

[https://www.ftb.ca.gov/file/business/
types/charities-nonprofits/199N.asp](https://www.ftb.ca.gov/file/business/types/charities-nonprofits/199N.asp)

Treasurer Huddle

September 21, 2026

Ninth District PTA

This meeting is being recorded and will be posted on
the Ninth District PTA website for future viewing.

Presentation Overview

- **Cents-ible Solutions:**
 - Vendor Requirements
- **Attorney General – Online System**
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- **Hot Seat:**
 - Open Q & A for your current “financial fires” and roadblocks.



Signing Contracts... Who, What, Why, Where & When

- Contracts are “legally enforceable agreements between two or more persons or organizations.”
- All contracts must
 - be approved in advance by the PTA membership and
 - signed by two elected officers, one of whom must be the president.
 - The appropriate officer/chairman must have authorization from the executive board before negotiating a contract.

Contracts Continued

- Ensure that the length of the contract is limited to the current membership year and does not encumber future boards.
- All contracts must be approved by the association prior to being signed.
- When entering into a contract, the president is responsible for the agreement and should clearly identify that it is the PTA entering into the contract and not the president as an individual.
- The signatures on a written contract should be formatted as follows:
 - "ABC PTA by Jane Smith, President, 2026-2027."
- Signing a contract obligates the PTA to comply with terms and conditions of the contract and to pay the stated sum

Contracts Continued

- Do not sign a contract that makes the PTA responsible for injury or damages.
- Units should check with their local school district before hiring any independent contractor or teacher for a classroom or school site to ensure that school district policies and procedures are followed.
- Independent contractors must provide current certificates of insurance, which the PTA must retain in its files.
- Directors, teachers, or instructors hired as independent contractors must carry their own general liability insurance and Workers' Compensation Insurance.



Items that Should Be in a Contract

Scope of Work

- **Exact Deliverables:** List the specific products or services the vendor must supply
- **Quality Standards:** Set clear expectations for performance and material quality
- **Responsibilities:** Define what each party must do to complete the project.

Pricing and Payment Terms

- **Total Cost:** State the exact price or hourly rate for the goods and services.
- **Payment Schedule:** Detail when payments are due (such as milestones or net-30 terms.)
- **Exit Fees:** Are there penalties for canceling early



Items that should be in a Contract

Timeline and Duration

- **Start and End Dates:** State when the contract begins and when it expires
- **Delivery Schedule:** List exact dates for project milestones or recurring shipments

Termination Conditions

- **Notice Period:** Explain how much advance notice is required to end the contract
- **Breach of Contract:** Detail what happens if one party fails to meet their duties
- **Exit Fees:** State if there are penalties for canceling early

- Under standard PTA (Parent Teacher Association) guidelines and insurance protocols, a vendor is broadly defined as
 - any third-party individual,
 - business,
 - or commercial entity
- hired or engaged to provide
 - goods,
 - services,
 - or equipment
- for a PTA event, activity, or program.

Vendors and Contracts

PTA should sign a contract with all vendors. These should not be a verbal contract.



Key Requirements for Vendors

Standard PTA risk management policies outline specific rules for vendors:

1. **Independent Third Parties:** A vendor is distinct from a PTA volunteer or school district employee. Vendors are hired to perform specific tasks—such as event entertainment, catering, equipment rentals, photography, or program instruction.
2. **Insurance & Liability Requirements:** Because standard PTA liability insurance generally **does not cover third-party vendors**, vendors must carry their own Commercial General Liability insurance.



- **Certificate of Insurance (COI):**
 - Proof of liability coverage (often with limits of \$1,000,000 or more) naming the specific PTA and school district as an "Additional Insured".
- **Hold Harmless Agreement:**
 - A signed contract stating that the vendor assumes responsibility for their own operations and agrees not to hold the PTA liable for injuries or damages.

Documentation Needed

Before working an event or program, a vendor must submit



- PTA guidelines strictly prohibit the association from formally "endorsing" a vendor or its commercial products/services.
- Contracts and agreements must explicitly state that using a vendor does not constitute an official PTA endorsement.

Non-Endorsement Policy



Event Vendors:

- Food trucks, bus company
- bounce house rental companies,
- DJs,
- photo booth operators,
- and carnival game suppliers.

