs an Action Plan may temporarily move into Intervention, giving them time to resolve any outstanding issues. The PTA will continue to be ineligible for awards, programs, and grants administered by Texas PTA and National PTA until Good Standing is achieved.

Intervention: Once in the Intervention Phase, Texas PTA will assign a support team to assist the PTA. If all Action Plan requirements are not resolved by the agreed-upon date, the PTA will be moved back into Restructure. **With cause, Texas PTA may place a Local PTA that has not met all Good Standing Requirements into the Intervention Phase early.*

1. *Active Status is used to determine eligibility in many Texas PTA programs and services. Please reference specific program eligibility requirements to ensure your PTAs participation.*
2. *PTAs submit executive board member information to Texas PTA electronically via the Texas PTA website.*
3. *Bylaws are submitted via the Bylaws Submission Form found on the Texas PTA website.*
4. *Proof of filing and acceptance is the Exempt Organization Business Master File issued regularly by the IRS.*

Importance of the Fundraising Position

It seems obvious why fundraising is important: to raise funds for needed items, services, and programs. Yet, raising funds has many other benefits. Every movement needs momentum or fuel, and the successful fulfillment of the PTA mission often relies on the monies raised each year. So yes, fundraising can make a huge impact.

Fundraising by nonprofits should be creative. Creativity in fundraising efforts will ensure that PTAs have the financial resources they need to operate and provide the services they are committed to providing. In the normal process of selecting fundraising platforms, consider selecting several different types. Your options are vast, so don't limit yourself; however, PTAs across the country often use all kinds of "a-thons," silent auctions, catalog sales, and painless fundraisers like grocery store loyalty programs, restaurant spirit nights, and check-writing campaigns. In addition, financial resources can be found through grants offered by National and Texas PTA and community sponsorship programs. No matter where you get started, consider how you can go beyond the traditional way of asking for financial support.

Without a doubt, PTAs should always ask the following when they begin planning fundraisers:

- What is our mission?
- Why do we exist?
- Why do we need financial support?

Some PTAs call this position Ways and Means or Stewardship to point out that this role responsibly raises money as a means to an end.

Getting Started

It can't be said enough - the primary emphasis in PTA must be focused on promoting the PTA mission, vision, and purposes, not on fundraising. It's how fundraising is done that is important. Mission-driven fundraising is key!

Every PTA should begin the year with specific goals aligned with the PTA's mission and should also consider the principal's goals. They can then determine the funds needed to accomplish these goals and which fundraisers will work best.

Fundraising events must reflect the high principles of the PTA, be educational, social, or have recreational value. Be careful to avoid parent burnout. Too many fundraisers may drive away members. With fundraising, less can be more.

Fundraisers are never conducted to raise money for which no use has been planned. The most successful fundraisers are those where the PTA members and school community understand why the funds are being raised. Consider including a list of programs and other projects the PTA has planned for the year, but don't limit the funds raised to only a specific program or project to avoid issues if not enough or if too much money is raised.

Fundraisers can be about more than making money for the PTA. They can also be a part of a program that supports students or parents. Some examples include walk-a-thons (a healthy lifestyle program that raises money for the PTA) and carnivals (a community event that can include a fundraising component through ticket sales). Check with other groups on campus or other PTAs in your area to see what fundraisers they are doing to not compete with one another. Products and timing need to be considered.

Getting Started

- Join your PTA and register as a PTA leader within 15 days of election or appointment at <https://txpta.secure.force.com/OfficerIntake>.
- Complete all required PTA training and fundraising training found at txpta.org/pta-training within 30 days of election or appointment.
- Consider completing treasurer training.
- Work with the outgoing chair to learn more about your role and about fundraisers that have worked and not worked in the past.
- Develop a plan of work and submit it to the executive board for approval.
- Sign the Texas PTA Confidentiality, Ethics, and Conflict of Interest Agreement.

Responsibilities

- Work with the treasurer to ensure the PTA has purchased appropriate insurance to cover any liabilities that might occur as a result of your fundraising events.
- Coordinate and work with a committee.
- Research and determine the best fundraisers for your PTA.
- Comply with local, state, and federal laws and school district rules regarding fundraisers.
- Verify that the executive board has approved and the president has signed any contract or agreement for fundraisers.
- If a fundraiser is initially approved as a general fundraiser budget line, ensure membership approves the actual fundraiser before commitment. This can be done through a budget amendment clarifying the fundraiser description or a separate vote.
- Work with the executive board to declare tax-free days and communicate sales tax information clearly to the treasurer when making deposits.
- Ensure that all money is counted by at least two people and verified using a deposit form which can be found at txpta.org/treasurer. PTA money should be deposited promptly into a PTA account. Never hold cash overnight. PTA money is never deposited into a personal or a school account.
- Ensure all fundraising-related bills are paid by completing a funds request form and submitting the associated receipts or invoices to the treasurer. The funds request form can be found at txpta.org/treasurer.
- Report all income, expenses, and profit from the fundraising event to the executive board and the membership at the next meeting after the fundraising event.

Keeping Records

Compiling and maintaining a complete record of your activities can help those PTA Leaders who follow behind you. Passing along important information to your successor gives them what they need to get started! New Leaders who access previously implemented PTA practices can more easily adjust and make needed changes. Additionally, a PTA should closely follow its records retention policy to be sure they are properly storing the records they need to maintain regulatory compliance.

How to Compile Your Records

Ask yourself, "If I knew nothing about the job, could I do it with this information?" Depending on your position, you may need hard copy materials at your fingertips. If so, use a loose-leaf folder or binder with tabbed dividers. Other positions could easily keep their records electronically via cloud-based storage or a USB drive.

Suggested Content

Bylaws/Standing Rules

- A current, date-stamped copy of the PTA Bylaws and Standing Rules. Each year (after August 1), the parliamentarian should request a copy of your PTA's bylaws and standing rules from Texas PTA. They should be distributed to all executive board members and reviewed annually. Visit www.txpta.org/bylaws for the request form and more information.

