

Let's Dispel the PTA Myth with PTA Facts

Myth: PTA has restrictive rules governing everything from fund raising and money handling to how PTAs can spend their funds. Membership dues forwarded to National, State, district, and council PTAs would be better put to use by the local organization if they were kept at the school. Other parent groups or foundations would have much greater flexibility because they would not be subject to the same strict guidelines.

Fact: PTA makes it simple to set up a nonprofit organization. Without that assistance, the process would be costly and time consuming and would require corporation setup, applying for tax status and developing bylaws.

Fact: PTA guidelines are largely based upon Internal Revenue Code (IRC). They are designed to protect the nonprofit status of the organization and promote the *Purposes of PTA* as required by IRC 501(c)(3). All nonprofits that fit the description of working towards charitable or educational purposes are subject to the same Internal Revenue Service (IRS) guidelines in order to maintain their nonprofit status.

Fact: PTAs keep 100% of their fundraising profits. PTA guidelines and IRS tax code for nonprofits do not contain restrictions about how much money can be raised. Fund raising restrictions are usually set by the school district. Tax code does contain restrictions about business income to which all nonprofits must adhere. Each fundraising activity requires the approval of the principal and the PTA's members, known collectively as the association.

Fact: PTA guidelines make it easier to operate a nonprofit because PTA provides money handling and auditing guidelines which help to protect the assets of the organization.

Fact: PTAs may donate money to school districts to pay salaries of instructional aides or specialty teachers with approval of the PTA association, school principal, and school district.

Fact: PTAs may hire employees. Resources from the California State PTA and National PTA give information about how to proceed with this process.

Fact: There are no PTA guidelines or IRC guidelines that expressly limit the amount of money that can be carried over from one year to the next.

Fact: IRC limits the amount of time spent in fundraising activities to less than 50% of the group's time.

Fact: Portions of per capita PTA membership dues are remitted to National, State, district, and council PTAs but are returned in the form of programs, resources and training opportunities. Forwarded dues are offset by the low-cost insurance with policy premiums that a PTA pays through group coverage.

Fact: PTA is a membership organization with a history of over 100 years of advocating for children. Members have a voice in the operations of the organization and have a political voice in Washington and in most state capitals. Our own California State PTA is well respected and effective in Sacramento.

Fact: Other parent groups and foundations benefit your children. *PTA Benefits All Children.*