

Budget

The budget is an outline of estimated income and expenses. It explains the kinds of programs and PTA development you want to carry out and how much money is needed to be raised to carry out the program.

Effective budgeting requires a determination of both the purpose for which money is needed, and the amount of money needed to achieve that purpose.

Developing the Budget

- PTA bylaws call for a budget committee, with the treasurer serving as chairman. This committee usually has three to five members and may include the membership chairman, the ways and means chairman, and others with an understanding of the financial needs of the PTA.
- The budget committee should review the previous year's budget and treasurer's reports to determine how well the budget met the organization's needs.
- Members should determine the projected financial requirements, taking into consideration the funds needed for the approved programs, projects, and leadership development.
- The committee then develops the budget.

Duties of the Budget Committee

The committee should study the previous year's budget and financial reports to determine how that budget met the association's needs.

- Encourage all committee chairmen to present a budget request with supportive information for anticipated needs by a given deadline.
- Estimate probable income from all sources. State and National portions of dues are never considered as income or as expenditures.
- The budget should show anticipated income (i.e., local portion of dues, all fund-raisers, interest earned, etc.).

The budget should show anticipated expenditures such as:

- Parent Education
- Leadership training (NYS PTA's Summer Experience, Legislation/Education Conference, Annual Convention, and Region PTA fall and spring conferences and workshops)
- PTA administrative expenses
- Newsletter publishing costs

The budget should include the estimated anticipated number of members multiplied by the local portion of dues, as well as estimated proceeds from each approved fund-raiser. Receipts should be stated as the gross amount before any cost of sales is deducted. All expense categories, including the cost of merchandise sold, should be estimated and included in the budget.

Without an approved budget there is no authorization to expend funds or to conduct fund-raisers. Any funds spent without proper approval would have to be repaid to the association if the membership does not retroactively approve the expenditure. **Therefore, it is essential to have a budget in place at all times.**

Approving the Budget

- After the budget has been drafted, it should be presented by the treasurer to the PTA executive board for review.
- It is then presented to the PTA membership for approval. After a motion is made to adopt the budget as presented, it is reviewed item by item to allow discussion and amendment of each section.
- A majority vote of the members present and voting is required for adoption.

Amending the Budget

Once the budget is adopted, it may be amended at any meeting of the association.

- When expense items do not have sufficient funds or new projects are planned or if income from a fundraiser is higher or lower than expected, the budget should be amended.
- A previously adopted budget may be amended with two-thirds vote or majority vote if prior notice was given.
- Any time budgeted items do not have sufficient funds allotted in that line item to cover expenses or new projects are planned, the budget has to be amended. The same is true of the income items.

A budget must be in place at all times. Therefore, a budget must be developed and adopted prior to the end of the current fiscal year. Many times not all of the plans will be finalized by that time. A budget need include only those income and expense items that have been planned at the time it is developed.

At the first general meeting of the new year, the treasurer should present an amendment to the budget to change or delete any existing line items and add any additional fundraisers and expenses based upon the plans of work submitted to the new board.

Balancing a budget.

Anticipated income and anticipated expenditures must balance. Upon approval by the membership, any excess income could be dropped into a contingency line to be moved out to another line item as needed upon approval of the membership.

A Sample PTA Unit Budget

This sample unit budget is given to show how PTAs can create their own budget.

	2005 - 2006	2006 - 2007
	<u>Budget</u>	<u>Actual</u>
		<u>Proposed</u>
Balance Forwarded	\$ 3,701.25	\$ 3,701.25
		\$ 4,322.08
<u>RECEIPTS (Income)</u>		
Dues 400 @ \$3.75	\$ 1,500.00	\$ 1,552.50
Book Fair	\$14,000.00	\$14,623.65
Craft Fair	\$ 5,000.00	\$ 4,558.48
Silent Auction	\$ 3,000.00	\$ 3,500.75
Spring Surprise	\$ 4,000.00	\$ 4,003.00
Miscellaneous	\$ 800.00	\$ 800.00
TOTAL REVENUES	\$32,001.25	\$32,610.68
<u>EXPENDITURES</u>		
Leadership Training		
Workshops	\$ 500.00	\$ 456.00
PTA Convention	\$ 1,200.00	\$ 1,136.45
Presidents' Principals' Dinner	\$ 200.00	\$ 140.00
Legislative Breakfast	\$ 60.00	\$ 66.00
TOTAL	\$ 1,960.00	\$ 1,798.45
Administrative Expenses		
Hospitality		
PTA Meetings	\$ 400.00	\$ 352.75
Meet the Teacher Night	\$ 180.00	\$ 167.00
Council Refreshments	\$ 60.00	\$ 56.73
Orientation	\$ 150.00	\$ 132.10
Staff Recognition	\$ 250.00	\$ 265.46
Awards Night	\$ 250.00	\$ 206.68
Council Dues	\$ 150.00	\$ 150.00
Council Mailings	\$ 50.00	\$ 50.00
Insurance	\$ 145.00	\$ 145.00
Postage	\$ 250.00	\$ 264.00
Supplies	\$ 550.00	\$ 476.56
Newsletter	\$ 300.00	\$ 291.00
Misc.	\$ 200.00	\$ 200.00
TOTAL	\$ 2,935.00	\$ 2,757.28
Programs		
Red Ribbon Week	\$ 200.00	\$ 235.51
Cultural Arts	\$ 3,000.00	\$ 2,950.00
Reflections	\$ 600.00	\$ 567.15
Parents As Reading Partners	\$ 1,000.00	\$ 964.76
Parenting Programs	\$ 400.00	\$ 302.28
Scholarships	\$ 2,000.00	\$ 2,000.00
TOTAL	\$ 7,200.00	\$ 7,019.70
Fund Raising Expenses		
Book Fair	\$ 9,000.00	\$ 8,997.58
Craft Fair	\$ 3,000.00	\$ 2,701.15
Silent Auction	\$ 2,200.00	\$ 2,226.87
Spring Surprise	\$ 2,700.00	\$ 2,787.57
TOTAL	\$16,900.00	\$16,713.17
TOTAL	\$28,995.00	\$28,288.60
Undistributed Funds	<u>\$ 3,006.25</u>	<u>\$ 2,374.58</u>
	\$32,001.25	\$31,809.58
TOTAL REVENUES		\$32,610.68
TOTAL EXPENSES		\$28,288.60
AVAILABLE CASH		\$ 4,322.08
TREASURER _____		ADOPTED _____

Finance & Insurance

Sample Reimbursement Voucher Form

This is a sample voucher form that units, councils and region PTAs can customize for their own use.

Reimbursement Voucher for _____ PTA

Name: _____

Address: _____

Telephone Number: _____ Date: _____

PTA Board Position: _____

Item	Purpose of Expenditure	Amount

Attach All Receipts to back of Voucher

REMARKS:

(Check One)

Reimbursement Requested: _____ Tax Credit Requested: _____

Signature: _____

Treasurer's Notes

Receipts Received: _____

Date Paid: _____ Check Number: _____ Amount: _____

Treasurer's Initials: _____