

**Heritage High School PTSA
LOCAL STANDING RULES
Adopted by General Membership on September ____, 2021**

ARTICLE I – OFFICERS AND BOARD OF DIRECTORS COMPOSTION

ARTICLE II - MEETINGS

ARTICLE III – MEMERSHIP DUES

EXHIBIT 1 – ORGANIZATIONAL CHART

EXHIBIT 2 – MONEY MANAGEMENT POLICY

EXHIBIT 3 – FINANCIAL REVIEW/AUDIT POLICY AND CHECKLIST

EXHIBIT 4 – NOMINATING COMMITTEE GUIDELINES

ARTICLE I – OFFICERS AND BOARD OF DIRECTORS COMPOSTION

Section 1.01 GENERAL INFORMATION

- 1.01.01 Two people are prohibited from sharing an officer position. However, two people may share any committee chair position (co-chairs).
- 1.01.02 Each committee chairperson may appoint a committee for assistance and is unlimited in number.
- 1.01.03 Each committee chair and officer must present a “plan of work” or seek written approval (electronic communication is acceptable) prior to any activities for approval by the President. No plan shall be implemented without approval.
- 1.01.04 The Board of Directors (the “Board”) is comprised of the President, First Vice President of Communications, Second Vice President of Hospitality, Third Vice President of Ways and Means, Secretary, Treasurer, School Principal, Membership Chairperson, Advocacy Chairperson, Nominations Chairperson, Audit Chairperson, Teacher Representative, Student Representative and Member-at-Large.
- 1.01.05 All officers and committee chairs recruit, train and coordinate volunteers to help meet goals. All officers and committee chairs report regularly to the Heritage High School PTSA Board about their activities and keep the PTSA President informed of all activities on an on-going basis.
- 1.01.06 Attending leadership training opportunities, such as those offered throughout the year by PTA Council and summer leadership training held by NC PTA, are recommended for all active PTSA leaders.
- 1.01.07 Any officer or committee chair may attend full meetings of the Wake County PTA Council (3-4 times per year) or the NC PTA Convention (April). All PTSA officers and committee chairs are eligible to subscribe to the PTA Council's electronic Forum, an email communication system, to receive up-to-date information on Wake PTA events and issues.

Section 1.02 TERM OF OFFICE

- 1.02.01 Each officer and standing committee chairperson term begins July 1st and ends the following June 30th.
- 1.02.02 Upon the expiration of the term of office or in case of resignation, each officer shall turn over to the President, without delay, all records, books, and other materials or assets pertaining to the office, and shall return to the Treasurer, without delay, all funds pertaining to the office.

