

**FHES PTO STANDING RULES AND POLICIES  
TABLE OF CONTENTS**

	<b><u>Page(s)</u></b>
<b>Purpose</b>	<b>2</b>
<b>Definitions</b>	<b>2</b>
<b>General Membership Meetings</b>	<b>2-3</b>
<b>Board of Managers Meetings</b>	<b>3</b>
<b>General Guidelines for Chairs</b>	<b>4-5</b>
<b>Board of Managers - Specific Responsibilities</b>	<b>5-11</b>
<b>GMC PTO Representative</b>	<b>11</b>
<b>Special Committees</b>	<b>11-12</b>
<b>FHES PTO Financial Policy</b>	<b>13-25</b>

**FOREST HILL ELEMENTARY SCHOOL PTO**  
**STANDING RULES AND POLICIES 2020-2021**

**July 21, 2020**

**PURPOSE**

These standing rules and policies supplement the Forest Hill Elementary School Parent Teacher Organization bylaws by providing more specific guidelines and information for the conduct of the board of managers, hereafter referred to as the “board.” Each board shall approve standing rules and policies for its term of office at the summer board of managers meeting. These standing rules may be amended during the school year by a majority vote of the board.

**DEFINITIONS**

The Forest Hill Elementary School Parent Teacher Organization shall be referred to as “PTO.” The PTO executive committee consists of the elected officers (president, vice presidents, secretary, treasurer) as well as the parliamentarian (appointed, non-voting officer) and principal. The “board of managers” or “board” will refer to the elected officers, the principal (or an appointed representative), teacher representative(s), and the immediate past president advisor, if applicable, and the chairmen of standing and/or special committees. “Chairmen” refer to the board members that lead committees, of which the members are not considered to be on the board.

**GENERAL MEMBERSHIP MEETINGS**

1. General membership meetings shall be held at least two (2) times per year. The dates will be set by the board at its first meeting of the year. Seven (7) days’ notice shall be given to the membership of any change of date.
2. The meetings may include educational programs or award presentations with the talents of FHES students showcased as much as possible. The fall meeting will be considered the annual business meeting of the PTO and the election of the new board members will occur at the spring meeting.
3. Special meetings of the FHES PTO may be called by the president or by a majority of the board of managers, with proper notice given to the general membership.
4. Twenty (20) members shall constitute a quorum for the transaction of business in any general membership meeting of this organization. Voting by proxy is prohibited.

5. The board of managers should attend the PTO general meetings. If a board member is unable to attend, he/she should notify the president at least 24 hours in advance.

### **BOARD OF MANAGERS MEETINGS**

1. Board of managers meetings will be held monthly and set by the board at its summer meeting.
2. If a board member is unable to attend, notify the president and read the minutes, which will be distributed after the meeting.
3. Ahead of each meeting, each chair must contact the president and submit topics for discussion to be included on the agenda.
4. Each chair will report concisely about the current work of their committee as well as plans for the near future.
5. Discussions must be kept confidential; however, once a motion has passed or a decision is made, information may be communicated.
6. The slate of new board members will be presented for a vote at the March board of managers meeting with final approval at the spring general meeting.
7. The May board meeting will consist of the old board and the new board; however, the old board carries out their responsibilities through June 30<sup>th</sup>.
8. The first board meeting will be held in the summer and planned by the president with the assistance of the executive committee.
9. VOTE BY EMAIL – An email vote is allowed if an immediate decision is necessary between board meetings. The president will send an email to voting board members and explain the situation, choices for which to vote and a deadline. Votes are to be submitted to the parliamentarian (only). “Reply all” should not be used, unless when asking a clarifying question. The parliamentarian will submit a report to the president, who will announce the vote results. Due to the difficulty of discussion via email, situations requiring debate will not be addressed via email.

**GENERAL GUIDELINES – CHAIRS SHOULD:**

1. Read the FHES bylaws as well as the standing rules and policies.
2. Have at least two (2) members on their committee, if applicable.
3. Submit all flyers and event information to administration for approval.
4. Submit flyers, exact wording, and/or graphics to be included in the weekly e-newsletter or on social media to [fhescommunications@googlegroups.com](mailto:fhescommunications@googlegroups.com) with a cc to your VP by Thursday at 5pm CST to be included for the upcoming week.
5. Submit requests for use of the school building and/or equipment for approval by the administration.
6. Maintain a committee notebook with bylaws, standing rules, list of volunteers and hours, details of activities/plans, a current budget and an accurate record of expenditures.
7. Communicate with VP about tracking volunteer hours (especially for events) worked by members of their own committee. Turn in reports twice a year – before winter break and in the spring.
8. Request a budget by a certain date (to be determined by the budget committee).
9. Submit a summary of expenditures to the treasurer by June 1<sup>st</sup> along with recommended budget changes for the following school year.
10. Give committee notebook to the new chair by the last board meeting of the year.
11. Adhere to the mission/purpose of the FHES PTO while leading their committee.
12. Receive approval from the executive committee if needed to serve as a room parent.
13. Check with secretary for a list of approved GMSD vendors. NOTE: All food served at PTO events must be nut-free.
14. Be strategic about donations from local businesses and budgeted money.

