

Standards of Affiliation

Michigan PTA Units and Councils

Officers

Each year, officers should be updated in MemberHub. When Michigan PTA contacts officers, only the current year officers are pulled by the system. If we can't contact the leaders responsible for business, we can't service the unit properly.

Unit Dues

The annual \$40 unit dues have been eliminated as of July 1, 2024. This was approved as a bylaws amendment at Convention in April 2024.

Budget

Each year, an approved budget should be updated in MemberHub. When planning for the year, each local unit must adopt an annual budget, which may include:

- Organizational expenses
- Officer and chairman expenses
- Training and representation at Michigan PTA and National PTA Conventions and events

The budget is an outline of estimated income and expenses for the year. A finance or budget committee usually has the responsibility of developing a budget for the PTA. This committee may be elected or appointed according to the unit or council bylaws and usually consists of three or five members, one of whom is the treasurer, who may act as chair.

After the budget has been drafted, the budget committee chair should present it to the PTA/PTSA board for consideration and then to the membership for approval. This presentation is made during the organization's general meeting where a quorum is determined to be present. Any expenditure not provided for in the adopted budget must be submitted to the voting body before the money is spent. Since the budget is only an estimate of the planned expenditures for the year, it may be necessary to amend it during the year. Amendments require a vote of the members at any regular meeting or at a special meeting called for that purpose.

Acceptable budget expenditures (or line items) may include, but are not limited to:

- Training
- Dues
- Founders Day Gifts
- Convention
- Awards
- Subscriptions
- Insurance
- Bonding for Officers and Chairpersons
- Supplies

As soon as the budget has been approved, a copy must be sent to the Michigan PTA office. Only the first approved budget of each year is required.

Audit

Each year, an audit of the previous year's finances should be updated in MemberHub. Unless a unit has a budget of over \$50,000, an internal audit by members who are not signers on the bank account is sufficient.

The purpose of an audit is:

- To certify the accuracy of the books and records of the financial officer, and
- To assure the membership that the association's resources/funds are being managed in a businesslike manner within the regulations established for their use.

Auditing involves following financial transactions through records to make sure that receipts have been properly accounted for and expenditures made as authorized in the minutes and in conformity with PTA/PTSA bylaws, standing rules, and budget limitations.

The unit's bylaws should indicate when an audit is to be made, its procedure, and when it should be reported to the membership. Record books need to be audited at least once a year; however it's recommended that they be audited if a financial officer resigns, before the new officer assumes his or her duties, and at any other time deemed necessary.

The process for selecting/electing individuals to serve on the internal audit committee or for retaining a professional firm (with nonprofit accounting experience) will also be found in the unit bylaws. Audit committee members should not be signers on the account. The treasurer cannot be

a member of the audit committee but can attend meetings to answer questions or make clarifications.

Each year, a copy of the prior year's audit must be submitted to the Michigan PTA office upon completion.

Insurance

As of 2017, the convention delegates voted to add insurance as a standard of affiliation. Units need a basic amount of insurance that covers assets and liability. Officers may compare companies to get the best coverage. New units and units struggling to obtain coverage should contact president@michiganpta.org for options.

Bylaws

Every new unit must submit the latest Michigan PTA bylaws AND the minutes of the meeting where they were approved. Until Michigan PTA reviews bylaws, those are the rules that govern the unit. Bylaws must be updated every three (3) years.

Units waiting on approval from Michigan PTA are considered in compliance for bylaws until otherwise notified.

Bylaws are the document which contains the basic rules of the association; they are your contract with your membership, Michigan PTA, and National PTA. Bylaws are so important that they cannot be amended without previous notice to the general membership and require a large majority of votes (2/3) to make any changes. When an item is not detailed within your bylaws, Robert's Rules of Order, Newly Revised, is the parliamentary authority. All PTA/PTSA units and councils should have a copy. To request a copy of Michigan PTA's bylaws, contact the state office.

Bylaws:

- Define the primary characteristics of your PTA/PTSA and how it functions
- Contain the name, purposes, members, officers and duties, meetings, committees, parliamentary authority, and amendment procedures
- Can never be suspended

Michigan PTA provides templates for local units and councils to use. This template is required. Areas that are subject to amendment are noted on the template. Local unit and council bylaws must be reviewed and adopted at least every three years. Please contact secretary@michiganpta.org to request a template.

Form 990

Each year, units must submit a Form 990 to the IRS. A copy of the confirmation of filing should be uploaded to MemberHub.

Most units only need to submit the 990N postcard, which is about 8 questions on the IRS website. The filing date is November 15th. This is an IRS requirement. Failure to submit this documentation to the IRS will put a unit's tax-exempt status in jeopardy — even if you fulfill everything else required by Michigan PTA.

Members

Each Michigan PTA unit is asked to submit member name, email, and/or phone number along with payment of \$5.50 per member for Michigan and National PTA dues by the 28th of every month. Members must be entered as "Members" (not "People") in MemberHub. You will see a gold star next to their name if they are a current member for this school year. Every officer and committee chairperson is required by bylaws to be members of your unit.

"Good Standing" Letter

Once a unit or council obtains Standards of Affiliation for the current year, Michigan PTA sends the "Good Standing" or exemption letter to the President. At times, especially in the case of new units, a provisional letter will be issued to allow units to conduct business.

Out of Compliance

If a unit or council does not submit one or more of the required SOA documents, the unit or council is considered out of compliance. Units and councils in this status are not eligible for:

- Coverage under the group exemption
- Applying for State or National awards, scholarships, or recognition
- Participating in voting at State or National Conventions