Section 1.03 BOARD OF DIRECTORS - OFFICERS, REPRESENTATIVES AND STANDING COMMITTEE CHAIRPERSONS

1.03.01 OFFICE OF PRESIDENT

- 1.03.01-1 Provides leadership for promoting the National PTA mission and objectives.
- 1.03.01-2 Presides at all meetings of the association, executive board, and executive committee.
- 1.03.01-3 Performs duties as may be prescribed in the Heritage High School PTSA Local Standing Rules, or as assigned by the association.
- 1.03.01-4 Ensures that the Heritage High School PTSA is a unit in good standing with the NC PTA, National PTA and PTA Council as outlined in Article 4, Section 4.5 of the Heritage High School PTSA Bylaws.
- 1.03.01-5 Ensures that all officers and committee chairs adhere to the Heritage High School PTSA Bylaws, Local Standing Rules and Fundraising Policies; and conducts their position in a manner consistent with the National PTA goals and objectives as well as the PTSA unit goals.
- 1.03.01-6 Coordinates the officers, committees, and all activities for Heritage High School PTSA, in conjunction with the administration and teachers of Heritage High School.
- 1.03.01-7 Meets with school principal on a monthly basis.
- 1.03.01-8 Attends all PTSA events and activities.
- 1.03.01-9 Conducts presentations on behalf of the Heritage High School PTSA.
- 1.03.01-10 Approves all PTSA correspondence which will go to parents or teachers, including emails, newsletters, and website information.
- 1.03.01-11 Approves all check requests and scholarship applications.
- 1.03.01-12 Assists officers and committee chairs to understand their duties and oversees their work.
- 1.03.01-13 The President shall be an ex-officio member of all committees except the Nominating Committee.
- 1.03.01-14 Attends leadership training programs of Wake County PTA Council, NCPTA, and other school system and community groups as needed.
- 1.03.01-15 Encourages other officers and chairs to attend pertinent meetings and trainings and to join the Wake County PTA Council Forum to stay informed.
- 1.03.01-16 Keeps informed with Council, State, and National PTA via their newsletters, list serves, and websites.
- 1.03.01-17 Informs officers, chairs and parents about important events and issues.
- 1.03.01-18 Develops, in conjunction with the principal, the PTSA Calendar of Events.
- 1.03.01-19 Maintains PTSA permanent files in a safe, locked area. Ensures proper retention of the Heritage High School PTSA records in permanent files and in electronic cloud services site.
- 1.03.01-20 Signs all contracts and agreements for Heritage High School PTSA.
- 1.03.01-21 Serves as spokesperson for the Heritage High School PTSA.
- 1.03.01-22 Ensures that the association's 501(c)(3) status is protected.
- 1.03.01-23 Forwards all records and unit information in an organized fashion at completion of term, including all passwords to any online services.
- 1.03.01-24 The President, as the presiding officer, maintains a fair and impartial position at all times and encourages members to participate. The President may vote when voting is by ballot. In other cases, may cast a vote to create or break a tie if the result is in the best interest of the association.
- 1.03.01-25 Attends quarterly WCPSS Board Advisory Council meetings or appoints an elected Officer to attend when unavailable to do so.

1.03.02 OFFICE OF TREASURER

- 1.03.02-1 Shall have custody of all funds of the association. Complies with guidelines of the NC PTA.
- 1.03.02-2 Keeps an accurate and detailed account, in the treasurer's permanent book, of all monies received and paid out, including online payment systems. Also bears responsibility for the administration of all online payment systems.
- 1.03.02-3 Makes disbursements as authorized by the President, executive board, or unit membership in accordance with the budget adopted by the association.
- 1.03.02-4 Presents a financial statement at every PTSA Business Meeting and General Membership Meeting, and at other times when requested by the executive board, and shall make a full report at the meeting at which new officers officially assume their duties.
- 1.03.02-5 Responsible for the maintenance of such permanent books of account and records as shall be sufficient to establish the items of gross income, receipts, and disbursements of the Heritage High School PTSA, including specifically, the number of its members, the dues collected from its members, and the amounts of dues remitted to the North Carolina PTA in accordance with Article 5, Section 5.2, of the Heritage High School PTSA Local Standing Rules.
- 1.03.02-6 Takes custody of funds collected as State and National dues and shall be responsible for remitting such dues to the North Carolina PTA in accordance with the Heritage High School PTSA Local Standing Rules.
- 1.03.02-7 May complete and file IRS 990 tax returns in a timely fashion. Submits sales tax refund requests to the N.C. Department of Revenue. Executive Board may choose to hire an accountant to complete the IRS 990 form when appropriate.
- 1.03.02-8 Prepares all treasurer records for audit.
- 1.03.02-9 Prepares a year-end financial report by June 30 showing the total income and expenditures for the fiscal year, comparing those figures with the budget approved at the beginning of the fiscal year, and the assets and liabilities of the local PTA, and submit the report to the incoming President, Treasurer and Audit (Financial Review) Committee.
- 1.03.02-10 Reconciles bank statements each month with the PTSA checkbook, and presents bank statements and supporting documents to the Audit Committee for monthly review and approval.
- 1.03.02-11 Prepares budget worksheet of past years (2-3 years) budget information for Executive Board budget planning meeting held in July or August.
- 1.03.02-12 Prepares proposed budget for general membership vote at first PTSA Business Meeting in September.
- 1.03.02-13 Obtains signature cards from bank in July and obtains signatures from President and all others approved to sign checks and returns to bank.
- 1.03.02-14 Ensures that all checks have two authorized signatures and that "Check Request Forms" are approved by the President prior to submitting for payment. Signing blank checks is strictly prohibited.
- 1.03.02-15 Ensures that association liability insurance is paid by the end of August.
- 1.03.02-16 Ensures that "Check Request Forms" and invoice or appropriate receipt(s) are submitted prior to writing any disbursement check. Also, ensures that a check request form is attached to all deposits and all payments made by check to vendors. Ensures that a "Petty Cash Form" is submitted prior to an event and completes the bottom portion of the form after the event to reconcile cash.
- 1.03.02-17 Ensures that all disbursements are included in the approved PTSA Budget and discusses any problems with the PTSA President.
- 1.03.02-18 Adheres to sound money management policy for all funds received and follows HHS PTSA "Money Management Policy" (Exhibit One)

