

# Financial Review/Audit Report for Local PTAs



Name of PTA/PTSA: \_\_\_\_\_

EIN Number: \_\_\_\_\_ Date of Financial Review: \_\_\_\_\_

Financial Review period from \_\_\_\_\_ to \_\_\_\_\_.

Presented to PTA executive board on: \_\_\_\_\_ (date) and adopted by your General Membership on: \_\_\_\_\_ (date).

Date of last financial review: \_\_\_\_\_. Last financial review covered the period from \_\_\_\_\_ to \_\_\_\_\_.

PTA District: \_\_\_\_\_ PTA Council: \_\_\_\_\_

Signed: \_\_\_\_\_ Signed: \_\_\_\_\_

**President** **Treasurer**

*Signatures should be current president and treasurer in office at time of executive board approval and general membership adoption. The following information is submitted to the Virginia PTA as the annual financial review of this association.*

**FINANCIAL REVIEW COMMITTEE or AUDITOR:** *(a committee of 3 people that are not authorized to sign checks for this PTA during this financial review period OR an experienced auditor)*

The financial records of this PTA are  **complete** or  **incomplete**. If incomplete, include comments detailing missing documentation and recommendations.

<p><b>Financial Review Committee:</b></p> <p>Signed: <u>Laurie Bruinooge Gray</u></p> <p>Print Name: Laurie Bruinooge Gray _____</p> <p style="text-align: center;"><i>Financial Review Committee Chair</i></p> <p>Phone: 804 998-3597 _____</p>	<p><b>Auditor:</b></p> <p>Signed: _____</p> <p>Printed Name: _____</p> <p>Organization: _____</p>
<p>Signed: <u>[Signature]</u></p> <p style="text-align: center;"><i>Financial Review Committee Member</i></p> <p>Signed: <u>Junendran Sivapragasam</u></p>	<p>Address: _____</p> <p>Phone number: _____</p>

## Financial Management Checklist

The purpose of this checklist is to provide general guidance to PTA volunteer leaders in the management of their resources. Stewardship of other people's money is an important part of volunteer activity and requires systematic and ongoing attention.

This is a complete review of the financial management practices of the PTA, and assists the financial review committee/auditor with their inspection of the books and records. **This checklist is kept as part of the adopted financial review report and filed with the permanent financial records.**

### Officer Information:

President during financial review period: \_\_\_\_\_  
phone: \_\_\_\_\_

Treasurer during financial review period: \_\_\_\_\_  
phone: \_\_\_\_\_

Secretary during financial review period: \_\_\_\_\_  
phone: \_\_\_\_\_

<u>Treasurer's Records:</u>	<u>Treasurer</u>	<u>Financial Review Committee</u>
1. Do the treasurer records include:		
• Contact information for the Executive Board?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of previous financial review/audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of the bylaws and standing rules <i>(if applicable)</i> ?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of membership roster?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of the adopted budget?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of IRS 990 filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of insurance policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• A copy of the 501c(3) determination letter?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• A copy of the sales tax exempt certificate? <i>(if applicable)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• A copy of bank signatory paperwork?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• Minutes of all meetings? <i>(Board and general membership)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• Treasurer reports with budget-to-date information for <b>every</b> meeting?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <small>Reports included, no budget to date info</small>
• Bank statements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• Documentation for <b>every</b> expense and <b>all</b> income?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
• The annual year-end report?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Were the records turned over in a timely manner to the financial review committee? <b>If no</b> , when were they turned over? _____ <b>Comments:</b> <b>Recommendation:</b> All PTA records are the property of the PTA and shall be available to the membership.		<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Where are your treasurer records maintained?  Location: _____		

Address: _____  If possible, your records should be kept at your school in a secure location. Your board needs to know where these books are kept.		
4. Are the current treasurer books held by the treasurer? The treasurer maintains all financial records.	<input type="checkbox"/> Yes <input type="checkbox"/> No	

<b><u>Budget:</u></b>	<b><u>Treasurer</u></b>	<b><u>Financial Review Committee</u></b>
1. Was the budget adopted by the general membership? When? <b>If no,</b> <b>Comments:</b> <b>Recommendation:</b> The proposed budget is to be prepared by a budget committee, presented to the executive board and then to the general membership for adoption. We are a membership association and this money belongs to our members.	<input type="checkbox"/> Yes <input type="checkbox"/> No  _____ (date)	<input type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> <li>• Was the budget prepared by a budget committee?</li> <li>• <b>If no,</b> who prepared the budget?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No  _____	
<ul style="list-style-type: none"> <li>• Is the budget based on knowledge of last year's income/expenses, current financial conditions, expense needs etc.?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<ul style="list-style-type: none"> <li>• Does the budget show all sources of income, totaled and balanced, against all total expense categories?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<ul style="list-style-type: none"> <li>• Was the budget reviewed by the Board before general membership adoption?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
2. Was a budget report presented at every PTA board/general membership meeting? <b>If no,</b> <b>Comments:</b> See recommendation below. <b>Recommendation:</b> A budget report showing income and expenses in each budget line should be presented at every PTA Board/general membership meeting.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Is a copy of the adopted financial review/audit report sent to the state office each year?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
4. Are there any irregularities in the budgeted amounts to actual expenses/income? <b>If yes,</b> <b>Comments:</b> <b>Recommendation:</b> any budget amendment over \$300 must be approved by your general membership.		<input type="checkbox"/> Yes <input type="checkbox"/> No