Rosters

- Current roster of executive board members with their contact information
- Contact information for Texas PTA Field Service Representative, Council PTAs (if applicable), Texas PTA Board members with comparable responsibilities, the Texas PTA State Office
- Resources, and related agencies and organizations in the community relevant to your position

Items Related To Your Position (As Applicable)

- Description and responsibilities of your position
- Current Texas PTA BASICS Resource Guide(s)
- Plan of Work approved by the executive board
- Reports prepared for meetings (executive board, membership, and committee)
- Financial records including approved budgets, detailed reports with copies of your PTA Funds Request Forms with receipts, and copies of all deposit forms that you have signed
- Promotional material, newsletter articles, evaluations, etc.
- Award applications submitted to Council, Texas, or National PTA
- Summary of your term, including recommendations for the following year

PTA Meetings

- Agendas and approved minutes from each meeting
- Financial reports
- Relevant committee reports
- Information on upcoming events and programs sponsored by PTA at all levels
- Record of volunteer hours to be reported to the volunteer coordinator (if applicable)



Sample Plan of Work

Muestra Plan de Trabajo

Executive Board Member Name: (Nombre del Miembro de la Mesa Directiva)			
Position: (Puesto)	Fundraising	Year: (Año)	

Reproduce as needed for the appropriate number of goals.
(Reproducir según sea necesario para el número apropiado de objetivos)

Responsibilities / Duties: (Responsabilidades/Obligaciones)	Research and present fundraisers to the executive board and membership for approval. Oversee fundraisers.	Committee Members: (Miembros del Comité)	List members appointed by the chair with approval from the executive board.
Goal: (Objetivo)	To hold successful fundraisers to provide funds for the PTA's planned activities	Evaluation Process: (Proceso de Evaluación)	Profitability and value of fundraisers.

Specific Action Steps (Pasos de Acción Específico)	Start Date (Fecha de Inicio)	Completion Date (Fecha de Terminación)	Budget (Presupuesto)
Research fundraisers to assist in deciding the best fundraisers for the PTA.	July	Ongoing	\$0
Present fundraisers to the executive board and membership for approval. If initially approved as a general fundraiser budget line, ensure membership approves the actual fundraiser before commitment.	Ongoing		Varies. Ensure both expected income and expenses are included in the budget.
Oversee fundraisers; ensure all deposits are made, expenses paid, insurance obtained, and merchandise distributed (if applicable).	Ongoing		\$0
Present the results of fundraisers to the executive board and membership.	Ongoing		\$0
Monitor committees' expenditures and provide committee chairs with updates on budget status.	Ongoing		\$0

Resources: (Recursos)	Texas PTA Fundraising Resource Guide, Texas PTA Treasurer Resource Guide, Texas PTA Field Service Representative, Council PTA (if applicable), National PTA, and Texas PTA website.
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Fundraising Fundamentals

Why Funds Are Needed

PTA funds are used to promote PTA purposes. Money must be raised ethically, recorded accurately, and spent wisely. The following are some functions for which funds should be budgeted:

- Leadership training
- Insurance
- PTA administration
- Advocacy, programs, and parent education
- Expenses of all committee chairs
- Awards
- Other activities your PTA membership approves

Considerations

When setting fundraising goals, consider the following:

- Did you carry over more money than usual from the prior year?
- Have your PTA program plans changed? If so, be sure the PTA approves any needed budget amendments.
- Does the goal reflect items that support your mission and purpose?
- How much do you need to fundraise?

When planning a fundraiser, ask the following questions:

- Does it adhere to the PTA vision, mission, and purposes?
- Does it conform to the noncommercial, nonsectarian, and nonpartisan policies outlined in the PTA bylaws?
- Will it create goodwill for the PTA?
- Will it provide the revenue to help meet the PTA's goals?
- Do you need to collect sales tax, or can tax-free days be used?
- Do the contracts for the products cover who is responsible for damages or unclaimed goods?
- Does your insurance cover what may come up during the fundraiser?
- Is the PTA using volunteers, or does it have to pay or contract workers?
- Is it ethical?
- Is there a cost for using a facility? Are there special restrictions for the facility?
- How long is the event going to last?
- Are there local, state, or federal laws that apply (for example, Raffles and Bingo)?
- Is the company a recognized fundraising company? How long have they been in business? Ask for and check references.
- Does the company have a local sales representative?
- Is the fundraising company knowledgeable about fundraising and sales tax issues?
- Have complaints been filed with the Better Business Bureau or Texas PTA for a company you are considering?

3-to-1 Guideline

The three programs or non-fundraising activities to one fundraiser guiding principle is recommended by Texas PTA. PTAs should fundraise for the amount that is necessary to accomplish their goals for each fiscal year and not build a nest egg for future use. This principle provides guardrails that prevent a PTA from losing focus on the primary emphasis of the promotion of the purposes of the PTA.

Relationship of Members/Students to Fundraisers

When planning fundraisers, there are a few important guidelines regarding member and student participation:

- The executive board should use caution when considering a PTA member's business for a fundraiser. At a minimum, Texas PTA recommends the PTA receive two additional bids for consideration in addition to the members' bid. For more information, see the Confidentiality, Ethics, and Conflict of Interest Agreement.
- The executive board selects and approves fundraisers to preclude any potential conflict of interest.
- Children must never be placed in a position of risk to further any fundraising project.

- PTAs should refrain from organizing and participating in any fundraising activity that may require a child to go door-to-door without adult supervision.
- Award programs should thank and award all families for their help and participation, not just a few top sellers, if at all possible.

Planning

- **Create a calendar of activities.** The reliable way to determine what needs to be done by when is to work backward from the day of the fundraiser. List all of the steps. Create an actual calendar once you have worked out what needs to be done. Make sure to list the date the task will begin and the date the task will end.
- **Define committees and assign leaders.** Remember, one person is not a committee. Invite people to join your committee. Sub-committees might be formed to plan, handle meals or refreshments, decorations, awards, and gather auction items or donations. Schedule regular committee meetings, allowing everyone to report their progress and any difficulties they may face.
- **Plan the promotion and publicity.** Promotions are advertising you arrange or pay for yourself, such as posters and invitations. Publicity is media reporting. Promoting and publicizing your fundraiser tells your members, supporters, and the public about it. Your newsletter, morning announcements, and website should generate excitement about the fundraising in advance, mentioning the date, location, and contact person for more information or volunteer opportunities. Consider placing announcements in the local newspaper, on the school website, and on social media (for example, Facebook, Twitter, or Instagram).

Legal Implications

There are three main legal implications for fundraising activities:

- **Product liability** – PTAs should always be concerned when a fundraiser involves selling a product. The concerns vary depending on the product.
- **Personal injury claims** – Personal injury claims are the second most common legal concern. Remember, anyone can become injured during a fundraiser, and they could hold the PTA responsible.
- **Contract issues** – PTAs should secure contracts when a third party is involved with its fundraisers. Like any legal document, these agreements are binding on the PTA and could result in legal liability if those agreements are not fulfilled. For example, if a PTA signs a contract that states a minimum amount of items must be purchased to receive a percentage of the sales, the PTA may be required to purchase those items with PTA funds if the minimum amount is not sold. Any contract entered into by a PTA should be examined thoroughly by a person knowledgeable in contract law who can advise the PTA concerning its obligations. Contracts require executive board approval and are signed by the president.