- 1.03.02-19 Attends PTSA Board Meetings and General Membership Meetings.
- 1.03.02-20 Is encouraged to seek and train an Assistant Treasurer or establishes a relationship with former Treasurer to serve as emergency interim Treasurer should the need arise.
- 1.03.02-21 Shares the passwords to any accounting technology tools with Assistant Treasurer or President.
- 1.03.02-22 Diligently and regularly backs-up all accounting technology.
- 1.03.02-23 Oversees and supports all activities of the following PTSA Committees: Scholarship and Cultural Arts
- 1.03.02-24 Attends yearly Wake PTA Council New Officer Training, NC PTA Trainings and other meetings or training sessions necessary.
- 1.03.02-25 Keeps the PTSA President informed of all activities on an ongoing basis.
- 1.03.02-26 Forwards all records and PTSA unit information required by national and state associations.

1.03.03 OFFICE OF SECRETARY

- 1.03.03-1 Records the minutes of all meetings of the Heritage High School PTSA and of the Executive Board, including names of members present at those meetings.
- 1.03.03-2 Presents the minutes for approval prior to and/or at the next meeting.
- 1.03.03-3 Submits PTSA business meeting minutes via email to the Communications Chair for posting to the Heritage High School PTSA website.
- 1.03.03-4 Maintains a membership list of the association in permanent record for the year. The list will be provided and updated by the Membership Chairperson.
- 1.03.03-5 Maintains current, signed Code of Ethics agreement for all PTSA Officers and Committee Chairs.
- 1.03.03-6 Keeps a current copy of the NCPTA Bylaws, Robert's Rules of Order, HHS PTSA Local Standing Rules and budget in binder with meeting minutes and has available for reference purposes as needed at all association meetings.
- 1.03.03-7 Notifies executive board and executive committee of upcoming meetings.
- 1.03.03-8 Performs such other duties as may be delegated.
- 1.03.03-9 Forwards names of new officers to the state association and PTA Council.
- 1.03.03-10 Keeps the PTSA President informed of activities on an on-going basis.
- 1.03.03-11 Forwards all records and PTSA unit information pertinent to the NCPTA.
- 1.03.03-12 Adheres to the NCPTA Records Retention Guidelines (Exhibit Two) and annually reviews local documents to determine relevant records to discard or retention in cooperation with the President.
- 1.03.03-13 Oversees and supports all activities of the following PTSA Committees: Membership

1.03.04 FIRST VICE PRESIDENT OF COMMUNICATIONS

- 1.03.04-1 Acts as an aide to the President and shall perform the duties of the President in the absence or inability of the First Vice President.
- 1.03.04-2 Attends monthly PTSA business meetings, general membership meetings, board meetings, and executive committee meetings.
- 1.03.04-3 Oversees and supports all activities of the following PTSA Committees: Volunteer Recruitment and Business Alliance.
- 1.03.04-4 Assists the Treasurer as needed. To include making deposits after events, and partaking of bank business, if applicable; assisting president and treasurer with monthly audit of financial records.
- 1.03.04-5 Keeps the PTSA President informed of activities on an on-going basis.
- 1.03.04-6 Forwards all records and PTSA unit information pertinent to the Second Vice President position.
- 1.03.04-7 Responsible for website design, maintenance and content.

- 1.03.04-8 Monitors and posts PTSA content on social media including, but not limited to, Twitter, Facebook, Instagram and the PTSA Website.
- 1.03.04-9 Responsible for promoting and keeping the community informed of all PTSA activities and events including all fundraising and membership activities by updating social media (Facebook & Twitter), submitting information to the local newspapers or similar means on a timely basis.