15. Before soliciting donations, contact the vice president of fundraising for a current list of businesses that have previously donated. Once a donation is received, notify the vice president of fundraising so that the donation may be recorded.
16. Ensure that all businesses receive a donation receipt letter and a personal thank you note on FHES PTO note cards after the event.
17. Participate in various PTO, school programs, and events in order to support the other committee chairs.
18. Be careful with social media as personal comments could be construed as a PTO position and may influence others' perception of the FHES PTO.
19. Represent the FHES PTO with a positive attitude and only discuss grievances with the appropriate PTO representative, teacher or administrator.
20. Follow all school rules and regulations, including, but not limited to, providing proper identification when entering the school.
21. Attend, if possible, the GMC PTO special event in the fall and at least one GMSD board of education meeting.

### **BOARD OF MANAGERS - SPECIFIC RESPONSIBILITIES**

**PRESIDENT:** An elected, voting member of the executive committee who will preside over the executive committee, board of managers and general meetings; prepare and distribute agendas at least 24 hours prior to scheduled meetings; serve as an ex-officio member of all committees (except nominations); check and respond to emails in the PTO account; represent FHES PTO to the media, groups, individuals or invited functions; be responsible for co-signing checks with the treasurer; each year file the annual report with the Office of Secretary of State (due October 1<sup>st</sup>); update the tax-exempt certificate every fiscal year, if needed (by June 30<sup>th</sup>, expires June 2023); manage the Amazon account; yearly update the credit card on file with Amazon; approve and sign all contracts; coordinate and support the work of the board of managers and their committees; regularly communicate with the administration to oversee the events/projects at the school; complete and submit, by July 31<sup>st</sup> each year, all required School Support Organization Financial Accountability Act paperwork (SSO); perform other duties as may be provided by the bylaws, standing rules, parliamentary authority, or as directed by the executive committee or the board of managers.

**VICE PRESIDENT COMMUNICATIONS:** An elected, voting member of the executive committee responsible for overseeing all communications' efforts for the FHES PTO who will coordinate with the GMSD publicity coordinator on communications; edit the weekly e-newsletter; work with legislative chair to write and communicate important issues affecting our school; act as a co-administrator of the FHES PTO Facebook page and Instagram account; member of the budget committee; serve as the liaison between the executive committee and the communications' committee chairs; maintain current descriptions of committee chairs; support the purposes of the committee chairs in their roles, such as:

**GRAPHICS:** create graphics, flyers and forms for PTO board members.

**LEGISLATIVE:** provide updates of current and pending legislation (or decisions) that may directly affect the children, school and community; attend the meetings of the GMSD Board of Education and the Board of Mayor and Aldermen (or watch the recordings); report updates to the board, as needed, and to the FHES parents through the weekly e-newsletter.

**NEWS:** write and distribute school events, student accolades, and other newsworthy information to local newspapers; maintain a list of media contacts; submit final drafts of news releases to the vice president of communications, president, and administration for approval prior to sending to any news outlets.

**NEWSLETTER:** create the weekly e-newsletter from board members' and faculty members' submissions about pertinent PTO and school activities; establish a deadline for the submission of information to be included in the e-newsletter; submit the final draft of the weekly e-newsletter to the vice president of communications, the president, and FHES administration for approval; distribute the weekly e-newsletter each Sunday morning.

**SOCIAL MEDIA:** share news, photos, events, and other pertinent information about PTO activities via the FHES PTO Facebook page and Instagram account; act as an administrator of the Facebook page (along with the vice president of communications and the president).

**WEBSITE:** update our PTO website weekly.

**VICE PRESIDENT EVENTS:** An elected, voting member of the executive committee responsible for overseeing events at FHES; a member of the budget committee; serve as the liaison between the executive committee and the events committee chairs; maintain

current descriptions of the committee chairs; support the purposes of the committee chairs in their roles, such as:

**CHARITY BASKETBALL EVENT:** plan a fun event for the FHES community (and friends) with the purpose of developing community and giving proceeds to charity.

**FATHER/DAUGHTER EVENT:** plan a father/daughter event.

**GRANDPARENTS' EVENT:** plan an event for grandparents.

**MOTHER/SON EVENT:** plan a mother/son event.

**PANCAKE BREAKFAST:** coordinate a fun morning with the goal of further developing community at FHES.

**VICE PRESIDENT FUNDRAISING:** An elected, voting member of the executive committee responsible for coordinating fundraising efforts at FHES who will keep a current list of businesses who have provided donations; chair the investment committee; member of the budget committee; serve as the liaison between the executive committee and the fundraising committee chairs; maintain current descriptions of the committee chairs; support the purposes of the committee chairs in their roles, such as:

**AUCTION:** Work with fundraising team and/or committee to plan and implement an auction to raise funds for the FHES PTO.

