

**Elm Creek Elementary School Parent Teacher Organization  
(ECE PTO)**

**February 1 - February 28, 2026 Treasurer's Report**



This report was prepared by 2025-2026 Elm Creek Elementary Treasurer, Michael Taube, and reflects a summarization of the financial activities of the Elm Creek Elementary PTO bank accounts from **February 1, 2026, through February 28, 2026.**

The corresponding Financial Activity Report covers **February 1, 2026, through February 28, 2026.**

Tax filing for 2023 (financial year 8/1/2023 - 7/31/2024) was filed by the CPA (Robert Murphey) who notified the PTO on Thursday, August 14, 2025, that it had been filed and accepted. We are waiting for it to be posted to the IRS website. See <https://apps.irs.gov/app/eos/>, Search By: Organization Name, Search Term: "ELM CREEK PTO" for more information.

The PTO was notified by the IRS in a letter dated September 8, 2025, of a penalty in the amount of \$5,232.20 (the maximum allowed, 5% of gross annual receipts which were \$104,644 for the financial period) for late filing of the tax period ending July 31, 2024 (2023 taxes). The PTO worked with the CPA to craft an abatement request letter which was faxed by Elm Creek Elementary to the IRS on Tuesday, September 30, 2025. The IRS sent a letter dated November 12, 2025, indicating that they needed an additional 60 days to send a complete response. The IRS sent a different letter dated December 1 that interest had started to accrue. As of Friday, December 5, per a conversation with the IRS the abatement is still under review and another 9 week hold has been put on the PTO account to prevent interest from accruing and the account going into collections. Another letter dated January 13, 2026, indicated the IRS required another 60 days to provide a response. A call with the IRS on January 30,

2026, confirmed the same status and extended the hold on the PTO account for another 9 weeks. The penalty has been factored into the budget in case the abatement request is denied.

The 2024 (financial year 8/1/2024 - 7/31/2025) 990-EZ was successfully filed by the CPA with the IRS as of December 9, 2025, ahead of the December 15, 2025, deadline. We are waiting for it to be posted to the IRS website. See <https://apps.irs.gov/app/eos/>, Search By: Organization Name, Search Term: "ELM CREEK PTO" for more information.

The tax exempt status has been resolved and is now accurately reflected on the IRS website. Discounts based on tax exempt status from TechSoup (QuickBooks) and Google (Workspace email accounts) which were previously rejected will be requested again, along with others such as Canva.

We have received the first restitution payment related to the fraud case. It was in the amount of \$78 which is court fees and surcharges front loaded towards restitution. Document [Court Case Restitution Ledger](#) was created to track the amount repaid towards the \$188,419 ordered. Remaining to be paid is \$188,341 by July 24, 2030. If not fully repaid the board at that time will need to decide whether to proceed with a civil suit.

## *Michael Taube*

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**Account Balance as of February 28, 2026, is a total of :** \$76,673.01

- **Checking account balance:** \$66,708.47
- **Savings account balance:** \$9,964.54

**Scholastic** \$8,707.93

- Expiring 5/15/2026: \$200.00

### **Income:**

- There was a total of \$177.44 deposited into the checking account.
  - Papa Purphy's Dine to Donate in December
  - Employer matching contribution for the Fun Run
- There was a total of \$0.84 deposited in the savings account.
- There was a total of \$0.00 of increase in Scholastic Dollars.

### **Expenses:**

- There was a total of \$15,733.39 in expenses from the checking account.
  - ESP Resources - Dividers for Lunch
  - 2nd Grade Monthly Reading Calendar Incentives

- Art Adventures
- Family Fun Event / School Dance
- MN Charitable Organization Registration
- Volunteer Coordinator Salary
- There was a total of \$0.00 in expenses from the savings account.
- There was a total of \$0.00 of decrease in Scholastic Dollars.

See the Financial Activity Report for February, 2026, for details.