1.03.05 SECOND VICE PRESIDENT OF HOSPITALITY

- 1.03.05-1 Acts as an aide to the President and shall perform the duties of the President in the absence or inability of the First Vice President.
- 1.03.05-2 Attends monthly PTSA business meetings, general membership meetings, board meetings, and executive committee meetings.
- 1.03.05-3 Oversees and supports all activities of the following Committees and related Subcommittees: Hospitality, Faculty/Staff Appreciation and Special Activities.
- 1.03.05-4 Assists the Treasurer when requested including making deposits following revenue generating events, and partaking of bank business, if applicable; assisting president and treasurer with monthly audit of financial records.
- 1.03.05-5 Keeps the PTSA President informed of activities on an on-going basis.
- 1.03.05-6 Forwards all records and PTSA unit information pertinent to the Third Vice President position.
- 1.03.05-7 Plans and organizes, in coordination with the Hospitality Committee, the Senior Breakfast, New Teacher Luncheon, staff lunches, and receptions.
- 1.03.05-8 Plans and organizes, in coordination with the Teacher Appreciation Subcommittee, all Teacher Appreciation events and activities.
- 1.03.05-9 Coordinates all solicitation of coupons, reduced fees, donated items for hospitality or teacher gifts related to hospitality needs.

1.03.06 THIRD VICE PRESIDENT OF WAYS & MEANS

- 1.03.06-1 Coordinates and promotes the “Husky Donations” no-frills fundraising campaign.
- 1.03.06-2 Coordinates with Business Alliance Committee to assist in letter writing campaign to solicit community memberships and donations.
- 1.03.06-3 Oversees and supports all activities of the following PTSA Committees: Rebates, Legacy Bricks and Spirit Nights.

1.03.07 SCHOOL PRINCIPAL

- 1.03.07-1 Acts as chief contact for all school matters.
- 1.03.07-2 Sets calendar for all school related activities.
- 1.03.07-3 Serves a liaison to teachers for PTSA grants.
- 1.03.07-4 Attends monthly PTSA Board meetings.

1.03.08 STUDENT REPRESENTATIVE

- 1.03.08-1 Acts as principal representative of students’ interest to the PTSA. The Student Representative can be an elected Student Government representative or any student having an interest in serving in this capacity.
- 1.03.08-2 Attends monthly PTSA business meetings, general membership meetings, board meetings, and executive committee meetings.

1.03.09 TEACHER REPRESENTATIVE

- 1.03.09-1 Represents the interests of teachers of Heritage High School in all matters before the HHS PTSA.
- 1.03.09-2 Attends monthly PTSA business meetings, general membership meetings and Board meetings.

1.03.10 MEMBER-AT-LARGE

- 1.03.09-1 Represents the interests of teachers of Heritage High School in all matters before the HHS PTSA.
- 1.03.09-2 Attends monthly PTSA business meetings, general membership meetings, board meetings, and executive committee meetings.

1.04 STANDING COMMITTEES

1.04.01 ADVOCACY COMMITTEE

- 1.04.01-1 Develop and organize meetings, activities, and programs to further the goals and purposes of the PTA.
- 1.04.01-2 Governed by NCPTA Bylaws Section 8.4.

1.04.02 AUDIT COMMITTEE

- 1.04.02-1 Responsible for audits and financial reviews as described in Article 11 of the NCPTA Bylaws.
- 1.04.02-2 Performs monthly reviews of finances to ensure compliance and per insurance guidelines.

1.04.03 NOMINATING COMMITTEE

- 1.04.03-1 Identifies talented, motivated, responsible individuals to serve as Officers and Committee Chairs of the Heritage High School PTSA.
- 1.04.03-2 Makes concerted effort to recruit new participants to Committee Chairmanships to develop future Board leadership.
- 1.04.03-3 Governed by NCPTA Bylaw 8.3.

1.04.04 MEMBERSHIP COMMITTEE

- 1.05.04-1 Enter member data into the MemberHub, the PTA database.
- 1.05.04-2 Develop and implement membership drive campaign.
- 1.05.04-3 Work closely with Treasurer to collect and deposit membership dues.
- 1.05.04-4 Send confirmation receipt of membership dues and member numbers to new members.
- 1.05.04-5 Maintain annual membership list and provide final membership list to President for permanent recordkeeping.
- 1.05.04-6 Assist in letter writing campaign to solicit corporate memberships and community partnerships.
- 1.05.04-7 Solicit coupons and donated gifts to promote membership drive and incentivize membership growth.