**DONATION DRIVE:** plan and implement a parent donation drive at the beginning of the school year with the purpose of raising money to support all of the PTO events for the year; -work with members of the executive committee and the board to collect and count donations each day and submit funds to the treasurer; plan incentives for participation and implement parties; keep a current spreadsheet of all donors; coordinate distribution of donation receipt letters; member of the investment committee.

**FUND DEVELOPMENT:** coordinate spirit nights so that a portion of proceeds from local businesses can be given to FHES; set up and maintain accounts with online businesses such as, but not limited to, Kroger, AmazonSmile, Box Tops for Education; collect funds and submit to treasurer on a regular basis; member of the budget and investment committees.

**MEMBERSHIP:** conduct a membership drive at the beginning of the school year; manage the online membership system; give money to the treasurer for deposit; prepare reports as needed.

**SPRING FUNDRAISER:** coordinate and implement a family-friendly event to raise funds for the FHES PTO.

**VICE PRESIDENT HOSPITALITY:** An elected, voting member of the executive committee responsible for overseeing all hospitality events including the dinner board meeting in the summer and the old board/new board meeting in the spring; manage the inventory of hospitality supplies; maintain teacher's lounge (coffee supplies, etc.); member of the budget committee; serve as the liaison between the executive committee and their committee chairs; maintain current descriptions of the committee chairs; support the purposes of the committee chairs in their roles, such as:

**CARE & COMPASSION:** coordinate assistance for FHES families and staff during times of hospitalization, death in the family, or an emergency; responsibilities include, but are not limited to, writing notes (thank you, sympathy, get well, congratulatory) and providing meals.

**CELEBRATIONS:** help FHES teachers with Veterans Day; coordinate AR reward parties (one for the fall semester and one for the spring semester); coordinate refreshments for the kindergarten and fifth grade celebrations.

**NEW FAMILIES:** plan and implement the New Families breakfast for all new FHES families (including pre-school and kindergarten parents); collaborate with the administration to create a new family packet; coordinate school tours for potential FHES families.

**TEACHER APPRECIATION:** Plan daily activities/events to thank FHES teachers during Teacher Appreciation Week.

**TEACHER EATS:** organize the Welcome Back breakfast for teachers; provide an easy dinner for the teachers during conferences in the fall and spring semesters; also provide two or three more meals for the entire staff and faculty during the school year.

**TEACHER TREATS:** provide treats (around five or six throughout the year) to encourage FHES staff and faculty; coordinate snacks for curriculum nights.



**VICE PRESIDENT VOLUNTEERS:** An elected, voting member of the executive committee responsible for tracking parent volunteer hours; creating and updating a volunteer “slide show” to be used at various events throughout the year; create volunteer interest form to send home to FHES parents; coordinate volunteers for Meet the Teacher night right before school begins; member of the budget committee; serve as the liaison between the executive committee and their committee chairs; maintain current descriptions of the committee chairs; support the purposes of the committee chairs in their roles, such as:

**BOOK FAIR:** work with the school librarian to coordinate a book fair in the fall.

**FATHERS OF FOREST HILL:** encourage volunteerism among the FHES fathers by coordinating opportunities for service.

**FIELD DAY:** assist the PE teachers with field day activities and supplies.

**FINE ARTS:** assist and support the fine arts night committee; help coordinate Artsonia (online art store), if needed; assist art teacher or GMC PTO in promoting local art contests.

**HEALTH AND WELLNESS:** staff the health room during times set by the school nurse; purchase and manage inventory of necessary health room supplies; coordinate wellness activities throughout the year for teachers, students, and parents, as approved by the administration.

**LIBRARY:** recruit, train and schedule volunteers to assist with shelving books and helping students check out books; assist the librarian with the summer reading program, book buyers’ club, community readers’ day, adopt-a-first responder project, annual inventory and designing decorations for the library.

**ROOM PARENTS:** act as the liaison between the teachers and the room parents; assist the teachers in soliciting and selecting room parents; communicate teachers’ needs throughout the school year; provide room parents with the materials and information they need to serve in their role; coordinate with teacher appreciation chair and teacher treats chair to thank FHES teachers during Teacher Appreciation Week.

**SPED AWARENESS:** work with special education teachers to plan and implement activities that promote awareness about various special needs; communicate details of events to the students, teachers, and parents; act as a liaison between the PTO and parents of students with special needs.

