



PTA VS. PTO

Fact Sheet

Dear School Leader,

Is your school considering the differences between PTO and PTA? We are here to help break down the differences, and are happy to meet with your team. As a volunteer run organization, we are committed to develop the best leaders and help you build a successful parent engagement organization to serve the teachers and students at your school. We look forward to hearing from you!

Warm Regards,
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South Carolina
PTA[®]
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Budget Transparency

- All local unit PTAs are required by the SCPTA and National PTA to be fully transparent to their membership regarding their budget, fundraising, and expenditures. PTOs may opt to do this but there's no state or national requirement to do so.

Consistency

- For PTA's, it is consistent from year-to-year because of the structure provided from the SCPTA. For PTO's, it is inconsistent from year-to-year.



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Fees and Dues

- PTO can opt to have these, PTA must have them. PTA dues are used for grants, resources, programs, and more from the State and National PTA (note, annual dues amount is chosen by membership for both PTAs and PTOs)

Non Profit Status

- \$600 application fee for a PTO- the application is long and difficult. The process to apply is between 1-6 months and submissions must include the PTO's bylaws, mission statement, purpose, and other governance documents that the PTO will have to compose themselves. If nonprofit is not selected by PTO, taxes must be paid each year, and donations may be difficult to obtain since they're not tax deductible by the contributor. Local unit PTA's automatically fall under the SCPTA's non-profit umbrella, thus no application fee, start-up costs, or lengthy paperwork.

IRS Compliance

- Both must follow IRS mandates. SCPTA provides assistance for all IRS compliance regulations. This assistance is not available for PTO organizations. It would be the responsibility of the principal or volunteer leaders to provide guidance.

Insurance

- Many PTO's do not carry insurance; all PTA's are required to carry insurance. Insurance helps protect against injury, theft, and PTA property damage (PTA's receive a discount with AIM Insurance, whereas PTO's do not). PTA insurance alleviates the responsibility of the school district from any liability.

Bylaws Template/Existing

- All PTO/PTA organizations MUST have bylaws per IRS regulations (specific verbiage is required). SCPTA has an existing bylaws template for all units. Not available for PTO's.

Secretary of State

- All PTO's must ALWAYS pay a \$50 annual registration fee. PTA's ONLY have to file/pay the fee IF they work with a professional fundraising company. For example, Boosterthon, World's Finest Chocolate, etc. (fundraisers organized and run by a local PTA unit are not required to pay or file because the Secretary of State is aware that local unit PTAs belong to a larger, credible, organization that ensures local unit PTAs remain in compliance with the IRS). Only about half of SC local units are required to pay the fee.



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Organizational Structure

- PTA's have an organizational structure, which is: Local Unit PTA -- State (SCPTA) PTA -- National PTA. PTO's do not have any type of structure.

Free Online Local Unit Management Program

- SCPTA provides an online database, Givebacks, at no charge for local unit PTAs. The Givebacks database helps organize membership status, school store, compliance documents, communications, free website builder, and much more. PTO's do not have free access to Givebacks; if needed the PTO would need to pay an additional annual fee (\$1200) to use.

Help and Escalation Support

- Local PTAs have access to help from the SCPTA, and National PTA executive team. This level of support is not available for PTOs and would be the responsibility of the principal or volunteer leaders to provide.

National PTA Grants

- ONLY PTA's can apply for National PTA grants (to be used for the school, students, etc.) and are specifically designed to be easy to apply for.

SCPTA Scholarship for Seniors

- The SCPTA has a college scholarship program for graduating seniors. Schools that have a PTO are not eligible.

Fundraising Distribution

- ALL funds raised by the local unit PTA stay within the school or benefit the school community itself. NO funds are re-allocated to anywhere else.

Programs Support

- SCPTA and National PTA provides programming support including, but not limited to: flyers, ideas, what materials are needed, etc. This is free for all local unit PTA's to utilize. PTO's do not have access to this database.

Advocacy Group

- PTA is the oldest and largest child advocacy group in the USA has been established for over 125 years, PTA has helped create laws that provide benefits for children, including but not limited to hot school lunches, the development of kindergarten classes, and more. In South Carolina, the SCPTA advocated for laws to provide music in schools.



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Training

- The SCPTA and National PTA provide training services and support to answer individual questions for a plethora of training needs (simply too many to list here). PTOs do not have any type of training support from experts.

Student & Teacher/Staff Support

- Both groups provide support for students, teachers, and staff. However, a key differentiator is a local unit PTA has the support and backing of the SCPTA and National PTA.

Fraud Protection

- SCPTA has specific steps and guidelines that are required to help protect against fraud or theft. Roughly 10% of PTO's experience fraud annually, whereas only ~1% of PTA's experience fraud.

General Support

- If a local PTA association has questions or needs assistance, this can be handled quickly by local and/or state PTA leadership. PTO's do not have this same access and are generally limited to the local school PTO leadership and online references. Local PTO chapters can informally collaborate with other chapters, however, this can be risky if improper advice or guidance is given.

Officer Elections

- Both organizations require the election of officers by their membership (i.e, existing leadership CANNOT simply appoint or choose someone to fill an open or newly created position).

Non-Partisan

- PTAs are not involved (and are not permitted to be involved) with local, state, or national politics or political parties. PTA's advocate for all students and families and are very inclusive. If a PTO is a non-profit, they must also be non-partisan.

Funds Distribution

- The PTA membership determines how to distribute funds (how and where to spend funds) but is executed by PTA leadership. Also, elected officers are only permitted to spend funds according to the budget that must be approved by the local unit PTA's general membership. Important: The SCPTA and/or National PTA CANNOT direct how and where funds are distributed as long as the fundraiser adheres to all non-profit rules and regulations (as directed by the IRS).

PTO

PTA

Membership Fees/Dues	Optional	✓
Non Profit Status/Group Exemption	Optional	✓
Business Partners	Optional	✓
IRS Compliance	✓	✓
Insurance	✗	✓
Bylaws Template/Existing	✗	✓
Secretary of State Registration Fee	✓	Conditional
Organizational Structure	✗	✓
Free Online Local Unit Management Program	✗	✓
Help and Escalation Support	✗	✓
National PTA Grants	✗	✓
SCPTA Grants	✗	✓
SCPTA Scholarship for Seniors	✗	✓
Fundraising Distribution	✓	✓
Programs Support	✗	✓
Advocacy Group	✗	✓
Training	✗	✓
Student & Teacher/Staff Support	✓	✓
Fraud Protection	✗	✓
General Support	✗	✓
Officer Elections	✓	✓