1.05 SPECIAL COMMITTEES

1.05.01 HOSPITALITY COMMITTEE

- 1.05.01-1 Plan and coordinate staff breakfasts and luncheons, teacher appreciation and various staff appreciation events, student activities, and other events approved by the board.
- 1.05.01-2 Maintain PTSA supply closet, storage area, and supplies cabinet. Ensures adequate hospitality supply levels and organization.
- 1.05.01-3 Plans, organizes and orchestrates all socials, luncheons, breakfasts, and receptions including, but not limited to, the senior breakfast and teacher luncheons.
- 1.05.01-4 Coordinates all activities with Second Vice President of Hospitality.
- 1.05.01-5 Works to support all subcommittee activities:
 - 1.05.01-5.1 Faculty-Staff Appreciation Subcommittee
Plans events and provide treats for the staff including, but not limited to, breakfast at December holidays break, treat tables and other selected holidays.
 - 1.05.01-5.2 Special Activities Subcommittee
Provide motivational treats to students during exam week; coordinate with the Student Government on events including, but not limited to Powder Puff Football and Volleybros concession stand and activities, Senior Breakfast spirit activities (Hospitality coordinates meal), special Homecoming activities and Baccalaureate.

1.05.02 BUSINESS ALLIANCE COMMITTEE

- 1.05.02-1 Works with the Business Alliance school staff engage with local businesses for student internships.
- 1.05.02-2 Coordinate with school staff to host student or small college job fair.

1.05.03 SCHOLARSHIP COMMITTEE

- 1.05.03-1 Develop, promote and manage fair scholarship program, application timeline and selection process to reward college or technical school bound student applicants.
- 1.05.03-2 Identify community panel to review applications to select recipients. Community members are prohibited from having a current student at HHS.
- 1.05.03-3 Committee shall convene to review selections and announce award.
- 1.05.03-4 Coordinate payment of scholarship to institutions with the Treasurer.
- 1.05.03-5 Revise the scholarship application yearly and coordinate communication timelines to VP of Communications, seniors and families.

1.05.04 CULTURAL ARTS COMMITTEE

- 1.05.04-1 Select, schedule and facilitate cultural arts events working with school administration and faculty.
- 1.05.04-2 Attend Cultural Arts Fair in August to view and schedule events.
- 1.05.04-3 Understand and process the United Arts Council matching grant application.

1.05.05 VOLUNTEER RECRUITMENT COMMITTEE

- 1.05.05-1 When requested by committee chairs or the Board, create and manage electronic sign-ups for volunteer recruitment and supply needs.
- 1.05.05-2 Work closely with VP of Communications to publicize volunteer opportunities.

- 1.05.05-3 Maintains database of approved volunteers and email addresses.
- 1.05.06 SPECIAL EDUCATION INCLUSION COMMITTEE
 - 1.05.06-1 Work with the Special Education Department as an advocate for their students.
 - 1.05.06-2 Seek opportunities to involve Special Education students in all PTSA activities.
- 1.05.07 SPIRIT NIGHTS COMMITTEE
 - 1.05.07-1 Plans Spirit Restaurant Nights
- 1.05.08 RETAIL REBATES COMMITTEE
 - 1.05.08-1 Manages the Harris Teeter VIC card, Lowes Food Give Back program, Amazon Smiles and related programs.
- 1.05.09 LEGACY BRICKS COMMITTEE
 - 1.05.09-1 Oversees the Legacy Bricks fundraiser. Legacy Bricks are personalized bricks purchased by families or organizations to be installed at the back of the building.

