

Minnesota PTA Emergency Financial Guidelines **2020-2021 Budget Approval**

Best practice states that PTAs should approve the budget for the 2020-21 school year prior to the fiscal year beginning (July 1, 2020). However, we know several PTAs approve their budgets at the first meeting of the new fiscal year (typically in September) which is fine as long as you don't have any unallocated expenses before that meeting. If you want further guidance on this practice, let us know.

If you want to approve your 2020-21 budget prior to the fiscal year beginning, here are some things to keep in mind:

- Given the uncertain financial future of our economy, approve your 2020-21 budget as close to your 2019-20 budget as possible. Do not make any significant changes unless you are confident they will be valid in the future. This budget must be approved by a majority vote of your membership. See Emergency Bylaws for virtual meeting guidelines.
- If you had a significant fundraiser scheduled for spring that did not happen, resulting in less-than-expected revenue for the 2020-21 fiscal year, you may reflect that change in your new budget by reducing expenditures, as long as they are fully communicated and approved by membership. If you have savings, it may be best to approve a deficit budget instead of making these changes as it is hard to debate/discuss this level of detail in virtual meetings and it cannot be an executive board only decision.
- You may delay approval of a new budget until your next in-person meeting. If this happens, your current budget stays in place and is used for expense approvals and reimbursements should any payments be made before the new budget is approved. Example: schools are allowed an in-person back to school event, and the PTA typically provides popsicles. The amount allocated for popsicles would be the same for the 2020 event as it was for the 2019 event. If there is a significant difference in cost, that can be addressed when the new budget is approved.