



**Alabama PTA
Position Statement Regarding the Use of Debit Cards
Updated 3-1-2018**

Position: Alabama PTA strongly discourages the use of debit cards at the local, council and state levels.

Rationale: Each local unit and council PTA falls underneath the Alabama PTA 501c3 federal income tax exemption umbrella and with that nonprofit status come some guidelines and restrictions. At no time may the officer of a local unit, council or state PTA benefit personally from the organization. Officers and members of the PTA may be reimbursed for approved expenditures related to the business of the PTA. PTA checks should always have two signatures as a check and balance to insure that the payment is for an approved expenditure and to safeguard against any misuse of association funds.

A debit card is like cash providing the card holder the availability to withdraw funds at any time without a second signing authority. The same is true of purchases made with the debit card. The debit card negates the check and balance of two required signatures.

While Alabama PTA understands the convenience of a debit card for purchases for PTA events, we do not support the use of a debit card as the risk to the association is too great. If your association feels that it must have some form of card for online purchases or in-stores purchase for supplies, then a PTA credit card may be secured. However, the preferable methods are payment by check or reimbursement to officer/member for approved expenses with receipts.

What is the difference between the credit card and the debit card? Payment of the credit card still requires two signatures on the monthly payment which means the statement and ultimately purchases are being reviewed by two officers of the association. There is also greater ability to dispute unauthorized credit card charges without impacting the association's cash flow.