**SECRETARY:** An elected, voting member of the executive committee responsible for overseeing the following at FHES PTO: keep all records of the organization, including a current and complete membership list of the organization, bylaws, and standing rules; maintain a record of board members and attendance at executive, board, and general meetings; write minutes for executive meetings, monthly board meetings and general membership meetings; order Forest Hill Elementary PTO note cards, paper and other office supplies, as needed; maintain the list of approved GMSD vendors; a member of the budget committee.

**TREASURER:** An elected, voting member of the executive committee who will handle PTO funds; keep a full and accurate account of deposits and payments; provide a monthly treasurer's report at board meetings and printed balance sheets; provide, to the executive committee, a monthly summary of all receipt and disbursement transactions, supporting documentation, bank statements, copies of the front and back of imaged deposit slips and checks, and bank reconciliation; prepare a checklist of monthly and annual duties, both for collection and disbursement transactions; make payments of PTO insurance (due by September) and GMC PTO membership dues (around November 1<sup>st</sup>); chair the budget committee to develop a proposed budget; manage the PTO PayPal account; work with the vice president of fundraising to report on revenue and expenses from the fundraising events; work with the membership chair and the donation drive chair to manage all incoming dues/donations; complete, along with the president and assistant treasurer by July 31<sup>st</sup> each year, all required School Support Organization (SSO) paperwork, including a statement of total revenues and disbursements (annual financial report); file IRS form 990 each year (due around November 15<sup>th</sup>); renew the 501(c)(3) application, along with the president (June 2023); set up a meeting with the accountant each year (around May), if necessary; compile documents for the tax filing; organize, maintain, and store all records and reports by fiscal year for a period of at least four years; delegate responsibilities to and work with assistant treasurer to accomplish all duties.

**ASSISTANT TREASURER:** Promptly reconcile the bank account each month, once the statement is posted; email the bank statement to the FHES principal and copy the financial secretary, treasurer and president; member of the budget committee: complete, along with the president and treasurer by July 31<sup>st</sup> each year, all required School Support Organization Financial Accountability Act paperwork (SSO); assist at any PTO event where monetary donations are accepted or items are for sale; coordinate distribution of donation receipt letters.

**PARLIAMENTARIAN:** A non-voting position appointed by the president and approved by the executive committee; resolve parliamentary voting and meeting management issues; ensure the following of the bylaws and standing rules; serve as the chair of the bylaws committee every five (5) years and the chair of the standing rules committee, which meets each year to revise the standing rules; chair the STAR awards committee each year; serve as the “custodian of records” to maintain, organize, and back up financial and other important records.

**PAST PRESIDENT ADVISOR:** The immediate past president who assists the board in any area as needed; attend general membership meetings as well as board of manager meetings; a member of the budget committee; position remains vacant if unable to serve on the board.

### **GERMANTOWN MUNICIPAL COUNCIL PTO REPRESENTATIVE**

The GMC PTO representative shall be a member of the FHES PTO and serve on the GMC PTO at their request; attend all GMC PTO board meetings; provide a monthly report to the FHES board of managers of GMC PTO events/plans; assist with special events held by the GMC PTO including district office luncheons, lunch and learn meetings, STAR awards, among other possible events.

### **SPECIAL COMMITTEES**

#### **BUDGET COMMITTEE**

1. The budget committee is chaired by the treasurer and consists of the president, vice president(s), treasurer, immediate past treasurer (if available), immediate past president (if available), the fund development chair (optional), and assistant treasurer (optional).
2. Board members will submit a summary of expenditures to the treasurer by June 1<sup>st</sup> along with recommended budget changes. The committee will review the past budget and update current year projections based on the accuracy of the prior year and the anticipated income/expenses for the current year.
3. The committee will present a proposed budget for discussion at the summer board of managers meeting. The budget will be approved at the August board meeting and presented at the general membership meeting (no later than the end of October) to be approved by a majority vote of the members present.

4. The budget committee will reconvene to make budget amendments and recommendations as needed.

### **BYLAWS/STANDING RULES COMMITTEE**

1. A committee chaired by the parliamentarian and formed each year in the spring will consist of at least five (5) board members, including the president, a vice president, secretary, parliamentarian and past president, if applicable.
2. The committee must consider the necessary criteria for the standing rules for the incoming board of managers as well as review the bylaws as needed (at least once every five years).
3. The recommended changes to the standing rules will be presented to the board of managers and approved by vote.

### **NOMINATIONS COMMITTEE**

1. In January, the president, in consultation with the executive committee, selects the chair of the nominations committee.
2. The committee consists of five (5) members: the chair, two (2) additional members of the current board, and two (2) from the general membership. No person may serve more than two (2) successive years on the nominations committee.
3. The committee shall determine the intent of current board members to serve again and then solicit nominations from the general membership. These nominees must consent to their willingness to be on the board, read the current standing rules and policies, and understand that they are not guaranteed a position on the board.
4. The nominations committee will decide upon a slate of nominees to be presented to and approved by the principal and the incoming PTO president. The board of managers will approve the slate at the March board of managers meeting and the general membership will vote on the slate of nominees at the spring general membership meeting.

