

# Mountain Vista PTO Financial Policies

## Purpose and Intent

These policies are intended to document the Mountain Vista PTO's policies and procedures regarding using and receiving cash, debit cards and credit cards (to meet the requirements of the Parents' Council,) as well as outline general financial policies and processes used by the PTO to ensure appropriate fiscal management.

The policies should be given to event chairpersons and others that may find themselves responsible for receiving, requesting, or making payments related to the PTO. The policies are intended to provide both an understanding of how PTO financial processes work and provide some protection to the volunteers themselves.

Included information:

1. Cash Policies
2. Debit Card Policies
3. Credit Card Policies
4. Check Policies
5. General Financial Policies
6. Guidelines on Appropriate PTO-related Expenses
7. Teacher Grant Request Policies

Attachment: Deposit Notice Form

Attachment: Check Usage Form

Attachment: Grant Request Form

# Mountain Vista PTO Financial Policies

## 1. Cash Policies

### Paying with Cash

Mountain Vista PTO maintains a petty cash account of \$100 to be used only as change for instances where cash is given for a purchased item (i.e. Spirit Wear).

### Accepting Cash Payments

Mountain Vista PTO accepts cash payments made to the PTO.

For large amounts of money, such as after an event or during a fundraising event, two people will be present when money is counted. A Deposit Notice will be filled out and both people will sign the form. For smaller amounts it is better to have it counted more often, so only 1 person needs to count it. Money should not be sitting in the PTO mailbox cubby for more than one week unless the school is closed for more than a week.

Order forms should be used when possible and those forms should have a way for the purchaser to indicate they paid with cash and the cash amount paid. The order forms should be kept by the PTO until at least 30 days after the purchased items are delivered.

For situations when an order form is not applicable (e.g., popcorn sales,) the money will be counted by 2 people and a Deposit Notice will be filled out and signed.

Cash should be deposited as soon as possible. Cash awaiting deposit should be kept locked in the "Elephant Cabinet" until being taken for deposit.

## 2. Debit Card Policies

### Paying with a Debit Card

Mountain Vista PTO will have debit cards for use to pay for purchases. The debit cards are assigned to the PTO President, the Events Coordinator, and the Treasurer. When a purchase is needed, a request will need to be made to one of these PTO members.

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## 3. Credit Card Policies

### Paying with Credit Card

Mountain Vista PTO does not have a credit card account and therefore cannot pay for purchases with a credit card.

### Accepting Credit Card Payments

Mountain Vista PTO will use PayPal or other Executive Board approved third party credit card processing companies to process credit card payments payable to the PTO.

Mountain Vista PTO will accept payments for donations and events on-line using various PayPal/third party sites. The money is then deposited into Mountain Vista PTO's PayPal account and then transferred to the checking account. Any monies received from PayPal/third party sites will be transferred to the PTO's bank account within 48 hours.

In cases where a vendor accepts credit cards as a form of payment (i.e., Book Fair) order forms or credit card receipts should be kept secure and locked in school safe to prevent any unauthorized access to credit card information.

## 4. Check Policies

### Paying with Check

Mountain Vista PTO maintains a checking account and can pay for purchases with a check.

The Check Usage Form is used to request and document any check to be written from the Mountain Vista PTO account, including paying vendors and reimbursing individuals for expense they incur on behalf of the PTO. Appropriate documentation for the purpose of the request should be attached to the form (e.g., receipts, invoices, etc.)

Checks will not be written for any purpose without an approved Check Usage Form. Checks will be written by the Treasurer/Co-Treasurer. The President or Treasurer(s) cannot approve or write a check for themselves.

Two authorized signatures shall be required on each check over the amount of \$1000 as provided for in the PTO bylaws.

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## **Accepting Check Payments**

Mountain Vista PTO accepts checks for payments made to the PTO.

Order forms should be used when possible, and those order forms should have a way for the purchaser to indicate they paid with a check and the check number. The order forms should be kept by the PTO until at least 30 days after the purchased items are delivered.

Checks should be kept secured in the PTO's "Elephant Cabinet" or front office until they are processed and deposited. A Deposit Notice with check numbers and amounts will be filled out. Monies will remain at the school until deposited to the bank.

The PTO will attempt to collect bank fees and the original amount of the check for checks that

## **5. General Financial Policies**

The General Membership must approve the budget annually. Once the budget is approved, budgeted items do not need further membership approval to be paid.

Non-budgeted items over \$1,000 need the approval of the General Membership. The Executive Board may approve a non-budgeted expenditure up to \$1,000.

Bank statements should be reviewed by both Treasurers, as well as the President or an appointed Executive Board representative.

The PTO reserves the right to refuse to accept checks from individuals who have "bounced" checks to the PTO in the past.

The PTO may utilize electronic bill payments and transfers through the PTO's financial institution. Any amounts over \$1,000 must be documented in the financial record with the appropriate signatures.

## **6. Guidelines on Appropriate PTO-related Expenses**

### **IRS Guidelines for Non-Profit Organizations**

Mountain Vista PTO is a tax-exempt 501(c)(3) organization. For an organization to continue to be classified as a tax-exempt under sections 501(c)(3) of the

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Internal Revenue Code, the organization must be organized and operate "exclusively" for public purposes.

Any public, tax-exempt charitable group, such as Mountain Vista PTO, must use all of the groups' assets for its public, tax-exempt purpose. Therefore, none of the PTO's funds can be used to benefit private individuals. The only exception is when an individual benefits as a by-product of carrying out the Mountain Vista PTO's purpose.