Fundraising Vendors:

- Cookie dough suppliers,
- custom apparel printers,
- or book fair companies.

Service/Educational Vendors:

- Specialized after-school instructors,
- assembly presenters,
- and background-checked contractors.

**Examples of
Common PTA
Vendors**



How They Work

Instead of the organization organizing a fundraiser entirely in-house, they partner with a corporate fundraising company to supply products, technology, or services in exchange for a fee or percentage of sales.

1. **Product Sale Fundraisers:** Companies that supply items for students/members to sell (e.g., cookie dough, popcorn, custom apparel, holiday shop items, or catalog sales).
2. **Event & Jog-a-Thon Management:** Companies that provide turn-key platforms for fun runs, pledge drives, or auctions (e.g., Boosterthon, Apex Leadership Co., Givebacks/MemberHub).
3. **Book Fairs & Educational Sales:** Commercial distributors that set up pop-up shops or online book sales on school sites (e.g., Scholastic).

Commercial Fundraising Organizations

A for-profit business that manages, plans or executes fundraising activities, sales, or campaigns on behalf of non-profit entity (PTA).



Legal & Regulatory Considerations for PTAs and Non-Profits

Because corporate fundraising organizations operate commercially for profit, state laws and non-profit governance rules apply:

- **State Registration Requirements:**
 - California, under the Attorney General's Registry of Charities and Fundraisers, requires the PTA to disclose the use of commercial fundraisers
- **Contracts & Approvals:**
 - Must follow contract guidelines.
- **Insurance & Hold Harmless:**
 - Corporate fundraisers are treated as **vendors**. They must submit a Certificate of Insurance (COI) naming the PTA and district as an additional insured, and cannot require the PTA to sign agreements assuming liability for the vendor's operations.
- **Financial Transparency:**
 - The agreement should clearly outline the percentage split or fees, ensuring all raised funds are handled via check/bank transfers—never paid in cash collected directly on event day.



Approved Vendor List - All information on file with CAPTA & AIM

- [Link for Vendor List](#)

Vendor Insurance Requirements & Forms

- **Workers' Compensation Insurance**
 - Required if vendors have employees engaged in the performance of work under the agreement.
 - Comprehensive General Liability Insurance
 - \$1,000,000 Combined Single Limit
 - Bodily Injury, Property Damage, Personal Liability and Product Liability (if applicable)
 - **Automobile Liability Insurance**
 - Required only if providing transportation
 - \$5,000,000 limit required, \$1,500,000 (15 passenger)
 - \$1,000,000 including food trucks

Vendor Payment

- Never pay any vendor with cash collected the day of the event
- Pay bills by check and approval by the association.

Associated Insurance Management aka AIM

- Vendor Must Meet the Insurance Requirements
- Review AIM Insurance [Playlist of Events](#)



Certificate of Insurance

- Naming California State PTA as the certificate holder and additional insured with the following language
 - California Congress of Parents, Teachers, and Students, Inc. including all unit, council and district PTAs and all their officers, directors, members and volunteers.
 - Note Workers Compensation Insurance Must be included if employees are working the PTA event
- Additional Insured Endorsement
 - California Congress of Parents, Teachers, and Students, Inc. including all unit, council and district PTAs and all their officers, directors, members and volunteers.

Instructions

- Provide the vendor with requirements
- Certificate of Insurance and Additional Insured must be received prior to the event and kept on file at event.
- Verify the wording on the insurance documents
- Vendor contract must be in the name of the PTA not the school, or an individual.

The PTA cannot sign a Hold Harmless or Indemnity Agreement without prior review and approval from AIM.