## **FHES PTO FINANCIAL POLICY (2020-2021)**

The following financial policy is in direct adherence to the *School Support Organization Financial Accountability Act* and the *Model Financial Policy for School Support Organizations*.

For helpful answers to frequently asked questions, see pages 26-39 at <https://comptroller.tn.gov/content/dam/cot/la/documents/manuals/SSO-MANUAL-2020-UPDATE-FINAL.pdf>

The FHES PTO is a school support organization (SSO) and will be referred to as PTO.

### **GENERAL**

#### ***The PTO MUST:***

1. Register (incorporate as a nonprofit) with the Secretary of State.
2. Annually provide the school district with confirmation of its nonprofit status; goals and objectives; contact information for each member of the executive committee; and any other SSO paperwork, provided by GMSD.
3. Comply with the policies of the local school board of education.
4. NOT use the EIN of the school or district for any reason.
5. Report suspicion of fraud to an executive committee member. The executive committee must then contact the Comptroller of the Treasury at (615)401-7907.
6. Use funds to support the school as described in the goals and objectives.

#### ***The Executive Committee MUST:***

1. Assume (and not delegate) responsibility for the operation of the PTO.
2. Conduct regular business meetings.
3. Maintain minutes of all meetings, copies of the charter, bylaws, and financial policy; copies of amendments to the charter, bylaws, and financial policy; and proof of its recognition as a nonprofit organization. These records shall be considered permanent records and must be maintained for at least four (4) years after the dissolution of the PTO. All other records must be kept for at least four (4) years.
4. Designate an "officer of custodian of records" to maintain, organize, and back up financial and other important records. Electronic files must be backed up at least every week and secured off-site to protect them from damage or theft.

5. Review and initial each month a signed summary (provided by the treasurer) of all receipt and disbursement transactions, supporting documentation, bank statements, copies of the front and back of imaged deposit slips and checks, and bank reconciliation to examine appropriate transactions and accuracy.
6. Organize the monthly summaries (#5 above), along with copies of the monthly treasurer's report, any other financial/informational reports, and reports filed with state and federal agencies by fiscal year for at least four (4) years.
7. Comply with the *School Support Organization Financial Accountability Act*, the *Model Financial Policy for School Support Organizations*, Internal Revenue Service regulations, Tennessee nonprofit laws, and other state laws and regulations.
8. The executive committee must implement accounting and internal control policies and procedures which will allow for the preparation of accurate and reliable financial records/reports. These policies and procedures must comply with laws and regulations ensuring that funds, property, and other assets are properly protected and will be approved by the executive committee at a regular meeting and distributed to PTO board members.
9. Ensure that all PTO members, especially those who collect or disburse PTO funds, are familiar with the *Model Financial Policy for School Support Organizations*.
10. Exemplify ethical behavior, honesty and integrity as well as encourage these qualities by active members in all PTO operations.
11. Annually check the *Model Financial Policy for School Support Organizations* and make necessary changes to the financial policy of the PTO. These changes must be approved by the executive committee and documented in the minutes.

## **GENERAL**

1. The PTO must receive approval (and keep a copy of the approval) from the school administration for a fundraising event.
2. The PTO may be subject to an audit by the Tennessee Comptroller of the Treasury and must record clearly each transaction so that the audit may be run easily. In addition, the PTO may be required to provide access to all books, records and bank account information to the Comptroller, the school, the district, and the members of the PTO.

3. An internal audit may be requested at any time by a member of the executive committee.
4. The sales and use tax exemption does not exempt a PTO from taxes due to items purchased for resale and the PTO must remit sales tax to the vendor for applicable purchases of products intended for resale.
5. The executive committee must report (for the minutes) on the authorized banking institution, the authorized bank account, and the authorized signatories. New accounts must be approved by the executive committee.
6. The name on any bank account must be that of Forest Hill Elementary PTO. The PTO is discouraged from entering into loans.
7. The titled owner to any property shall be the incorporated PTO. This is not intended to prevent this SSO from purchasing and donating property to the Board of Education that will then be titled by the Board of Education.
8. The PTO must carefully store all supplies and take inventory on a regular basis.
9. A profit analysis must be performed at the conclusion of a mass fundraising event (such as car washes, concessions, parking and candy sales).
10. No one person can be in control of a transaction from inception to recording (i.e. authorizing a purchase, making the purchase, writing a check to pay for the purchase, signing the check, reconciling the bank statement, and recording the purchase to the accounting records).
11. The PTO may not advertise that donations are tax deductible unless the PTO has been approved for tax exempt status from the IRS 501(c)(3).
12. Deposits should be made each day, if possible, but within three days of collection. The daily deposit form must include an itemized listing of checks.
13. The treasurer may not deposit cash. Another authorized signer of the checking account must deposit the cash and submit a deposit receipt to the treasurer.
14. Bank accounts must be reconciled promptly at the end of each month.
15. Pre-signing blank checks shall never be allowed.

