

# **Leonardo da Vinci School PTO**

## **Financial Policies**

### Annual Budget & Expenditures

A general meeting of the Executive Board will be held annually to approve the budget for the fiscal year. A majority of the Board of Directors must be present at the annual meeting.

Money raised by this organization shall be spent as specified in the approved annual PTO budget. The Executive Board may appoint individuals and committees to manage budgeted income and expenditures under the guidance of the PTO officers. Any additional expenditures \$500 or under and not outlined in the annual budget may be approved by a majority vote of the officers, or, if time allows, presented for approval at the next monthly meeting of the general PTO. Any additional expenditures over \$500 that will not result in a return, and not outlined in the annual budget, must be approved by a majority vote of the Board of Directors and presented at the next monthly meeting of the general PTO. Approval of a budget item is permissible by a majority vote of the officers (or if time allows, presented for approval at then next monthly meeting of the general PTO) for a given school event where the cumulative upfront cost exceeds \$500 but the expenditure will be recovered through the sale of goods purchased or through anticipated fundraising as a result of the event.

### Financial Records

All income and expenditures will be recorded by the Treasurer. A financial summary will be kept up-to-date and available on the PTO website. The treasurer will give a review of the financial summary at each monthly PTO meeting.

An annual audit of financial records will be conducted by two members of the Executive Board, not to include the Treasurer.

### Bank Accounts

The PTO will maintain funds at a banking institution of the Officers' choice. At least two Officers shall be authorized signers for the bank account at all times. Any officer or appointed committee chair may make bank deposits. Deposit slips must be given to the Treasurer to record and retain with financial records.

### Funds Disbursement

In order for PTO funds to be disbursed (for a reimbursement or to initiate a payment to an external company or individual) a Reimbursement Form or Direct Payment Form must be completed. All forms must be approved by signature at least two Officers or Board Members and submitted with receipts or appropriate paperwork. Payments will be made within one week of signed request.

If an Officer or Board Member is receiving reimbursement for expenses, two different Officers or Board Members must approve the Reimbursement Form with their signatures.

Similarly, if an Officer or Board Member is the recipient of a direct payment, two different Officers or Board Members must approve the Direct Payment Form with their signatures.

At no time should the person requesting reimbursement sign the reimbursement check. Similarly, at no time should a person receiving direct payment sign the check.

Per the IRS, any person receiving payment for services from the PTO will be issued an IRS form W-9 (Request for Taxpayer Identification Number and Certification). Form W-9 must be completed and returned to the PTO prior to receiving payment. For any individual who is paid over \$600 for services to the PTO within a calendar year, the PTO will issue that individual a 1099-miscellaneous prior to January 31 of the following year. Any individual paid for services by the PTO is responsible for reporting any income from the PTO on their tax return.

Any individual providing services to the PTO who is employed through an outside company and paid by that company with funds collected from the PTO, will not fill out a W-9 or obtain a 1099-miscellaneous through the PTO. The PTO will make direct payment to the outside company once a Direct Payment Form and an invoice or contract is submitted.

### Tax Exempt Purchases

Non-internet purchases should be made using the PTO's tax-exempt number issued by the State of Wisconsin to avoid paying sales tax. Only the Treasurer, President or Vice President may authorize individuals to use of the tax-exempt number. Any unauthorized use of the tax-exempt number will result in that individual no longer having the authority to make purchases on behalf of the PTO.

### Acceptance of Donations and Funds

The PTO may accept donations and payment for items or events in the form of cash or check, made payable to "Leonardo da Vinci School PTO." All contributions and payments will be deposited into the PTO bank account within one week of receipt. An appropriate acknowledgement letter will be sent to the donor for a straight donation over \$200, if no goods or services were received for their donation.

The PTO will attempt to collect bank fees and the original amount of payment for checks returned for insufficient funds. The PTO reserves the right to refuse to accept checks from individuals whose checks have been previously returned.

### Petty Cash Procedures

Petty cash may be requested for use during a PTO-sponsored fundraiser or event, not to exceed \$200. A Petty Cash Form must be submitted at least one week prior to the event. An officer and the person requesting petty cash must verify petty cash total before and after event, and sign the Petty Cash Form. Petty cash and any resulting cash profit will be deposited back into the PTO bank account within one week following the event.