

Fiduciary Responsibility

Congratulations! You have been elected to serve on your PTA board.

The board has a legally defined fiduciary responsibility to uphold the trust that has been placed in the officers. This means that you and your board must act:



- In good faith, understanding and abiding by the bylaws of the organization;
- With the care an ordinary prudent person would exercise under similar circumstances; and
- In a manner the individual reasonably believes to be in the best interests of the organization.

The board is responsible for protecting the assets of the PTA. This means that each officer is obligated to:

- Ensure compliance with all laws
- Ensure the assets are used to serve the interests and needs of the beneficiaries (the children)
- Ensure continuity of the organization for years into the future
- Ensure the organization remains transparent
- Ensure you are carrying out the purpose you have been given.



What are the assets of the PTA? These fall into several categories:

- **Money** – include all accounts when reporting balances and transactions. Use the clear and concise rules for managing and handling money found in the *Toolkit*.
- **Property** – anything purchased with PTA funds, such as office supplies like officer binders, carnival games or equipment, storage items, computers, paper goods, etc.
- **Inventory** – spirit wear such as t-shirts or hats, left-over gift wrap or cookie dough, paper scrip, etc.
- **Volunteers** – Very limited asset of the PTA, make sure to find a job for everyone who volunteers, if someone volunteers and is never called they are probably not going to volunteer again.
- **Ongoing concern** – this means the board must make decisions that will protect the long life of the PTA. The decisions you make must serve the needs today as well as preserve the assets for the future. You have an obligation *not* to encumber future boards as well. Each board may only make decisions directly affecting its term of office.
- **Reputation** – Everything centers on the reputation of your PTA, so guard it as the organization's most important asset. Who will donate to the PTA if you have a bad reputation? Who will volunteer to help? Mistakes and rumors will damage the PTA's good name. Theft, or even the rumor of it, can destroy the PTA altogether. Take your position seriously in order to protect the assets of the organization and to be a good role model for upcoming parent leaders. What you say and how you act is important. This is why we consider ourselves:



“Professional Volunteers.”