ARTICLE II - MEETINGS

- 2.01.01 Regular General membership meetings shall be held during the months of September, January and May.
- 2.01.02 PTSA Board meetings are held the second Tuesday of each month.
- 2.01.02 These standing rules may be amended by majority vote of the HHS PTSA Board of Directors.
- 2.01.03 The Order of Business shall be as follows:
 - 1. Call meeting to order – Welcome
 - 2. Secretary establishes quorum
 - 3. Minutes of previous meeting; approval and accept into record; acceptance of agenda
 - 4. Treasurer's Report; file pending audit report
 - 5. Administration and Officer Reports
 - 6. Standing Committee Reports
 - 7. Special Committee Reports
 - 8. Unfinished Business
 - 9. New Business
 - 10. Announcements
 - 11. Adjourn Meeting

ARTICLE III – MEMERSHIP DUES

- 3.01.01 Annual membership dues are as follows: \$10/parent, \$7 faculty/staff, \$5 student and \$10 community.
- 3.01.02 HHS PTSA offers a 4-year prepayment of annual membership dues. The Treasurer and Membership Chairperson will follow strict recordkeeping protocol and accounting practices to ensure monies paid are held in escrow until the appropriate annual membership applicability and transfer to national and state associations.
- 3.01.03 Should the national and state association raise dues, the HHS PTSA will absorb the additional fee and not seek additional funds from members who prepay.
- 3.01.04 The Treasurer, Membership Chairperson, and/or President shall work diligently to forward

the state and national PTA portion of the dues to the NC PTA office on a monthly basis (due by the 15th of each month).

3.01.05

Dues should not be held at the local unit level for extended periods of time.

3.01.06

The state and national portion of dues does not belong to the local PTSA unit and are never recorded as part of the PTSA unit income. They are recorded as accounts payable within the financial records.

HERITAGE HIGH SCHOOL PTSA MONEY MANAGEMENT POLICY

Section 1 RECEIPT OF FUNDS

- 1.01 All PTSA monies and other assets, including checking accounts, savings accounts, and certificates of deposit, are the property of Heritage High School PTSA.
- 1.02 When the PTSA is planning a fundraising activity that will involve large amounts of money, the Treasurer shall arrange to deposit the money in the bank as soon after the conclusion of the project as possible.
- 1.03 Fundraising activities in which large sums of money are collected over a period of time, collection times and bank deposits will be conducted more frequently (daily, if possible) as determined by the Board.
- 1.04 When the project is a continuing one (i.e., membership), collection times and bank deposits will be conducted more frequently as determined by the Board.
- 1.05 The chairperson of the fundraising activity is responsible for seeing that the Treasurer receives all revenue immediately after completion of the activity or at other specified intervals.
- 1.06 All PTSA revenue generated by fundraising activity shall be counted by the chairperson or a designee and checked by another PTSA member for accuracy.
- 1.07 All revenue submitted to the Treasurer for deposit must be accompanied by a completed Funds Received Form (Attachment 1).
- 1.08 Prior to the bank deposit of submitted revenue, the Treasurer and the committee member or chairperson should count the monies received and the Treasurer is to sign the Funds Received Form verifying the amount.
- 1.09 A deposit receipt and a copy of the completed and verified Funds Received Form should be given to the Chairperson for her/his records for the purpose of budget adherence.
- 1.10 Night deposits and 24-hour banking should be used as needed, with two people for safety purposes. *When necessary, the Treasurer should contact local police authorities beforehand and request an escort to the bank.*
- 1.11 PTSA funds should NEVER be deposited into anyone's personal account, in the school account, or leave money in the school building or in someone's home. (NOTE: Embezzlement is the number one problem in PTAs across the country.)
- 1.12 All checks that are deposited should be stamped with the "For Deposit Only to the Heritage High School PTSA, Account {insert account number} stamp.
- 1.13 Changes may be permitted to budget line items as needed during the fiscal year, up to \$1000.00, without a vote by the general membership.

Section 2 MANAGING FUNDRAISING EXPENDITURES

- 2.01 To keep accurate records, the Treasurer shall be given itemized bills, sales receipts, etc. from the fundraising activity to pay by check. Expenses must never be paid with the cash receipts from the activity.
- 2.02 If cash box change is needed for an activity, a Petty Cash Form (Attachment 2) must be submitted to the Treasurer at least three (3) business days prior to the event or activity.
- 2.03 The Treasurer must never give a check for cash or cash itself to any officer or committee chairperson to be used for supplies or other purchases for any activity.
- 2.04 A completed Check Request Form (Attachment 3), with receipts/invoices attached, must be submitted for each check written. No PTSA disbursement will be made without a completed Check Request Form.
- 2.05 All completed Check Request Forms must be authorized by the PTSA President prior to

writing any check.