PTAs should always purchase insurance to cover any liability the PTA may encounter. The PTA should review its insurance policy to determine whether product liability, personal injury, or contract claims arising from fundraising events would be covered. While personal injury is typically covered in a general liability insurance policy, product liability claims and claims arising from contractual obligations may not be covered.

Fundraising Ideas

Donations

- Corporate sponsorships
- Parent/PTA member donation drive (often called No Hassle Fundraiser, greenbacks)
- Mile/pounds of pennies, pennies for...

Food Sales

(Check School District Policies)

- After-school snacks: pickles, cupcakes, sno-cones
- Bake sales; bake sale on election day (if school is polling site)
- Breakfast tacos
- Candy bars
- Community dinners: spaghetti, Mexican, Barbeque
- Concession stands at school/PTA events: movie nights, dances, sports events
- Take home dinners

Non-Food Sales

- Book Fair/Used Book Fair
- Brochure sales: candy, gift-wrap, cookie tins
- Family portraits
- Greeting cards and stationery
- Holiday-grams: flowers, candy, notes
- Magazine subscriptions
- Personalized items with students' names
- Plants, poinsettias, seeds, flowers, mulch
- Santa's workshops
- School supplies/school store
- School spirit items: shoestrings in school colors, stadium cushions, t-shirts, water bottles

Healthy Food Fundraisers

- Fruit
- Healthy cookbooks
- Healthy vending machines
- Herb garden kits
- Nuts and trail mix
- Smoothies
- Spices

Project/Event/Program Fundraisers

- Art/game night
- Auctions: live, silent, online
- Bingo
- Grants
- Raffles
- Recycling: printer cartridges, cans, paper, clothing
- Rebate programs: BoxTops4Education, Labels for Education
- Retail or restaurant night (where PTA receives a percent of proceeds)
- Movie night
- Store reward programs
- Service project programs: RaiseCraze

Carnivals

- Craft Fair
- Fall Festival/Carnival
- Field Day Fun
- Fun Day
- Halloween Carnival
- Kids Around the World
- Spring Carnival

Active Fundraisers

- Bike-a-thon, bowl-a-thon, skate-a-thon, walk-a-thon
- Family obstacle course
- Fun walks or runs
- Golf or tennis tournaments
- School dances
- Teacher-student competition

Note: The listing of specific fundraising programs/vendors does not indicate Texas PTA endorsement.

Donations

Individual Donors

Direct donation drives provide a time-efficient and cost-effective way to raise the additional funds your PTA needs. Offering a single, direct fundraiser may work well in communities that experience “giving fatigue” from too many events.

Tips:

- Highlight your fundraising goal and suggested amount or a range of donation options per donor. Consider calculating a price per child your PTA needs to fund your year. This gives the families a clear picture of what is needed, and they might be more likely to give.
- Provide a list of the many programs your PTA has planned for the year that the donation will help support (for example, PTA parent engagement programs, library books, playground equipment, drug prevention activities, and school dances). When sharing this list, ensure that you don't state that their donation will go directly to a particular program or activity so that way there are no issues if not enough funds are raised or more funds than are needed are raised for a particular activity.
- Consider providing an incentive by listing donors on the PTA website according to their giving levels (platinum, gold, silver, bronze).
- Add a promise not to ask them to sell or buy anything the rest of the year if your PTA can meet their donation goal.
- Make it easy by offering an online giving option.
- Double your impact by asking families to explore whether their employers will match donations.
- Some donors will need a tax acknowledgment for tax deduction purposes. Even if not needed, donors may appreciate a reminder of their donations at the end of the calendar year. Work with the treasurer to ensure donors are properly thanked and any receipts needed or requested are provided. See “Tax Acknowledgment for Donors and Sponsors” in this guide for more details.
- Consider writing a personal thank you note to the families that give over a certain amount. For example, your PTA might want to thank families for a donation of \$100 or more.

Bundling and Rounding Up

Increase your fundraising in small increments by asking families to purchase a bundle of items or asking them to round up. For example:

- **Bundling**
 - Example 1 - \$20 = PTA membership (\$7 value) + PTA members-only t-shirt (\$8 cost) + Donation (\$5)
 - Example 2 - \$25 = PTA membership (\$7 value) + School yard sign (\$8 cost) + Donation (\$10)
- **Rounding Up**
 - Example - \$10 for \$7 membership + \$3 donation

Sponsorships/Partnerships

PTAs may offer PTA sponsorships or partnerships in return for intangible benefits. For example, for a \$250 sponsorship, a PTA may include a company's logo and name in its monthly newsletter, a banner on the school fence, and a post on its social media site. PTAs often provide tiers of sponsorships based on donation levels. The guidelines for sponsorships mirror the noncommercial policy and co-venturing guidelines.

Many PTAs run very successful sponsorship fundraising campaigns. Here are some things to consider:

- Determine the benefits and price of sponsorship packages. Benefits may include social media shout-outs, sponsor banners on campus, and including names in the PTA newsletter and/or meeting agenda. Consider having general and event-specific sponsorships.
- Structure sponsorship acknowledgments so as not to appear as an endorsement of a product or company. Rather than posting to buy a sponsor's merchandise, mention the company and its support of your PTA.
- Decide whether to require cash or allow an in-kind donation (t-shirts, food) to pay for a sponsorship.
- Consider the optics of who sponsors your PTA. Verify that their business is not in conflict with the PTA mission.
- Solicit sponsors at the end of the prior fiscal year to have them in place for next year's budget.

- Ask community members, businesses, and/or parents to become PTA sponsors.
- Email and call potential sponsors. Share opportunities to become a sponsor on social media. Ask your local business association to include your sponsorship opportunity in their newsletter publication.
- Consider forming a partnership with your sponsors, Invite them to your PTA events, ask them to volunteer, and keep them informed of PTA news.
- Ensure your PTA's role is a passive one. Share the company name and thank them for their support rather than mentioning that a company is your exclusive partner.
- Live up to your end of the sponsorship agreement, and be sure your sponsor knows when you do.

Getting corporate sponsorships can be as simple as encouraging executive board members to ask their employers to donate food or other needed items for a PTA event or to buy a table's worth of tickets for an annual dinner event. Other times, you will want to look for major sponsorships, such as offering to make a company the lead name on your event.

