

Standards of Continuing Affiliation (SoCA) Requirements

MCCPTA Fall Training- September 16, 2017

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Presentation Courtesy:
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SoCA Requirements

- 8 requirements- mandated, recorded and tracked by MD PTA
- Local PTA must fulfill to maintain good standing
- Good standing is vital
 - **Preserve 501(c)3 status (raise \$ without paying income tax; accept charitable donations)**
 - Prerequisite for Reflections participation
 - Prerequisite for receiving MD PTA awards
 - Prerequisite to vote at MD PTA summer convention

Financial Review (“Audit”)

- What: review of financial records
- Why: ensure PTA funds are used appropriately and correct procedures are followed
- Who: if PTA contributions < \$200,000, committee of PTA volunteers (non-check signers) or Accounting Professional (CPA not required)
- When: deadline is October 31 (120 days after close of fiscal year)
- Where: Send audit/financial review plus final financial statement to MD PTA

IRS 990

- What: PTA must file tax return every year. Form is based on gross receipts
 - \leq \$50,000- 990N (e-Postcard)
 - $>$ \$50,000 to $<$ \$200,000- Form 990 EZ
 - $>$ \$200,000- Form 990
- Why: Required by IRS to maintain 501(c)(3) non-profit status
- When: deadline is November 15, but an extension can be requested
- Where: Submit to IRS. MUST send a copy to MD PTA.

Bylaws

- What: statement of basic purpose and structure of organization. MD PTA establishes and approves all local PTA bylaws (there is a required template)
- Why: explain processes and procedures (includes-quorum, #mtgs per year, officer duties)
- Who: Bylaws committee, odd number of members
- When: Update every three years. Begin the review process six months in advance. (Check date on your bylaws.)
- Where: Send the completed template, two copies, and minutes from PTA meeting where bylaws were approved to MD PTA.
- Tip: Make sure everyone has access to bylaws. Board should be familiar with bylaws. Anticipate issues for specific meetings.

Membership dues

- What: Local PTA must pay dues to MCCPTA and State/National PTA
- Where/When:
 - MCCPTA: mail check to “MCCPTA” with voucher to MCCPTA office every month. Voucher is on website, it is not mailed to PTA.
 - MD PTA: Receive monthly invoice. Send check to “Maryland PTA” based on number of cards sold. Do not overpay.
 - Return unused cards to MD PTA by June 30
- Why: to be allowed to
 - participate in PTA programs
 - receive MCCPTA delegate cards and vote at delegate assemblies
 - vote at MD PTA convention
 - receive membership awards (due by March 31)

Personal Property Tax

(Incorporation requirement)

- What: MD PTA requires all PTAs to be incorporated. Corporate status requires Personal Property Tax return to be filed every year.
 - The form is easy for most PTAs because they do not own property.
- Why: advantage of incorporation is ability to shield from liability.
- When: deadline is April 15. Can request extension to June 15.
- Where: File personal property return with State. Send a copy to MD PTA.
- Tip: check PTA incorporation status at www.dat.state.md.us. If not incorporated, MD PTA can help you find appropriate form.

Insurance

- What: All PTAs are required to pay for and carry insurance, which is obtained through MD PTA and its authorized provider (Knight Insurance Service)
- Why: MD PTA requires each local PTA to have general liability and bonding insurance, as well as directors and officers insurance.
- Cost: \$212 per year. Must include in your budget.
- When: deadline is July 1. If late, the extra fee is \$25.
- Where: enrollment form is on MD PTA website.
- Contact MDPTA or Knight Insurance with questions.
- PTA officers- be familiar with *Insurance and Loss Prevention Guide*
 - www.mdpta.org; Insurance tab

Charitable Organization Requirements

- What: All local PTAs with charitable contributions of \$25,000 or more must register with Secretary of State of MD as charitable organization and file annual renewals.
 - If charitable contributions are <\$25,000, PTA does not need to register, but must notify MD PTA. Recommend completing Exempt Organization Fundraising Notice
- Why: required by Maryland Charitable Solicitations Act.
- When: deadline is December 31
 - Plan ahead! The process requires you to have 990 (or COF-85 if you filed 990N), list of board, financial review.
- Where: File form with State of Maryland; send copy to MD PTA.

Officer Contact Information

- What: submit names of officers to MD PTA and MCCPTA
- Why: MD PTA needs the information for communication reasons. MCCPTA needs information for records and directory (Blue Book).
- When: deadline is 2 weeks after election.
- Tip: There are TWO FORMS- MD PTA and MCCPTA. Links to forms are on website: www.mccpta.org (SoCA- Officer Contact Info) and currently at top of home page.

Financial Training

NO LONGER A SoCA REQUIREMENT

- What: PTA treasurer and one other board member must attend PTA financial training every year
- Why: There are important financial procedures that must be followed. The procedures may change, based on changes in laws or requirements.
- When: deadline is December 31
- Where: MCCPTA spring or fall training; MD PTA summer convention; other MD counties.
- Bylaws Requirement: Article IV, Section 2

Other Requirements

- Have a minimum of 25 members.
- Have an Employer Identification Number (EIN) on file with MD PTA
- Required Officers: president, secretary, treasurer

SoCA Requirements

Tips and reminders

- You have many resources:
 - Cluster Coordinators
 - Area Vice Presidents
 - MCCPTA officers
 - www.MCCPTA.org
 - Handbooks
- Use the timeline!
- DELEGATE, as appropriate (Share the work)