- 2.06 Only Check Request Forms for budgeted items will be approved for remittance. Requests exceeding any budgeted item will not be approved unless the Chairperson seeks prior approval from the President and in consultation with the Treasurer. If the Chairperson expects to be overbudget, the Chairperson is required to discuss with the President prior to the request at least 5 days in advance to discuss if the purchase is justifiable and if the budget for that item should be extended. Any budget change will require a vote from the Board.

Section 3 RESOURCE DEVELOPMENT REPORTING PROCEDURES

- 3.01 The Treasurer or VP of Ways and Means shall complete a detailed report of the receipts and expenditures and the profit from the fundraising project within 5 days of the conclusion of the activity or event.
- 3.02 The report shall be presented to the Board of Directors at the PSTA meeting immediately following the activity.

Section 4. PTSA FUNDS IN RELATION TO PUBLIC MONIES

- 4.01 All money deposited in the PTSA account will be considered PTSA funds by the Internal Revenue Service and must be reported as such. A PTSA must never deposit school or school-related money into its account, unless the State PTA has issued its approval.
- 4.02 If a PTSA sponsors a project or program in cooperation with the school, all funds shall be accounted for and separated prior to the immediate deposit of the PTSA portion into the PTSA bank account.

Section 5 FEDERAL REQUIREMENTS

- 5.01 Heritage High School PTSA is classified as tax exempt 501(c)(3) Public Charity under the Internal Revenue Code (IRC).
- 5.02 It is very important that the PTSA does not jeopardize its favorable tax-exempt status. It must not violate certain restrictions that apply to its 501(c)(3) classification.
- 5.03 A PTSA as a 501(c)(3) entity must be organized and operated exclusively for charitable, educational, or scientific purposes (mission as defined in Bylaws).
- 5.04 PTSA resources and funds cannot be used for the private benefit of any officer, board member, or other member of the organization (private inurement).
- 5.05 The PTSA cannot engage in any political activity. Organizations that are classified 501(c)(3) are forbidden to support candidates for public office.
- 5.06 Every PTSA must acquire an IRS Employer Identification Number (EIN). This number is part of the permanent record of the PTSA unit and must be on file in the NC PTA office and in the PTSA unit's permanent files. This number should also be used for bank accounts and is required for filing the IRS Form 990. **The Heritage High School PTSA EIN is 27-2909153**
- 5.07 PTSA fundraising activities are exempt from federal income taxes when:
- a. They are conducted only once per year, or
 - b. Eighty-five percent of the work of the activity is conducted by volunteers, or
 - c. They consist of selling donated merchandise (e.g., silent auction or live auction of donated merchandise).
- 5.08 A PTSA must not provide perks, payment, or extra benefits to officers or special members of its organization. If this happens, the IRS may consider it an excess benefit transaction, and the individual receiving the benefit, as well as the person who approved the benefit, may be liable for tax penalties.
- 5.09 The IRS may consider it an excess benefit transaction if a PTSA provides a benefit that exceeds what would be considered reasonable compensation as consideration for service to an officer or person associated with the PTSA.

Section 6 MEMBERSHIP DUES

- 6.01 The Treasurer and the Membership Chairperson (or President) shall work together to forward the state and national PTA portion of the dues to the NC PTA office on a monthly basis (due by the 15th of each month).
- 6.02 Present membership dues are \$10/parents, \$7/faculty/staff, \$10/community members and \$5/students.
- 6.03 Dues should not be held at the local unit level for long periods of time.
- 6.04 The state and national portion of dues does not belong to the local PTSA unit and are never recorded as part of the PTSA unit income, but are recorded as accounts payable within the financial records. Currently, the dues are as follows: National PTA - \$2.25 per member; NC PTA - 1.75 per member. (HHS PTSA pays a total of \$4.00 per member when dues are submitted.)

Section 7 BONDING AND INSURANCE

- 7.01 The PTSA will secure a fidelity bond each year (AIM). It is in the best interest of the PTSA for the Treasurer, other officers, and all other individuals authorized to handle funds and securities of the organization to be covered by a fidelity bond in the amount determined by the Board of Directors.
- 7.02 The expense of such insurance is borne by the PTSA unit. The certificate of insurance is kept in the President's file and copies are to be provided to the Secretary and Treasurer.
- 7.03 Liability insurance is required by the Wake County Public School System for use of the school for PTSA meetings and events. Bonding and insurance are due by October 1 each year.