Thanking Sponsors

Thank yous must be limited to an expression of thanks and can list identifying information for the sponsor. The expression cannot request that people patronize the sponsor or buy its products; otherwise, the sponsorship payment will be subject to federal income tax.

Here are some ideas for thanking sponsors:

- Place posters throughout the school thanking the sponsor
- Hang banners at the sponsored event
- Hang banners around the school
- Place a thank you in the PTA newsletter or on the PTA website
- Use social media to thank the sponsor (Facebook, Twitter)
- Place a thank you on the school marquee
- Provide a certificate for the sponsor to display at their business
- Have students send thank you notes or letters. Student artwork could be displayed with the notes.

Tax Acknowledgement for Donors and Sponsors

In addition to the above thank you ideas, the PTA must provide an acknowledgment in the following situations:

- **For a cash donation of more than \$250**, the PTA must provide an acknowledgment including
 - PTA name;
 - amount of money donated;
 - date of the contribution; and
 - a statement regarding whether any goods or services were received in return for the donation or sponsorship. A good faith estimate of the value must be provided if goods or services were provided.
- **Donors may also request an acknowledgment for smaller donations**, particularly if they are made in cash (rather than by check).
- **For unreimbursed PTA expenses of \$250 or more**, the purchaser must obtain a tax acknowledgment from the PTA if the volunteer wants to claim a deduction for PTA-related expenses.
- **If goods or services are provided in exchange for a donation of more than \$75**, the PTA must provide a receipt to the donor that states the amount of the payment, a description of the goods/services provided, and a good-faith estimate of its value.
- **If a contributor donates something other than money (in-kind goods)**, the donor must complete Form 8283. If the in-kind donation is over \$5,000, the donor must have the PTA sign Form 8283 to acknowledge the donation.

Sample acknowledgment letters/donation receipts can be found at txpta.org/treasurer. PTAs are required by IRS disclosure rules to inform prospective donors about how their contributions are legally tax-deductible.

Grants

Grant funds can support PTAs in running a program or making a program accessible to all students. Unlike most donations, grants are typically linked to a particular project. To receive most grants, you must identify a need, develop a plan, and (if successful in obtaining a grant) be prepared to report back to the organization granting the funds on how you used the money and what you achieved.

Tips for pursuing grant funding:

- Create a committee. Include a representative from your school or district who can help you find local school data or secure letters of support. Engage a parent with experience and interest in writing proposals.
- Match your need to a funder's interests. Be sure to send your application only to a funder who has indicated an interest in the project you're proposing. Lists of previously funded projects can be great sources of this information.
- Follow instructions! Most grantmakers are very specific about how they want to receive proposals. Be sure to follow all guidelines about the format, deadlines, the number of copies to submit, and so on.
- If you get the grant, thank your funder. If possible, invite a representative of the funding organization to a PTA meeting assembly, school event, or photo opportunity with the finished project.
- If you don't get a grant, ask why politely. Use any feedback you receive to strengthen future proposals.

Sources for PTA grants:

- National and Texas PTA offer grants and scholarships. See [PTA.org/awards](https://pta.org/awards) and txpta.org/awards-grants.
- Your local chamber of commerce is a good place to identify businesses in your area (or local offices for larger corporations) that may offer grants. Local retail and grocery chains often have grant programs for youth, family, or school projects.
- Private foundations are independent nonprofits that offer grants, usually keeping with set priority areas.
- Foundation grants can be competitive; you may have better luck with smaller, local foundations. The website candid.org/ (formerly the Foundation Center) offers a wealth of information about finding and applying for foundation grants.

Product Sales

Many PTAs choose to sell products to help raise funds for their PTA. Remember that students should never be asked to sell to strangers. Your PTA may decide to purchase and sell a product directly or may choose to hire a third-party fundraising company. Examples of direct product selling would include spirit sales or concession sales. Catalog sales and book fairs are two common sales in which a fundraising company is involved. Many items that PTAs sell are taxable to the purchaser. Before committing to a product sale fundraiser, check with your PTA's treasurer to ensure that the PTA has a sales tax permit (or that the PTA can designate the sale as a tax-free day). If collecting sales tax is required, review the Treasurer Resource Guide and consult with your PTA's treasurer.

If your PTA chooses to use a third-party fundraising company, the following should be considered when selecting a fundraising company:

- **Reputation:** Look for a company with an established reputation working with schools and parent organizations. Talk with other schools in the area to find out any information regarding the company being considered. Check if complaints are filed with the Better Business Bureau or on social media sites.
- **References:** Ask the fundraising company for references. The fundraising company should not have a problem supplying a list of references.
- **Profitability:** Consider the amount of profit (money from the fundraiser less associated costs). Each fundraising company typically has a set profit percentage it offers to the PTA. These can vary greatly between companies. Look for companies that offer a high percentage for the PTA. Remember that fees for shipping and handling charges and other expenses can take away from profits. Make sure to factor in these expenses when making your decision.
- **Customer Service:** Good fundraising companies give support throughout the entire process of the fundraiser. Pay close attention to the level of customer service that is received. How easy is it to get in touch with someone when help is needed? Is the company representative helpful? You want someone who will provide fast and reliable answers to questions. Most fundraising companies assign specific sales agents. This agent should provide customer service throughout the entire fundraiser. Make sure that this is a service that your fundraising company offers.
- **Knowledge:** Is the fundraising company knowledgeable about fundraising and sales tax issues?
- **Licensing:** Make sure that the company is a licensed business in the area it claims to be located. Look for an affiliation with the Association of Fund-Raising Distributors and Suppliers (AFRDS)
- **Products:** Consider providers that offer many different types of fundraisers, then work with the same company each time you plan a fundraiser. Make sure the products offered are of high quality and available at a price that most of your parents, teachers, and community would be likely to buy.

Contracts

More fundraising companies are asking for written contracts. A contract protects the PTA and the fundraising company by having all major decisions in writing. With a contractual agreement, all parties assume responsibility for complying with the terms, but the PTA also begins the fundraising project with a clear understanding of who handles what.