16. The PTO shall document written conditions for any donations to the school and the school must disburse the funds accordingly.
17. The PTO shall immediately give to the school any “school funds” collected.
18. The PTO must provide the district with a statement of total revenues and disbursements (annual financial report) at the end of the year.
19. Disbursements and collections can be made by any legal method over which adequate internal controls can be established and must be approved by the executive committee on an annual basis.

## **DISBURSEMENTS**

### ***1. OFFICIAL PRENUMBERED CHECKS:***

- a. Bills should not be paid in cash.
- b. Checks require two signatures.
- c. Pre-signing blank checks shall never be allowed.
- d. Each disbursement check should not be signed unless an invoice/receipt has been submitted. The treasurer should write the check number and date paid on the invoice/receipt.
- e. The bank reconciliation should be completed by someone who does not have signature authority over the checking account (the assistant treasurer).
- f. The supply of checks should be stored in a locked environment and only accessible by the treasurer and any signors on the account when the treasurer is not available.
- g. The number of persons authorized to sign checks should be kept to a minimum – suggested persons are the president, the treasurer, and an executive committee member.
- h. The treasurer and president shall sign all checks. If the president is unavailable, the designated executive committee member may be the second signature. In this event, the president and designated executive committee member may endorse the checks. Under these circumstances, the president is required to notify the treasurer and submit any necessary documentation to support the expenditures.



- i. Any person responsible for depositing funds, writing checks, filing forms, or any legal document must comply with all specific due dates. If a penalty is assessed due to negligence in completing the assigned duties, the responsible person may be liable for the assessed penalty.

## **2. FHES PTO -ISSUED DEBIT AND CREDIT CARDS:**

- a. Annually authorized by the executive committee.
- b. The card will be issued to FHES PTO with the president's name and the school address listed. When a new president is elected, must change the name on the debit card.
- c. Number of cards and users should be limited. The treasurer may have the codes to view the accounts but may *not* be authorized to use the cards.
- d. A check-out and check-in log should be managed by the treasurer (or someone else who is *not* authorized to use the card). The log will include the following information: name of the board member, date checked out, date returned.
- e. No personal purchases may be made with the PTO debit/credit card.
- f. These cards may not be used for cash advances or in an ATM without prior consent from the executive committee.
- g. Only be used for setting up online accounts, approved by the executive committee, or if another form of payment is not accepted.
- h. Individual and daily transaction limits should be established.
- i. When using the FHES PTO card, the purchaser must provide the store with the Sales and Use Tax Certificate of Exemption.
- j. A reimbursement form must be turned in soon after the purchase (Form B).
- k. Original invoices and receipts should be reconciled to debit/credit card statements. End of the month debit/credit card statements may NOT be used as a substitute for original invoices and receipts.

- l. Debit/credit card purchases should be approved by a member of the executive committee (if possible, ahead of the purchase).
- m. All debit/credit card transactions and/or statements (supported by original invoices and receipts) should be presented to and approved by the executive committee each month.
- n. Personal Identification Numbers (PINs) and passwords for debit/credit card accounts should be confidential and only accessible by the few people that are authorized to use the card.
- o. PINs and passwords should be changed regularly (especially when someone who had access leaves their position).
- p. Credit card balances should be paid by someone who did not make the purchases and does not have signature authority for the card(s).
- q. The PTO may want to consider purchasing insurance to protect against lawsuits involving the collection of personal financial data if collections become significant.

**3. PAYPAL AND SIMILAR ACCOUNTS:**

- a. Annually authorized by the executive committee.
- b. Change password each year.
- c. Only one account (in the name of the PTO) should be established.
- d. Only one person can make purchases through the account. The treasurer can access the account but may not make purchases.
- e. The executive committee must approve purchases in advance.
- f. A listing of transactions (supported by original invoices and receipts) must be presented to and approved by the executive committee at a monthly meeting.
- g. Do not use this account if the system does not allow for an electronic invoice or receipt to be printed for purchase transactions.

**4. OTHER DISBURSEMENT METHODS (ACH, bank transfers, wire transfers, automatic withdrawals, etc.):**

- a. Annually authorized by the executive committee.
- b. Transactions must be approved in advance by the executive committee.
- c. These transactions may be executed by only one person (the treasurer may be authorized but only with prior approval by the executive committee).
- d. The executive committee must annually reauthorize automatic withdrawals.

