

Running Your PTA during these Unusual Times

Financial Related FAQs & Answers from New Mexico PTA

Dear PTA Leaders,

April 7, 2020

The New Mexico PTA Board of Directors wants to thank you, in advance, for your efforts regarding the continuation of the work of your PTA and your advocacy for your students in these real and ever-changing circumstances. We appreciate your flexibility, creativity, and positive attitudes as we all face new hurdles daily. The last 3 months of this school year will look very different than spring times past. You all have questions and NMPTA will try to answer them here and in postings to come. Please check in with us through our e-newsletter, our website, or follow us on Twitter and FB for the latest information and updates.

Answers to frequently asked questions will be divided into Membership, Financial, and Miscellaneous areas to start. Please don't hesitate to contact us with other questions as they arise. We understand that you will do the best job you can to advocate for your students, school, and community through these difficult and stressful times. We're with you and available via email at nmpta@newmexicopta.org.

Stay well, stay strong, and stay in touch!

FINANCIAL FAQs

Question: How do we handle reimbursements through the end of the school year?

- Receipts are still necessary. Do not write a check to an individual just because an amount was approved by membership.
 - Example: The PTA budget has a line item to give each teacher \$100 for room supplies. You must have at least \$100 of receipts submitted from the teacher before you may write a check for \$100 to that same teacher. You cannot write a check for \$100 without the teacher giving \$100 worth of receipts. If the teacher has only spent \$50 of the \$100, then \$50 is all they get. You cannot give cash (ever) or write a check for items that have not been purchased.
- Most schools have some form of administration personnel working at the school. If PTA receipts, invoices or other documents are being stored at the school, a PTA member (usually the treasurer, but does not have to be) should work with the administration personnel to set up a time to pick up the receipts/documents.
- Acceptable, alternative ways to send/receive receipts/statements which the treasurer will then print and file:
 - Text message of a picture of the receipt/statements (treasurer should print receipt and file)
 - Scan the receipt/statements and send via email (treasurer should print receipt and file)
 - Bank Statement showing the purchase amount and vendor name (treasurer should print receipt and file)
 - Credit Card Statement showing the purchase amount and vendor name (treasurer should print receipt and file)
 - Request vendors to resend a copy of an invoice (treasurer should print receipt and file)
 - Banks/on-line accounts should be able to send copies of checks (treasurer should print receipt and file)

Question: What about Carry Over funds in the PTA budget?

- There is no rule that states how much money can be rolled over at the end of the year. Given the current situation, it is expected that PTAs will have more money carried over to next year than anticipated. This is acceptable. It means more money to spend next year AND may mean less fundraisers next year.
- Always remember, PTAs do not exist JUST to hold fundraisers. However, in order to operate, most PTAs must do some fundraising. There should always be a reason to have a fundraiser, not just because “we’ve always done it”. If you have enough money from carry over funds in your checking account to pay for all your next year’s budgeted items, don’t do fundraisers. No rule states you must fundraise. Parents will appreciate not having to fundraise.
- We encourage all PTAs to spend the money they collect during the year AND leave enough funds to pay for costs that may be incurred at the beginning of the next year.
- It is acceptable to have a modest “nest egg” for unanticipated costs.
- The current Board should be creating a “summer” budget to be approved by this year’s membership. The summer budget should include any items that may need to be purchased between June 1st and the first PTA meeting of next year (agendas, spirit wear, Boo Hoo Breakfast items/food, etc.) This budget will allow the treasurer to pay for costs incurred before next year’s budget is approved.

Question: How do we go about creating a budget for the 2020-2021 school year?

- Even though you may not be able to meet face to face, a budget for next year can still be created. Use this year’s budget as a starting point. Your treasurer should create a draft budget for next year and email/text it to all Board Members. Ask all members to send comments to all – or if you have the capability, once all members have a copy of the draft budget – hold a conference call, Zoom or Skype to finalize it. It will be posted and voted on in the new fiscal year by your general membership.

Question: How and when should we audit our current school year (2019-2020) books?

- Annual audits must still be done, but remember, NMPTA Standards of Affiliation does not require a copy be sent to the NMPTA office until September 30th. Your new PTA Treasurer will want to start the new school year off with a fresh, clean set of books so please don’t forget to do your audit as soon as possible.

Question: When is our 2019-2020 990 tax form due to the IRS and NMPTA?

- Do not forget to file your IRS tax forms (990-N, 990EZ, or 990). They MUST be filed by November 15, or the IRS may charge a late fee/penalty. Most PTAs will file the electronic 990-N. Use the 990-N if your PTA received less than \$50,000 each year.
- If for some reason you cannot file your 990 by November 15, you can go to the IRS website (www.irs.gov) and request an extension. Requesting an extension of time will keep the IRS from imposing late fees/penalties.

Question: Is the New Mexico PTA Office still open?

As the NMPTA Office is located on the Wilson Middle School campus in Albuquerque, it will remain closed through the end of the school year. **But** our Office Manager, Jeannie Grazier, is still checking emails and phone messages regularly and retrieving mail from our Post Office box weekly. So, keep those documents and your questions coming! NMPTA is here to support you and the children of New Mexico. We couldn't do it without you!

Question: Should we still be sending in our Standards of Affiliation documents for 2019-2020 school year to NMPTA?

Absolutely! If you still owe NMPTA copies of your Proof of Insurance, 2018-2019 Audit, 2019-2020 Budget, 2018-2019 990 tax form, updated Bylaws or elected officers' e-learning certificates of completion you should send them to nmpta@newmexicopta.org now. We will be calling you to remind you of missing documents.

Please feel free to send any other finance questions you may have to Ally Pierce at vp.finance@newmexicopta.org or Brook Bassan at financial.officer@newmexicopta.org.