Consider the following when reviewing a fundraising contract:

- Double-check all numbers. Are the costs, percentages, and other details the same as those you agreed on?
- Are all desired services included (for example, kick-off presentations, incentive programs, tallying, packing, and shipping)? Is it clear that the company covers the cost of these services?
- Are the approved promotional materials (take-home brochures, display kits, sample packs, and so on) listed?
- Are payment and product delivery dates included and consistent with your verbal agreement? If any payment is required before the delivery of all merchandise, be sure you have thoroughly reviewed the financial status and ethics of the company. Check references with at least two other organizations that have done business with the vendor.
- Is there a clause covering the procedure for handling damaged, unsold, or returned merchandise?
- Ensure the contract is an agreement between two organizations, not two individuals. As the fundraising VP/chair, you should not sign any contracts. You should provide them to the executive board for

approval. After that approval, the president will sign. Executive board approval is reflected in the executive board meeting minutes. When signing contracts, the signer adds their title after their name to show they are signing for the PTA and not as individuals.

- Signers on the written contract should appear as follows:

Jane Doe Fundraising

(Fundraising Company Name)

By: _____

(Company's Representative)

ABC Elementary School PTA

(PTA Name)

By: _____

(PTA President)

- A variety of insurance policies are available to vendors to protect themselves and your PTA against injuries and accidents resulting from use of their products. Other policies also provide proof of coverage for claims under the Deceptive Trade Practices Act. If you have concerns, consider requesting proof of coverage from your selected vendor before doing business.

Projects/Events/Programs

Rewards and Rebates

Another popular fundraiser involves rewards and rebates from national and local businesses. These types of fundraisers usually require little time and investment from the participants. Examples are the Benefit app, BoxTops4Education, and Safeway/Randalls grocery stores. Check out company websites for more information. To ensure the PTA will receive the rebates, verify that the company allows PTAs to participate.

Community Building/Fun Fundraisers

As fundraisers ideally serve more than one purpose, consider fundraisers that build your community and help your students and families have fun together. Here are some ideas:

- **Art Class:** Find a talented artist (painter, sculptor, crafter) from your community willing to volunteer their time to teach. Promote your class online and encourage community members to register and pay a fee. Make sure each participant has the tools and supplies.
- **Car Decals:** Can be customized for graduates, school spirit, PTA membership recognition, and more. Promotes class and school spirit all year!
- **Carnival/Fair:** Great way to promote community. Remember, any contracts with your carnival should be signed only by the president. Review what your insurance policy covers regarding this type of event.
- **Cooking Class:** Find a talented chef from your community willing to volunteer their teaching time. Promote your class online and encourage community members to register and pay a fee. Ensure each participant has the required ingredients (either by sending out a grocery list or providing pre-made kits).
- **Dance-a-Thon:** Promotes wellness while raising funds. This can be simple. Advertise, get registrations, provide t-shirts, and have a “famous” DJ (mascot, principal, custodian) play music/dance at a common time. Can partner with a vendor to market and collect pledges and money.
- **Flocking:** Purchase 10 pink (or school color) plastic flamingos. Pick 10 yards in your community to be the lucky 1st recipients. For \$10, the flamingos are removed; for \$15 moved to the lawn of choice. It could also be done throughout the year to recognize birthdays. Could offer HS students service hours to help move around.
- **Food Truck Event:** Could be spread out in a school parking lot or neighborhood park. Consider accepting pre-orders. It could run in conjunction with a membership drive, carnival, or other PTA event. Food trucks give a portion of the profit to PTA for hosting.
- **Read-a-Thon:** Event, usually with a time limit, where students set a goal they would like to reach (4 books, 1500 pages). Can collect pledges based on a student meeting the goal. Can partner with a vendor.
- **Restaurant Night:** Partner with restaurants in your community. A small portion of proceeds goes to PTA, and the percentage of proceeds varies by restaurant. Invite a high school mascot, cheer squad, or other groups to wave to families in the pickup line.
- **Run/Walk-a-Thon:** Promotes wellness while raising funds. It can be simple. Advertise, get registrations, provide t-shirts, and walk/run at a common time. Can partner with a vendor to market and collect pledges and money.
- **Snow Cone Event:** Snow cone companies offer percentages of proceeds from events. Invite a snow cone truck to the neighborhood park or open space. Some franchises offer home delivery with pre-orders.
- **Spirit Wear/T-Shirt Sale:** Sold through a website or paper forms. You can typically double your money. Consider doing pre-orders only to limit excess inventory.
- **Sponsor-a-Day Donation:** Allow families to sponsor a day on the school calendar. May pick a birthday or other significant date. Highlight family on social media, announcements, marquee, and so on.
- **Yard Signs:** Can be customized for graduates, school spirit, PTA membership recognition, and more. Promotes class and school spirit all year!

Movie Night

The PTA can host a movie night where admission is charged or admission is free. In either case, a movie license is required. There are severe fines and penalties for not having a license, so do your research before scheduling a showing. Even if the PTA owns the DVD, the PTA must have a license to show the film in public.

Since some schools already have a movie license to cover the PTA's showing, your PTA may be covered for a movie showing if it is held on school property. Check with the school administration when planning to show a

movie. Many organizations that host public showings of movies get their license and even rent the film from a movie licensing company such as Swank, Motion Picture Licensing Corporation, or Criterion Pictures.

Auctions

Many PTAs run successful auctions as a fundraiser. The key to holding an auction is to ensure it is part of a fun event welcoming to all members and those in the community. Your auction can be a silent auction, live auction, online auction, or a combination.

Consider the following tips to have a successful night:

- Establish your auction rules and ensure all participants know the rules in advance (bidding open and close times, pre-event bidding, do you have to be present to win, the timeframe in which the customer pays, and so on)
- Determine whether you will conduct the auction or partner with a third party.
- Reach out to your principal and teachers for intangible items (day in the library, game with the principal during lunch, parking spot at band concerts, hallway naming for a year).
- Reach out to local businesses for gift cards and physical items. Popular items include jewelry, sporting events, massages, and tutoring.
- Request items from online vendors, state sports teams, or colleges by searching "donation request XXX" (where XXX is your city or area, or state) to find options. Advanced planning is key!
- Work with donors and your committee to collect items for themed gift baskets.
- Market your items. If doing an in-person auction, appealingly display your items on covered tables considering traffic flow. If doing an online auction, photograph and upload your items. If applicable, share detailed descriptions of each item and include a redemption timeline.
 - Include the fair market value of each item on the bid sheet and a starting bid and bidding increments. Consider including an "ALL SALES ARE FINAL" disclaimer. We have seen companies go out of business, and then the auction winner wants the PTA to give them their money back.
 - Ensure you know the expiration date for any certificates or services, and ensure they are advertised.
 - Do not set out actual gift cards or certificates unless wrapped up in a basket or included with a bigger item. You can have a copy of the gift card or certificate out to display but keep the original in a safe place until payment is received.
- If items in the auction are taxable, consider using one of the PTA's two tax-free days for the auction. If a tax-free day is not established, the PTA must collect and remit sales tax on all taxable items. For more information on this, consult the Treasurer Resource Guide and your PTA's treasurer.
- Determine if you are going to accept credit cards. Consider having two check-out lines – one for cash or check and one for credit cards. If you plan to accept credit and debit cards, ensure your membership has voted to authorize e-commerce transactions. All payments must go directly to a PTA account.
- Don't forget to thank your donors, bidders, and volunteers! See "Tax Acknowledgement for Donors and Sponsors" in this guide for more information on IRS requirements for donor acknowledgment.