**5. ADDITIONAL INFORMATION CAN BE FOUND IN SECTION 4 OF THE TENNESSEE INTERNAL SCHOOL UNIFORM ACCOUNTING POLICY MANUAL AT:**

<https://comptroller.tn.gov/content/dam/cot/la/documents/InternalSchoolUniformAccountingPolicy.pdf>

**RECEIPTS**

**1. CROWD-FUNDING EVENTS (GoFundMe, etc.):**

At this time, the FHES PTO will not be using a crowd funding account. If, in the future, this PTO decides to do so, the financial policy must be updated to include accounting policies and internal controls according to the *Model Financial Policy for School Support Organizations*.

**2. DIGITAL APPLICATIONS (APPS, such as Venmo or Square):**

- a. Annually authorized by the executive committee.
- b. Square devices should be stored in a locked environment and only accessible by the treasurer and one other person who is authorized to set up the devices when the treasurer is not available.
- c. The password needs to be changed annually. Only the president and the treasurer should have access to the password.
- d. The treasurer may not make transactions using the Square.
- e. Users must be on the board of managers.
- f. Must send a receipt to the purchaser via text message or email.
- g. A listing of transactions must be presented to and approved by the executive committee at a monthly meeting.

- h. Users must record all transactions on a numbered log sheet.
- i. Only one board member can be designated to operate the Square at one time (per shift, per event).

## **OTHER INTERNAL CONTROLS**

### **1. BANK ACCOUNT:**

- a. Must have a FHES PTO checking account at a local bank and approved by the executive committee on an annual basis.
- b. Name of bank must be recorded in the minutes of an executive committee meeting.
- c. Signers on the account should be the president, treasurer and one other executive committee member that does not approve expenditures.
- d. Annually change signers due to new leadership and/or other reasons.
- e. Online access to the checking account should be allowed for the president and treasurer. The assistant treasurer and another executive committee member should have “view only” access to the account.
- f. Personal Identification Numbers (PINs) and passwords to online bank accounts should be confidential.
- g. PINs and passwords should be changed annually (especially when someone who had access leaves their position).
- h. The PTO will maintain a minimum reserve of \$10,000.00 not to exceed 50% of an average year’s budget.

### **2. BANK DEPOSITS:**

- a. Deposits must be made daily, if possible, but within three days.
- b. The treasurer may not deposit cash – another signer on the account must deposit cash. The bank deposit receipt for this type of transaction should be given to the treasurer.

### **3. HOW TO USE THE SALES AND USE TAX CERTIFICATE OF EXEMPTION:**

- a. According to the state, the person shopping on behalf of the FHES PTO must buy the items with PTO funds at the time of purchase. The only way to purchase items tax free is to use cash, the FHES PTO card, or obtain an invoice.
- b. When making a purchase, leave a copy of the Sales and Use of Tax Certificate of Exemption with the store.
- c. A personal credit card, debit card, or check may not be used with the Sales and Use of Tax Certificate of Exemption.
- d. Refer to the cover letter from the State of Tennessee Department of Revenue as well as the actual exemption form for more information.

**4. REIMBURSEMENT/PAYMENT TO VENDOR:**

- a. Committee chairs must stay within the established budget for their committee. If expenses will exceed the set budget amount, the committee chair must seek approval from the executive committee prior to spending any additional funds.
- b. Any expenditures that exceed the approved budget will NOT be reimbursed unless approved by the executive committee prior to purchase.
- c. The committee balance register (Form A) must be kept current in order to record expenditures and monies received as well as for accountability and yearend budget decisions.
- d. After making a purchase, completely fill out the reimbursement form, including all signatures. No initials.
- e. Original receipts must be attached, along with the form, and turned in to the treasurer. Make sure to circle items to be reimbursed on the receipts.
- f. Keep a copy of the reimbursement/payment to vendor form and a copy of the receipt(s), for your records.
- g. Submit reimbursement requests within 45 days of the event/or date of purchase.

- h. Sales tax may not be reimbursed. See Section 3 above, for proper procedures of the Sales and Use Tax Certificate of Exemption.
- i. Please use the committee balance register (Form A) to make sure the reimbursement of payment request is within your budget.
- j. Committee chairs must follow all the Germantown Municipal School District (GMSD) purchase and reimbursement policies.
- k. Reimbursement requests made after the close of the fiscal year (June 30<sup>th</sup>) may be denied.
- l. Reimbursements will be processed and distributed in a timely manner.
- m. Any committee chair allocated a budget that is equal to or exceeds \$1,500 will be required to submit a list of all expenses to the corresponding vice president prior to the first expenditure.
- n. The chair's vice president will work closely with them to ensure that the funds are being spent wisely.
- o. If a committee member is making purchases, the chair must provide them with the sales and use tax certificate of exemption, instructions on how to use it, as well as a budget for their purchases.
- p. Financial requests under \$1,500 that are not part of the PTO budget must be approved by the executive committee. Any financial requests exceeding \$1,500 but not exceeding \$5,000 that are not a part of the PTO budget must be approved by the board of managers. Any financial requests exceeding \$5,000 that are not a part of the PTO budget must be approved by the general membership.

