

ABC PTA
Financial Standing Rule Insert

Northside Council of PTAs highly recommends the use of the following Standing Rules insert if you are using a debit card, electronic banking, online stores, etc. referenced in Texas PTA's eCommerce Policy

IX. Financial

A. Sales Tax.

1. Sales Tax will be authorized for online purchase where companies or vendors do not except online tax-exempt forms.
2. When making purchases locally with exception of local shopping clubs (i.e. Sam's Club, Costco, etc.), sales tax is not authorized, the Sales Tax-Exempt form shall be utilized.
3. Sales Tax shall be reimbursed for meals and city tax for hotels for those attending PTA-approved training.

B. Debit Card

1. The debit card shall be in the name of the PTA. A credit card will not be authorized.
2. Signers on the debit card.
 - a. Card shall be issued to the Treasurer, including the name of the PTA. If the Treasurer is unable to be a signer due to employment conflict, another authorized signer shall be appointed by the President with executive board approval. Signer should be selected from the authorized signers on the bank account.
 - b. The card must be in the possession of the Treasurer. The debit card will be checked in and out via the PTA Debit Card Transaction form which also serves as a log.
3. Debit Card Transaction Form
 - c. The form must be filled out in its entirety for all debit card purchases. The front-side must be filled out in advance and signed by an authorized signer who is not the requester. The back-side must be filled out upon completion of purchase, with each transaction listed and totaled. Receipt must be attached to the completed form.
 - d. Two (2) signatures are required prior to use of the debit card (the requester and treasurer). Four (4) signatures are required after the use of the debit card (the requester, chairman, treasurer, and president). The signers (requester and treasurer) must be the same on both sides of the form.
 - e. The debit card shall be turned in no-later-than 48 hours after check-out.
 - f. Purchases made with the debit card shall only be for PTA purposes.

- g. The purchasing amount will not exceed the requested budget line item from the approved budget.
 - h. The PTA Debit Card Transaction form and corresponding receipt shall be filed in the Treasurer's Financial Records with check disbursement/transaction forms for Financial Reconciliation.
4. When making purchases online (i.e. Amazon, GotPrint, Vistaprint, etc.) the debit card information shall not be saved to the account for future purchases. Card information shall be manually entered each time the card is used.
 5. In the event the debit card is lost or stolen, the treasurer shall immediately report this to the financial institution and initiate the discontinuance of the debit card. The account must be reconciled.
 6. A change in signer on the bank account will require a change in signer on the debit card, and a financial reconciliation shall be performed in accordance with bank account procedures.
 7. Automated Teller Machine (ATM) usage, cash back, or cash advances shall be prohibited.

C. Online Statement Review

1. Banking statements may be reviewed online. The non-signer bank statement reviewer must print a copy of the statement to be signed once reviewed and give the signed copy of the bank statement to the Treasurer.

D. Electronic Banking

1. Online Account Access
 - a. Password for online accounts should be changed at least once a year, when there is a change in signer, or when there is a financial reconciliation.
 - b. The Treasurer and President should have full access, and if possible, the additional authorized signers and non-signers bank statement reviewer should have read-only access.
 - c. PTA accounts cannot be linked to any individual account.
 - d. No transfers of any kind should be allowed including wire transfers from account to account.

E. ACH/Electronic Payments

1. One-time payments to the following are allowed by ACH or eCheck. Wire transfers are not allowed. Proper documentation should still be followed including signed check request forms and any other required documentation. All expenditures (other than escrowed items) must be budgeted.
 - a. Texas PTA

- b. Texas Comptroller for sales tax remittance
- c. AIM for insurance policy renewal.

F. Online Payment Collect Systems

1. The PTA membership must approve the use of an online payment collection system.
2. The online payment collection system (web-store, etc.) must be in the PTA's name.
3. Associated fees are budgeted as an expense line item and must be accounted for and reported on the financial statement. The PTA must ensure that they are checking for these fees often to ensure that the financial statement is accurate.
4. All revenue must be accounted for and reported in every financial report in the budgeted income category.
5. Bank reconciliations must occur on a monthly basis, and should a manual transfer be required from the third-party processing company, documentation of the transfer should be filed with the bank reconciliation.

G. Recurring Payments

1. Recurring payments for PTA expenses must be set up to be deducted directly from the bank account.

H. Accepting payment by Credit Card

1. The third-party processing company (PayPal/Square) account must be in the PTA's name.
2. Third-party processing company (PayPal/Square) statements must be clear with detailed and accessible on a real-time basis. The PTA must have immediate access to know who has paid, the purpose of the payments, and the expected cash transfer amount.
3. The third-party processing company (PayPal/Square) must be Certified with the Payment Card Industry Data Security Standards (PCI DSS). Reference the Discover, Master Card, and Visa list of Compliant Service Providers before the PTA signs the agreement.
4. Third-party deposits are processed the same as a traditional bank deposit.
 - a. Proper documentation is required for each deposit.
 - b. The documentation need not have counters' signatures as you are receiving a bulk deposit.
 - c. Document on the deposit form the amount of the deposit and which budget line are impacted.
 - d. Attach a copy of the online transaction to the deposit form.

e. For daily deposits, a weekly summary of the deposits may be documented on a single deposit form.

f. Associated fees are budgeted as an expense line item and reported on the financial report.

5. For swipe transactions, the PTA will receive training from the third-party processing company on handling cards that do not read correctly.
6. Card number must not be written down for any reason. Only swipe transactions that are immediately authorized (via internet or phone access) will be accepted.
7. The PTA will not swipe or store transactions for later settlement.

I. Disputes

1. PTA will confirm with the third-party processor that only the PTA Treasurer may confirm a refund to the customer. Confirming a refund requires the same approvals and documentation as required for a request for a check to be issued for disbursement.
2. The authorized refund must be recorded in the check registry prior to withdrawal.
3. The third-party processing company must provide the PTA guidance on challenging a disputed payment.
4. Any challenge of payment must be responded to promptly and accurately.
5. If merchandise has not already been provided, goods and services will be withheld until the dispute is cleared.
6. If the dispute is not resolved favorably, treat this action in the same manner as a non-sufficient funds check.