Commercial Co-Venturing

Commercial co-venturing is when a business advertises a cooperative fundraising effort. A portion of their sales will be forwarded to the PTA as a gift. The size of the gift is determined by how successful the business is in selling its product or service. An example of this might be that an insurance agent agrees to pay your PTA a certain amount for each family who signs up with them.

Given PTA's non-commercial policy, a passive role is the only appropriate role in such a venture. The PTA must refrain from active promotion or marketing of the business's products or services and do no more than inform members of the agreement. Structure agreements so as not to appear as an endorsement of a product or company. If this is not possible, the PTA should choose not to participate.

Bingo

PTAs must consider all regulations before committing to a bingo event and avoid participation unless they can assure complete compliance. Detailed rules may be obtained from the Texas Lottery Commission (TLC) Bingo Enabling Act, Charitable Bingo Administrative Rules, and Bingo Operations Manual found at txbingo.org/export/sites/bingo. PTAs also must complete an Application for Temporary Bingo Occasions for

Non-Licensed Organizations if they decide to proceed with the process. *A license is still required even if the games are just for fun, where no entry fees are collected.*

The TLC must receive the application and all attachments at least 30 days before your first event. To obtain forms, visit the Texas Lottery Commission Charitable Bingo Forms page at txbingo.org/export/sites/bingo/Forms You may not advertise a Charitable Bingo before actually receiving your license.

Raffles

Chapter 2002 of the Occupations Code, the Charitable Raffle Enabling Act (CREA), permits and regulates raffles, which it defines as “the award of one or more prizes by chance at a single occasion among a single pool or group of persons who have paid or promised to pay a thing of value for a ticket that represents a chance to win a prize.” Under the CREA, only qualified organizations may hold a raffle. A 501(c) tax-exempt, nonprofit organization that has been in existence for at least three years may hold raffles in Texas.

According to the Texas Attorney General, raffles are a legal activity for a PTA provided each of the following regulations is followed:

- Each ticket must have printed on it the name and address of the PTA, price of the ticket, description of each prize valued at \$10 or more, and the date on which the raffle prize(s) will be awarded. No prize may be valued at more than \$75,000.
- The PTA may hold no more than four raffles in a calendar year.
- The PTA may not promote or advertise a raffle statewide other than on the organization’s website or through a publication or solicitation, including a newsletter, social media, or email, provided only to previously identified supporters of the organization. Selling or offering to sell tickets statewide is prohibited.
- The PTA must possess the prizes or post a bond for the full value with the county clerk.
- The PTA may not compensate a person, directly or indirectly, for organizing or conducting the raffle.
- The PTA must complete an IRS W-2-G form if the value of the raffle prize exceeds \$600 or the value of the item raffled is at least 300 times the amount of the individual’s ticket price. A person receiving a raffle prize must furnish the exempt organization a statement on Form 5754 made under penalties of perjury stating his or her identity. If the PTA awards a raffle prize of more than \$5,000, it must collect 25% regular gambling withholding on the fair value of the prize awarded and report this amount to the IRS on Form W-2G. If the organization fails to withhold correctly, it is liable for the tax. Provided the prize value is less than \$5,000, and the recipient completes Form 5754, the PTA is under no obligation to collect tax.

The above information is accurate as of the printing of this guide. Please check <https://www.texasattorneygeneral.gov/divisions/charitable-trusts/charitable-raffles-and-casinopoker-nights> for any updates before preceding with a raffle.

Although raffle prizes are often donated and not specifically purchased by a PTA, PTAs should be mindful of some prizes’ perceptions and potential liability.

See the Treasurer’s Resource Guide for more information on PTA’s IRS Group Exemption Ruling, Tax-free Days, Collecting and Reporting State Sales Tax, and a When to Collect Sales Tax table.

Special Events

PTAs can sponsor projects and events, such as after-graduation lock-ins, after-prom lock-ins, or grade-level banquets, as long as proper procedures are followed.

These types of events should be run via the PTA committee structure. Each PTA annual event includes a standing committee, a detailed plan of work approved by the executive board, and a line item in the budget. If the project or event occurs only once, as in the case of a campus anniversary or rededication ceremony, the executive board creates a special committee with a line item in the budget.

Any income from these PTA-sponsored special events (ticket sales and donations) is considered PTA income and should be deposited into a PTA bank account. The PTA budget and financial reports should contain income and expense line items for these special events. The PTA should retain insurance (liability and fidelity bond, accidental medical, officers’ liability) for these projects/events to be covered. The school district’s

insurance does not cover the PTA.

PTA funds, including these special event funds, may not be used to benefit an individual. Individual benefits must be considered whenever prizes are offered to attendees.

Fiduciary Duty

The Internal Revenue Service (IRS) (as included on Form 990) requires reporting by nonprofits on a range of governance issues that reach far beyond financial reporting, including executive board member “fiduciary duty.”

Fiduciary duty is a legal responsibility to act in the best interest of another person. Fiduciary implies a level of trust that is necessary to represent our members.

Executive board members have three fundamental fiduciary duties:

- The **duty of care** means that an executive board member actively participates, attends executive board meetings, is educated on the industry, provides strategic direction, and oversees the daily operations of the PTA.
- The **duty of loyalty** requires an executive board member to operate in the interest of the PTA and not to use their position to further a personal agenda.
- The **duty of obedience** requires an executive board member to know the state and federal laws and regulations that apply. This includes the regulations and guidance issued by the IRS and the Texas State Comptroller’s Office. Obedience to governing documents requires a deep understanding of the operating documents (bylaws, standing rules, policies, executive board resource guides, and required Texas PTA training). Finally, obedience requires that an executive board member not act outside the scope of the PTA’s legal documents.

Fiduciary duty in PTA means the executive board members act as trustees of the organization. This includes exercising due diligence to oversee that the organization is well-managed and that its financial situation remains sound.