**5. AMAZON ACCOUNT:**

- a. Account must be approved annually by the executive committee.
- b. The president and treasurer will have access to the account.
- c. The president will make purchases, as necessary. The treasurer is not authorized to make purchases within this account.

- d. Passwords for this account will be changed annually.
- e. Items will be shipped to the school address.
- f. Weekend deliveries must be avoided.
- g. After creating an Amazon "Wishlist" and confirming the order with the president, a reimbursement/payment to vendor form must be filled out and given to the president who will then pass along to the treasurer (Form B).

**6. *COLLECTION OF MONIES (including membership drive, donation drive, sponsorships, auction, spring fundraiser and any other events that require the collection of monies):***

- a. When collecting money (in the situations referenced above) in which an order form is provided, the following information is recommended for the form:
  - 1. Event name
  - 2. Parent name (or name on check)
  - 3. Student name
  - 4. Grade
  - 5. Teacher name
  - 6. Amount
  - 7. Method of payment (check #, if applicable)
  - 8. Phone # and email address
  - 9. Statement: Return form/check in envelope with event name written on outside
  - 10. Deadline date
  - 11. Organizer/contact information of the event
- b. Students must return money in a sealed envelope to their teacher. The executive committee will work with the administration to determine a way for these collections to be delivered to the PTO (ex. PTO teacher folders).
- c. A numbered log sheet must be used to record the collection of money. The following information is recommended for the log sheet:
  - 1. Date
  - 2. Name on check/parent name
  - 3. Phone # and email address
  - 4. Student name
  - 5. Grade (optional)
  - 6. Teacher name (optional)
  - 7. Amount
  - 8. Method of payment (check, PayPal, cash, etc.)
  - 9. Name of board member filling out log sheet

- d. The numbered log sheet should be kept at a predetermined location, based on the event, along with a corresponding envelope to collect forms once they have been processed.
- e. The counting of money should not start until at least two (2) board members are present. Only board members may receive/verify funds. Treasurer or school officials cannot collect funds directly. Board members (only) must work in a room that is removed from the general public and other distractions.
- f. Persons receiving and verifying funds should confirm the following: the check amount is correct; the check is made out to the FHES PTO; and that the check is signed. Then write the check number on the order form.
- g. Each check should be recorded separately on the numbered log sheet. Once recorded, the corresponding log number from the log sheet should be written on the order form. Processed order forms should be placed in the PTO "Forms" envelope at a predetermined location, based on the event, for the chair to collect.
- h. The daily deposit form (Form C) for funds collected that day should be filled out completely (including all signatures) and verified by another board member. All checks (including amounts and check numbers) should be listed on the deposit form. A copy of this form should be given to the chair for their records. The original form and all monies collected must be given to the treasurer.
- i. If the treasurer is not available, the deposit form (and monies) may be placed into the PTO safe with at least two (2) board members present as witnesses. The treasurer (if not present) must be notified immediately of this deposit via text, phone or email.
- j. At the conclusion of the event, a copy of the log sheet should be given to the treasurer. The original log sheet and all forms should be kept by the chair.
- k. Monies collected may not be kept at someone's home. PTO funds should be stored in the PTO safe and can be removed from the school only by an authorized PTO bank account signer.

**7. PTO SAFE:**

- a. Must be placed in a secure location. If located on school property, the PTO must fill out the GMSD waiver form.
- b. The manual and the keys for the safe must be kept by the treasurer.



- c. The combination to the safe should be changed annually and the code should be known only by the president and the treasurer.
- d. The codes should be kept separate from the safe, in a secure offsite location.
- e. Deposits should be made each day, if possible, but within three days of collection.
- f. The treasurer (if not present) must be notified immediately of any deposits via text, phone or email.
- g. School officials should not have access to the safe.
- h. Do not leave monies in the safe over the weekend, if possible.

**8. END OF YEAR DONATION TO THE SCHOOL:**

- a. The donation must be in accordance with the goals and objectives of the FHES PTO.
- b. The donation given to the school must be accompanied by a letter with the following information:
  - 1. Date
  - 2. Check #
  - 3. Amount
  - 4. Specified as a restricted donation to be used for a particular purpose  
OR
  - 5. Specified as an unrestricted donation to be used at the school's discretion.
- c. The president and treasurer must sign the letter and each keep a copy of the letter. The president's copy must remain in a permanent record file.
- d. Must document this donation in the minutes at the first general meeting of the year.