## **Mountain Vista PTO Policies**

The Mountain Vista PTO's purpose is "to assist in attaining the highest level of education and welfare for the entire student body of Mountain Vista Elementary School."

Expenses related directly to the educational environment and student experience are clearly allowable under the IRS guidelines. Examples include: technology hardware and software, playground equipment, assemblies, instructional equipment, books, and costs associated with PTO-sponsored school/community events such as Family Nights, Popcorn Days, and Fall Carnival.

Appreciation gifts do not directly support the Mountain Vista PTO's purpose, and are generally inappropriate expense. Under IRS guidelines, the most conservative approach is to have no expense in this category at all. However, the Mountain Vista PTO follows the standards for federal employees which allows "modest items of food or refreshments" and gifts with a market value of \$20 or less.

Reimbursement of expenses incurred by an individual on behalf of the PTO is not considered "individual benefit" as long as the expenses being reimbursed are appropriate.

## **7. Teacher Grant Policies**

Funds are set aside for Teacher Grants. The PTO will grant as many requests as possible with the funds designated. A Grant Request will need to be filled out and reviewed by the Principal prior to being given to the PTO.

PTO Grants must benefit the majority of students. Grants will not be approved for specialists as their services are not open to all students. If the request is for field trips, software, or magazines, it must be for more than one grade or must be used for multiple years to benefit enough students to warrant the grant approval.

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PTO Grants cannot be used to benefit individuals. Funds cannot be used for teacher training, funding field trips for underprivileged families, funding a lunch account for a student, paying for entrance fees for club competitions or for travel for club/group competitions.

Once grants are approved, funds will be dispersed either to the front office or to the individual making the Grant Request. Please allow a 30 day turnaround so the requests can be voted on during a regularly scheduled Executive Board Meeting.

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## **Mountain Vista Elementary PTO DEPOSIT NOTICE**

Project: \_\_\_\_\_ Date: \_\_\_\_\_ Amount: \$ \_\_\_\_\_

Description of Source: \_\_\_\_\_

Person(s) counting: \_\_\_\_\_

### 8. Complete the following information for your deposit

**Cash:**

\$20 x \_\_\_\_\_ = \_\_\_\_\_

\$10 x \_\_\_\_\_ = \_\_\_\_\_

\$5 x \_\_\_\_\_ = \_\_\_\_\_

\$1 x \_\_\_\_\_ = \_\_\_\_\_

.25 x \_\_\_\_\_ = \_\_\_\_\_

.10 x \_\_\_\_\_ = \_\_\_\_\_

.05 x \_\_\_\_\_ = \_\_\_\_\_

.01 x \_\_\_\_\_ = \_\_\_\_\_

**Checks:**

| Check # | Project | Amount |
|---------|---------|--------|
|         |         |        |
|         |         |        |
|         |         |        |
|         |         |        |
|         |         |        |
|         |         |        |
|         |         |        |
|         |         |        |
|         |         |        |
|         |         |        |
|         |         |        |
|         |         |        |
|         |         |        |
| Total   |         |        |

Total Cash = \$ \_\_\_\_\_

Total Checks = \$ \_\_\_\_\_

\*\*\*\*\*

Date Deposited: \_\_\_\_\_ Deposited by: \_\_\_\_\_

\_\_\_\_\_ Total: \$ \_\_\_\_\_      \_\_\_\_\_ Total: \$ \_\_\_\_\_      \_\_\_\_\_ Total: \$ \_\_\_\_\_

\_\_\_\_\_ Total: \$ \_\_\_\_\_      \_\_\_\_\_ Total: \$ \_\_\_\_\_      \_\_\_\_\_ Total: \$ \_\_\_\_\_

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## **Mountain Vista PTO CHECK USAGE**

**Check Payable to:** \_\_\_\_\_ **Check Amount: \$**\_\_\_\_\_

Name of person submitting: \_\_\_\_\_

Email or Phone: \_\_\_\_\_

Date Submitted: \_\_\_\_\_

Date Needed: \_\_\_\_\_

Project: \_\_\_\_\_ Amount \$ \_\_\_\_\_

Project: \_\_\_\_\_ Amount \$ \_\_\_\_\_

Project: \_\_\_\_\_ Amount \$ \_\_\_\_\_

Project: \_\_\_\_\_ Amount \$ \_\_\_\_\_

Reason for Check:

\_\_\_ Reimbursement to an individual      \_\_\_ Invoice needs to be paid

Explanation:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Please attach the bill/invoice to this form and the PTCO Treasurer will mail it. If the bill is not attached please make sure all information as to where to mail a check is provided.**

Address: \_\_\_\_\_  
\_\_\_\_\_

**Approved by:** \_\_\_\_\_ **Title:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Approved by:** \_\_\_\_\_ **Title:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Treasurers use only:

Check # \_\_\_\_\_ Date: \_\_\_\_\_ Written by: \_\_\_\_\_

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**Grant Request**

Request: \_\_\_\_\_

Submitted by: \_\_\_\_\_

Amount Requested: \_\_\_\_\_

Description of Request:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

How will this enhance or improve student performance?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Has this request been previously funded? \_\_\_\_\_

If yes, who funded it previously? \_\_\_\_\_

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

Reviewed by Principal: \_\_\_\_\_  
Initials

\_\_\_\_\_  
Date

If grant not expended as awarded funds are to be: \_\_\_returned to the PTO and reallocated, or \_\_\_\_\_ Retained by the school for future use to be determined by Principal.

Approved: \_\_\_\_\_ Denied: \_\_\_\_\_ Date: \_\_\_\_\_

If approved—Funds given to the school on \_\_\_\_\_ Check # \_\_\_\_\_