Finance for Executive Board Members

Financial Considerations

Every executive board member should be knowledgeable about the financial responsibilities of the PTA. Below is basic information on finances that every executive board member needs to know. There is much more involved in the daily financial management of a PTA...these are the basics.

Budget Basics

The budget is a financial representation of the activities and operations a PTA expects to conduct during the PTA's fiscal year. An adopted budget must be in place at all times for fundraisers to be conducted and expenses to be paid. The budget for the following year is presented and adopted by the membership at the last membership meeting of the year. It is amended at the first membership meeting of the next fiscal year based on approved plans of work submitted by the incoming executive board. The membership always approves expenses and income via the budget, which can be amended as needed.

Payments

Payments are never made in cash, and signed blank checks are never handed out. All payments must relate to an adopted budget line item and have a [funds request form](#) attached with a receipt and/or invoice.

Deposits

To protect the PTA and its volunteers, PTA funds should always be counted and verified by the signature of two individuals on the Deposit Form found at txpta.org/treasurer. All signers should retain a copy or image of the completed deposit form. The treasurer may be one of the two counters unless prohibited by the PTA's standing rules.

All money should be deposited in the bank on a daily basis. Never deposit money in a personal account or leave the money in someone's home. Cash should never be taken from an event's collected money to use to pay expenses, reimburse individuals, or use as start-up cash for a later event.

Banking

PTA money cannot be mingled with other funds and must be kept in a PTA bank account at a financial institution. The money of another group or organization is never deposited into a PTA account. Any request to use a PTA bank account is unacceptable and possibly illegal, even if it costs the PTA no money. Money can never be "turned over" to the school and/or principal to spend at their discretion.

Financial Reports

To keep members informed, a financial report is presented at every regular executive board and membership meeting. The report covers the financial transactions since the last meeting of that type. The report should include each budget line's current period actuals, year-to-date actuals, and adopted budget amount. The verbal report should include the starting balance, total income, and expenses for the current period, change to sales tax liability during the current period, change in state/national dues liability during the current period, ending cash balance, and ending balances of the sales tax liability and state/national dues liability accounts. Your financial software may refer to liabilities as escrow or off-budget. As the funds belong to the members, they have the right to access the financial reports presented at any membership meetings. See a sample financial report at txpta.org/treasurer.

Statement Reviews

The president appoints a member, subject to the executive board's approval, who is not authorized to sign on the bank account to review each PTA account statement. The statement reviewer utilizes the [Texas PTA Statement Review by Non-Signer Form](#). The secretary presents the result of this review at the next executive board meeting. If the reviewer identifies items for further review on the Statement Review by Non-Signer form, these items should be investigated by the executive board. The results of the investigated items should be attached to the Statement Review by Non-Signer form. If evidence of theft, fraud, or embezzlement is discovered, the Theft, Fraud, and Embezzlement Policy found at txpta.org/policies should be followed.

State and National Filing Requirements

The executive board verifies that all filing requirements and tax obligations are completed. At a minimum, this includes filing the IRS Form 990 and having proof of acceptance by the IRS within 60 days of the PTA's year-end.

Financial Reconciliation

A financial reconciliation is required to be performed: at the end of the fiscal year, when any authorized check signer is added or deleted on any bank account, and at any time deemed necessary by the president or three (3) or more members. The president appoints the financial reconciliation committee consisting of no fewer than three (3) members who are not authorized signers, the current secretary, the incoming treasurer, a majority of student members related by blood or marriage or reside in the same household as the authorized signers or current secretary. The financial reconciliation committee report is adopted by a majority vote of the members at the regular membership meeting immediately following the financial reconciliation.

Financial Mismanagement

Mistakes in managing the PTA's finances can occur, and sometimes a trusted individual will take advantage of their role in the PTA for their own financial benefit. It is important to seek help from your Council president or FSR as soon as possible to limit any additional losses to the PTA. If theft, fraud, or embezzlement is suspected, the PTA is required by the bylaws to follow the Texas PTA Theft, Fraud, and Embezzlement Policy found at txpta.org/policies.

Financial Red Flags

- Bank statements are not seen by the treasurer and nonsigner monthly.
- Financial reports are not given at executive board or membership meetings.
- The beginning balance of a financial report doesn't agree with the last reported ending balance.
- Amounts in the financial reports do not balance the total.
- Money is counted by only one person.
- Checks or deposits are missing.
- Checks are made payable to a check signer's family members.
- Checks are made payable to "Cash."
- Checks are payable to the same payee made out for the same amount each month.
- Two or more signers on the bank account are related by blood, marriage, or reside in the same household.
- Receipts are missing from funds request forms.
- The membership did not approve the budget.
- The membership did not approve fundraising activities.
- The amount of profit doesn't agree with the amount in the contract signed with the fundraising company.
- Less money was deposited for a fundraiser than paid to the company for the product received.
- Bills are received for unbudgeted items.
- Individual PTA members profit monetarily from any fundraiser.
- Children are used to raise funds for PTA.
- The required annual financial reconciliation report was not presented to the membership at the first membership meeting of the new year.
- The financial reconciliation committee consists of signers on the bank account or of individuals related to those signers.

IRS 990 Filing Requirements

All PTAs are classified as tax-exempt 501(c)(3) nonprofits under the Internal Revenue Code and must submit a 990 return to the IRS. Texas PTA requires PTAs to electronically file the appropriate IRS Form 990 and have it accepted by the IRS within 60 days of the PTA's fiscal year-end. PTAs must file one of three IRS Form 990s annually:

- The 990-N is required for PTAs whose gross receipts are \$50,000 or less.
- The 990-EZ and Schedule A are required for PTAs that gross more than \$50,000 but less than \$200,000.
- The 990 and Schedule A are required for PTAs who gross \$200,000 or more.
- Proof of the 990 filing is presented at the first executive board meeting of the year. For more details on financial procedures for your PTA, visit txpta.org/treasurer.

Protecting Your PTA with Insurance

Texas PTA strongly encourages PTAs to obtain adequate insurance protection against liability and financial loss due to fraud, embezzlement, or dishonest acts.

Texas PTA negotiated a group discount with Association Insurance Management (AIM) (800-876-4044) to obtain insurance coverage at affordable prices. Similar coverage may be obtained from any insurance company, locally or otherwise.

AIM offers several types of coverage listed below, and PTAs may secure any combination of coverage at any time during the year. Additional information may be found at txpta.org/pta-insurance.