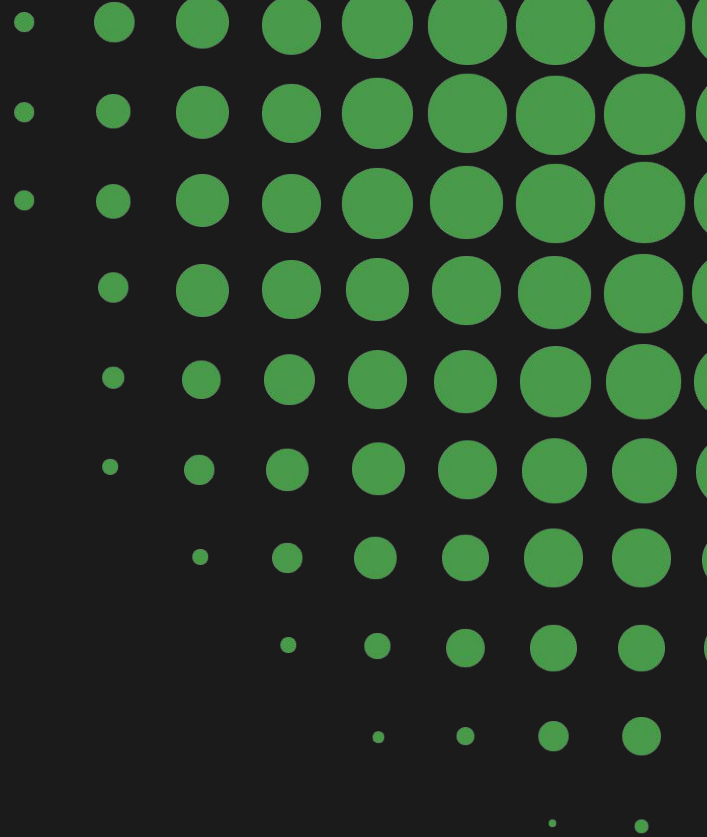
Vendor Must Meet the Insurance Requirements

Hold Harmless or Indemnity Agreement is a legal clause or contract in which one party agrees **not to hold the other party legally or financially responsible** for damages, losses, injuries, or liabilities that occur during an activity, event, or contractual relationship.



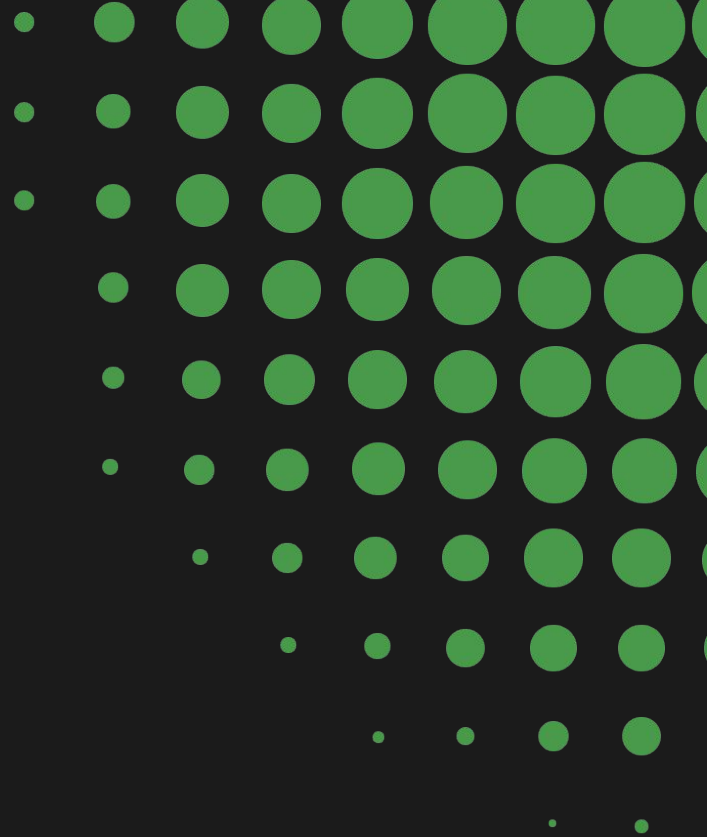
Attorney General – New Online Service

- Currently is not accepting online filings for current units.
- Will continue to check the system and will let units know when they start taking new online registrations.
- For now plan to file via mail.



Resources

- [Fundraising Guidelines from CAPTA](#)
- [CAPTA Insurance Information](#)
- [Signing Contracts and Paying Bills](#)
- [Webinar Registration for AIM Insurance](#)
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Q & A

Financial Fires or Roadblocks?

Thank you for attending the Treasurer 's Huddle!

The next Treasurer's Huddle is scheduled for

- October 8th - Insurance
- October 26th - TBA

We will post all Huddles on the Ninth District PTA website in case you miss one.