Checklist for Outside Support Organizations
(PTA, PTO, Boosters, & other outside support organizations with external bank accounts)

Organizational procedures:
- Obtain approval for establishing organization from school administration.
- If organizing a PTA, we recommend you contact the Polk County Council PTA for information and assistance.
- If organizing a Booster Club, we recommend you consult an attorney for advice on obtaining 501(C) (3) status.
- Elect a slate of officers. Internal Accounts policy 1.001(9).
- Officers must be approved volunteers through the Polk County School Board.
- Purchase liability insurance of not less than $1,000,000. School Board policy 9211
- Establish organizational by-laws, rules, procedures.
- Obtain unique Federal tax identification number for organization from IRS, required per Internal Accounts policy Appendix D, Item E3.
- Obtain unique sales tax exemption certificate for organization from State of FL, required per Internal Accounts policy Appendix D, Item E3).
- Register and file annually with Florida Department of State-Sunbiz.org, if incorporated
- Register and file annually with the Florida Department of Agriculture and Consumer Services for Solicitation of Funds (An Exemption Application may be completed for organizations with less than $25,000 in Total Revenue.)
- Establish bank account in name of organization with organization’s tax ID number.
- Approve list of authorized signers for organization’s bank account.
  - There should be two signatures required for all expenditures. The second signer should only sign if there is an invoice attached for the amount of the check and the expenditure looks reasonable. A debit card is not recommended since it overrides this control. If the organization chooses to use a debit card, controls should be implemented to guard against unauthorized purchases.
  - A school employee may NOT be a signatory on an outside bank account at the school where he/she is employed. Internal Accounts policy 1.001(9).
- All organizations, connected with or operating in the name of the school, which obtain moneys from the public shall be accountable to the School Board and are subject to audit by the PCSB Internal Audit Services department. Internal Accounts policy 1.001(9) and Appendix D, Item E2.
- Non-profit organizations have a fiduciary responsibility to the public.

Procedures to be followed:
- A budget should be created and approved by the organization. This establishes an estimate of the money that the organization hopes to raise during the year and the “wish list” of how they want to spend the money. Internal Accounts policy 1.008(2)
- Financial Statements (Treasurer’s report) should be prepared monthly (at the least quarterly) and should be reviewed by the organization. Funds raised and spent should be compared to the budget. The financial statements should include a detailed transaction listing and should be reviewed for reasonableness. We recommend a copy of the bank statement also be provided to the organization’s board and the school principal monthly. Internal Accounts policy 1.001(12)
- Hold regular meetings and document decisions in written meeting minutes.
• Complete Annual Financial Report (AFR) and submit to school principal for review and signature (ending fund balance should agree with check register year-end balance and reconciled to year end bank statement). The school then submits signed forms to PCSB Internal Audit Services by August 1 annually. \textit{Internal Accounts policy 1.001(11), Appendix D, Item E2}. Note: All the organization’s bank accounts should be included on the AFR, e.g. savings, checking, etc.

• Complete PCSB Approval Form (Form 00828) for all fundraisers and obtain approval from school principal prior to the event (copy to school). \textit{Internal Accounts policy Appendix D, Item E1}.

• Recommended to complete PCSB Financial Report (Form 00829) or similar financial report for all fundraisers (copy to school) at the close of each fund raising event. \textit{Internal Accounts policy Appendix D, Item Bl 0}.

• When any school organization or group is involved in a fund raising activity or any function exposing the School Board to extraordinary liability (e.g. carnivals, etc.), approval must be obtained in advance from the Superintendent or designee. (See School Board Policy 7510 Use of District Facilities.) \textit{Internal Accounts policy Appendix D, Item B10}.

• Two people should be responsible for collection of all funds at fundraisers and concession sales. The money should be counted at the end of the event and the two individuals should sign off that they agree to the amount of funds received.

• School employees may not handle any collections for outside organizations during the work day. \textit{Internal Accounts policy 1.001 (8)} requires all funds handled by School Board employees during normal working hours be deposited into the internal funds of the school.

• Do not make checks payable to CASH – make checks payable directly to the vendor or to the person utilizing the funds. Be sure to obtain receipts for these payments. If for some unusual circumstance receipts are not available (ex. lost and a replacement cannot be obtained) document the use of the funds with approval of two officers.

• Do not pay expenditures directly from cash collections. Establish a proper audit trail.

• Invoices should be in the name of the outside organization, not the school.

• Do not pay coaching supplements directly to district employees – funds should be donated to the school for deposit in internal accounts and processed by the Payroll Department.

• A 1099 must be issued and filed with the IRS for any non-employee compensation that equals or exceeds $600 paid in a calendar year.

**Records to be maintained and passed on to future officers:**

- Checkbook and/or check register
- Bank statements (should be reconciled to check register monthly)
- Deposit slips/documentation noting source of funds deposited (specific fundraiser, donations, concession sales, etc.)
- Itemized receipts or invoices for all expenditures
- Organizational documentation such as Incorporation documents, By Laws, Rules and Procedures
- Meeting minutes

All supporting documentation for financial activity should be maintained on file and made available for audit purposes.

***Annual Report must be filed with IRS***