Event/General Liability Coverage

- \$1,000,000 or \$2,000,000 liability coverage per occurrence (no deductible)
- Protection from lawsuits if someone is injured at one of your events
- \$5,000 per person medical payment included (no deductible)
- Option for increased medical payments: \$10,000, \$25,000, and \$50,000
- Option for Media Liability to cover misuse of the content on your PTA website or social media
- Option for Hired and Non-owned Auto Liability
- Option for Abuse and Molestation Coverage

Event/general liability insurance covers carnivals, bounce houses, dunking booths, fun runs, skating parties, auctions, and more.

Directors & Officers Liability Coverage

- \$1,000,000 liability limit (no deductible)

If someone sues the officers of your PTA for mismanagement, misrepresentations, dissemination of false or misleading information, or inappropriate actions, this coverage pays to defend them against those actions.

Embezzlement Coverage (Fidelity Bond)

- Coverage available: \$10,000 to \$250,000 (usually based on annual revenue)
- \$250 deductible

Embezzlement insurance covers monetary losses sustained by a PTA through any fraudulent or dishonest act(s) or embezzlement committed by any of the elected officers, members, volunteers, or employees.

Note: For embezzlement insurance to apply, a PTA must have account statements reviewed monthly by a non-signer and conduct an annual financial reconciliation.

Business Personal Property Coverage (Inland Marine)

- Coverage available: \$10,000 to \$250,000
- \$250 deductible

Property insurance covers items such as raffle merchandise, auction items, and fundraising supplies while in your PTA's care, as well as your PTA's personal property like popcorn machines, school store supplies, emergency relief supplies, and more.

Training & Learning Resources

Texas PTA believes that volunteer at-home accessibility to FOUNDATIONS Training is important. As such, all required training is located at txpta.org/courses. Our volunteer leaders across the state can access quality educational resources to support success within their roles and build strong PTAs.

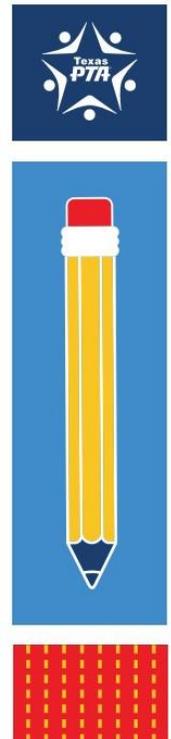
FOUNDATIONS Required Training

- **Essentials** is a high-level orientation to PTA, taken online via the Texas PTA website at txpta.org/pta-training. It contains the mainstay information that every PTA Leader should know. Executive board members should take this training at least once in their PTA career. Leaders are encouraged to take Essentials (formerly titled Foundations Leader Orientation (FLO) and Leadership Orientation Training (LOT)) again whenever the training is updated.
- **Basics** courses contain detailed information to support PTA Leaders in their executive board position. Every executive board member must attend a Basics course for their position at least once every two years. These training sessions are available on-demand at www.txpta.org/courses. Basics content includes an online training video, a companion Resource Guide, and other supporting resources.
 - a. PTA Leaders can access the Resource Guides via the Texas PTA website. Visit txpta.org/local-pta-leaders to download free PDFs.

Reminder: Both Essentials and Basics courses are mandatory for executive board members. The path to ensure that all required training has been completed is explained in the following graphic.

PTA Online Training | Where Do I Start?

Texas PTA requires all Local and Council board members to complete FOUNDATIONS Essentials training once in their PTA career. Position-specific Basics Training should be completed each time a PTA executive board member changes positions or campuses. All trainings can be found online at txpta.org/courses.



FOUNDATIONS: Spotlights

Spotlight courses offer short, in-depth reviews of important topics and recurring PTA functions, such as Bylaws and Standing Rules, Financial Reconciliations, Conducting a Meeting, and Nominations and Elections. Spotlights are free and optional but offer vital insights on specific and timely topics.

Newsletters and Alerts

Texas PTA provides content-specific newsletters based on your PTA position. Registering as an executive board member with Texas PTA each year helps ensure you receive important updates and position-specific newsletters! Visit txpta.org/officer-intake to access the form.

All executive board members are encouraged to closely follow Texas PTA legislative advocacy efforts by subscribing to Under the Dome, our advocacy newsletter, at txpta.org/newsroom. You can sign up for advocacy Action Alerts at txpta.org/take-action.

Leadership Development Resources

Texas PTA training goes beyond the FOUNDATIONS by offering Leadership Development resources. The topics covered result from polling PTA leaders across the state.

All PTA leaders are encouraged to visit txpta.org/leadership to discover Extra Credit courses to continue their leadership development and to investigate the Full Circle Leadership program.

Texas PTA Staff and Board of Directors Support

BOARD OF DIRECTORS | txpta.org/bod

The Texas PTA Board of Directors are your volunteer representatives at the state level. From the president to the directors at large, Texas PTA Board members can help answer your questions and address your needs. You can reach them at the address above.

COMMUNICATIONS | communications@txpta.org

The Communications team manages and produces all Texas PTA communications, including *The Voice* (our quarterly newsletter), specialized newsletters (advocacy, healthy lifestyles, arts in education, environmental awareness, membership, and field service), social media outlets, and the Texas PTA website. They also serve as Texas PTA's contact for all media inquiries.

FINANCE | finance@txpta.org

Texas PTA understands the responsibility of managing your member dollars. The Finance team is charged with monitoring Texas PTA resources according to the annual budget, as adopted by the Board of Directors.

Members of the Finance team are also available to support PTA leaders in their compliance with state and federal financial requirements, such as filing the annual 990 with the IRS and sales tax filings with the State Comptroller.

LEADER ENGAGEMENT | leaderengagement@txpta.org

The Leader Engagement team gives direct support to PTA leaders and members. They assist with standards of continuing affiliation, bylaws and standing rules, organizing PTAs, and general questions on leading and managing a PTA.

MEMBER RELATIONS | memberrelations@txpta.org

The Member Relations team is responsible for developing recruiting resources that may be adapted for all levels of PTA – early childhood, elementary, and secondary. Staff assists with member recruitment strategies, processes membership rosters and dues, and coordinates membership awards and the distribution of membership cards to Local PTAs.

PROGRAMS | programs@txpta.org

The Programs team is focused on connecting PTA members and leaders with the information they need to be successful and develop programs. The Programs team is your contact for student and staff programs, such as Reflections, Texas PTA's scholarship, and educators awards, as well as Texas PTA's turnkey campus program library- Connect. Whether your PTA is registering for LAUNCH or requesting a Connect Program, the Programs team is available to assist you.



Texas PTA



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