Section 8 Audit/Financial Review Guidelines

- 8.01 NCPTA requires all local units and councils to submit their annual financial review online using the NCPTA database to remain a unit in good standing.
- 8.02 A Financial Review (or Final Audit) should be conducted after the close of the fiscal year (June 30) and completed no later than August 3 each year. The following are guidelines for conducting the review:
 - 8.02-1 A financial review of your books is not required to be conducted by a Certified Public Accountant.
 - 8.02-2 This review can be performed by a Financial Review Committee, which should consist of no fewer than three members and is selected by the Board at least two weeks before the new officer assumes his/her duties.
 - 8.02-3 The Financial Review Committee may not include anyone that was authorized to sign on the PTA bank accounts (during the fiscal year of the audit).
 - 8.02-4 No close relatives of those authorized to sign the PTA bank accounts may assist in conducting the financial review.
 - 8.02-5 It is not recommended that the school Principal be included on the audit committee. NC PTA guidelines state the following as to when a financial review should be conducted:
 - a. A financial review should be conducted at least once per year
 - b. A financial review should be conducted at the end of each term of office even if the same Treasurer is reelected.
 - c. A financial review should be conducted whenever there is a

change in Treasurer.

- d. A financial review should be conducted whenever the Board requests an additional review to certify the books are in balance.

- 8.02-6 The Financial Review Committee should utilize the Audit Checklist (Attachment 4).
- 8.02-7 After review, the committee reports its finding to the Executive Board and then the online review can be completed. The online review may be entered by the President, Treasurer, or member(s) of the Financial Review Committee.
- 8.02-8 All persons attesting to the financial review understand the responsibility and importance of this review.

ATTACHMENT 4

FINANCIAL REVIEW CHECKLIST

1. Does the PTA unit/council have its IRS Employer Identification Number (EIN) ___ Yes ___ No
2. Is the PTA unit/council registered with the North Carolina Department of Revenue Sales and Use Tax Division (do they have a Merchant's License)? ___ Yes ___ No
3. Does the PTA unit/council have liability and bonding insurance? ___ Yes ___ No

INCOME

4. Was all the income properly allocated and categorized in accordance with the budget? ___ Yes ___ No

EXPENDITURES

5. Were all expenditures properly allocated and categorized in accordance with the budget? ___ Yes ___ No
6. Is there a proper bill or voucher for each expenditure? ___ Yes ___ No
7. Was each expenditure a part of the budget? ___ Yes ___ No

INTERNAL REVENUE SERVICE

8. Did the unit/council receive more than \$25,000 in gross income? ___ Yes ___ No
9. If yes, did the unit/council file a Form 990 with the IRS? ___ Yes ___ No

CHECKS/BANKING

10. Did authorized unit officers properly sign all checks? ___ Yes ___ No
11. Are all checks sequentially numbered? ___ Yes ___ No
12. Are all checks accounted for? ___ Yes ___ No
13. Did the treasurer properly reconcile all bank statements on a monthly basis? ___ Yes ___ No

BUDGET/REPORTS

14. Is there an approved motion in the minutes for the budget? ___ Yes ___ No
15. Did the treasurer submit regular written financial reports? ___ Yes ___ No
16. Were the financial records maintained in an orderly manner? ___ Yes ___ No

CARRY OVER FUNDS

17. Did end of year balance increase by more than 10%? ___ Yes ___ No
18. If yes, was the increase necessary for a long-term project? ___ Yes ___ No
(The IRS views a growing balance as a for profit indicator.)
19. Did end of year balance provide excess funds for the start of the new school year? ___ Yes ___ No
20. If yes, were excess funds for a long-term project? ___ Yes ___ No

EXPLAIN ALL "NO" RESPONSES

Reviewed on (date) _____

By: 1) _____
2) _____
3) _____

Balance on Hand \$ _____

REVIEW COMMITTEE RECOMMENDATIONS: (please attached recommendations on a separate sheet)

Attach the final bank reconciliation and the final treasurer's report to this checklist for presentation to the PTA's Executive Board.

You do not need to submit a hardcopy of this report to the State Office; just keep a copy for your files. This information is submitted online.