

Dear Presidents:

We have been getting many questions regarding 5th Grade Committees. We would like to clarify our position and make the following suggestions.

A 5<sup>th</sup> grade committee in itself should not be a problem **if** the PTA allocates a small amount of funds which are in proportion to funds allocated for all grades. The celebration of the “graduating class” with such items as class T-Shirts or for post-graduation ceremony refreshments would not jeopardize your non-profit status.

It would be an issue with 501(c)(3) non-profit status if the only thing a PTA did or a great majority of what it did, was to raise funds for activities benefiting only a part of the student body, especially if it is not directly in line with the mission and purposes of PTA as stated below. If a PTA has funds allocated to educational activities for all students/parents, advocacy, training, etc. and allocates a portion of its funds to each class for grade level activities, then it would be aligned with regard to its 501(c) (3) non-profit status.

If parents want to dedicate the great majority of its fund raising efforts to only benefit a subset of students and the activities are not aligned with the Purposes of PTA, then it is recommended that a separate group be formed outside of the PTA. That group would have to apply for its own FEIN, non-profit status, and insurance. That group should have its own bank account. **No** monies raised by that group should be deposited in the PTA account and the PTA tax exempt form should not be shared with the outside group.

On the question of liability, it comes down to the event sponsored by PTA itself, not with the sub-committee of the PTA running the event. If the event does not fall under the green light status as referred to in the NYS PTA Resource Guide, it is subject to a greater liability risk to the PTA and may not be covered under the PTA insurance umbrella. Great care and consideration should be given to any event the PTA is going to sponsor, regardless of the grade.

#### Purposes of PTA

- to promote the welfare of children in their home, school and community
- to secure adequate laws for the care and protection of children
- to bring a closer relation between the home and school so that parents and teachers may cooperate intelligently in the education of children
- to develop between educators and the general public such united efforts as will secure for all children the highest advantage in physical, mental, social and spiritual education.

I hope this clarifies the guidelines regarding 5th grade committees. Please let me know if you have other questions.

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