



PTA Financial Best Practices

Florida PTA provides support and guidance to its local units and councils. PTAs in Florida are organized under the authority of Florida PTA and classified by the IRS as a 501(c)(3) association.

Florida PTA recommends all PTA units follow the financial best practices set out in Florida PTA's Dollars and Sense (the treasurer's manual).

All tax-exempt fundraising income must be used to benefit the "entire charitable class" as defined in the PTA bylaws. Also, you cannot use PTA funds to unduly benefit individuals that have a close relationship with the association.

All PTA funds must be expended according to the approved PTA budget that was prepared according to IRS guideline for 501(c)(3) federal income tax-exempt organizations. The guidelines are outlined in the Florida PTA Kit of Materials.

The IRS **inurement** prohibition forbids the use of the income or assets of a 501(c)(3) tax-exempt organization to directly or indirectly unduly benefit an individual or other person that has a close relationship with the organization or is able to exercise significant control over the organization.