<b><u>Treasurer's Reports:</u></b>	<b><u>Treasurer</u></b>	<b><u>Financial Review Committee</u></b>
1. Was a detailed, written treasurer's report presented at <b>every</b> PTA board/general membership meeting? <b>If no,</b> <b>Comments:</b> <b>Recommendation:</b> A treasurer's report detailing income and expenses and reconciled to the bank statement must be presented at every PTA board/general membership meeting.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> <li>• Were the reports clear, concise and easily understood?</li> <li>• Did the reports show, in detail, the source(s) of all income and expenses?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Did the treasurer prepare an annual or year-end detailed, written report?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Do the canceled checks <b>and</b> the entries in the checkbook <b>and</b> the treasurer's reports <b>all agree</b> ?		<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Do the deposit slips <b>and</b> the entries in the income ledger <b>and</b> the treasurer's reports <b>all agree</b> ?		<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Have all financial obligations of the PTA been paid in full?		<input type="checkbox"/> Yes <input type="checkbox"/> No

<b><u>Bank Reconciliation:</u></b>	<b><u>Treasurer</u></b>	<b><u>Financial Review Committee</u></b>
1. Were the bank statements reconciled every month? <b>If no,</b> when were they reconciled? <b>Comments:</b> <b>Recommendation:</b> Bank statements must be reconciled every month.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Are bank reconciliations verified each month by individuals that are not authorized to sign checks? <b>If no,</b> were they verified in any months? <b>Comments:</b> <b>Recommendation:</b> Bank statements must be opened by a non-signer and must be verified against the treasurer's report every month.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Did the year-end financial report reconcile with the final bank statement?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b><u>Financial Procedures and Controls:</u></b>	<b><u>Treasurer</u></b>	<b><u>Financial Review Committee</u></b>
1. Are all PTA monies kept separate from school, personal or other organization's funds?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
2. Are the state and national portions of membership dues sent to the Virginia PTA state office before November 1st? <b>If no,</b> <b>Comments:</b> <b>Recommendation:</b> Membership funds belonging to Virginia and National PTA are transfer funds and should be remitted to Virginia PTA.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

<ul style="list-style-type: none"> <li>Do the deposit records for membership match the membership numbers?</li> </ul> <p><b>If no,</b> <b>Comments:</b> <b>Recommendation:</b> membership funds belonging to Virginia and National PTA should be remitted to Virginia PTA and are not included in your PTA budget.</p>		<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>What was the PTA's total membership count for the year?</p>	<p>_____</p>	
<p>PTA membership dues are \$_____ per member for the _____ school year.</p>	<p><i>complete section</i></p>	
<p>What was the date and dollar amount of dues sent to Virginia PTA?</p> <p>○ Date: _____ Amount: _____</p> <p>○ Date: _____ Amount: _____</p> <p>○ Date: _____ Amount: _____</p>	<p><i>complete section</i></p>	
<p>What was the amount of dues paid to Council, if applicable?</p> <p>○ Date: _____ Amount: _____</p>	<p><i>complete section</i></p>	
<p>3. Was there a proper invoice or receipt for each expenditure?</p> <p><b>If no,</b> <b>Comments:</b> <b>Recommendation:</b> There <b>must</b> be a receipt or invoice for every check written. If there is no receipt, no check should be written.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> <li>Was every expense checked against the budget before authorization?</li> <li>Were receipts and invoices matched against the request before payment?</li> <li>Is there a time limit for reimbursements?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<p>4. Is there a policy that prohibits the signing of blank checks? Are all checks signed by at least two authorized people? <b>If no,</b> how often were they only signed by one person?</p> <p><b>Comments:</b> <b>Recommendation:</b> all checks <b>must</b> be signed by 2 people.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> <li>Was the check register kept current?</li> <li>Are <b>all</b> checks used in sequential order?</li> <li>Are all checks accounted for, including voided checks?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Were there any checks written to "cash" or cash withdrawals?</p> <p><b>If yes,</b> list:</p> <p>Amount: _____ Date: _____</p> <p>Check #: _____</p> <p>Amount: _____ Date: _____</p> <p>Check #: _____</p> <p>Amount: _____ Date: _____</p> <p>Check #: _____</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

<p><b>Comments:</b>  <b>Recommendation: NEVER</b> write a check to “cash”. There is no record of how your PTAs funds were spent.</p>		
<p>5. Is signatory paperwork up-to-date with at least three (3) signatures?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<p>Does the PTA/PTSA have checking account?  With which bank? _____</p> <p>Does the PTA/PTSA have a savings account?  With which bank? _____</p> <p>Does the PTA/PTSA have any certificates of deposit?  With which bank? _____</p> <p>Does the PTA/PTSA have a debit card?</p> <p><b>If yes,</b>  <b>Comments:</b>  <b>Recommendation:</b> Virginia PTA <b>strongly</b> advises units not to hold debit cards as they can be easily misused.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No
<p>6. Are at least two people involved in the processes of depositing funds and handling cash?  <b>If no,</b> how often did only one person count?  <b>Comments:</b>  <b>Recommendation:</b> A deposit reconciliation form must be used for every cash deposit, with two people counting the funds every time. A “cash counting sheet for event” may also be used (National PTA).</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Were all funds deposited <b>promptly</b>? (within the next business day)  <b>If no,</b> how much time lapsed?  <b>Comments:</b>  <b>Recommendation:</b> PTA funds should never be taken home with you and should be deposited the same day they are received or the next business day.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Was all income properly allocated into the appropriate budget line?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Insurance:</b>	<b>Treasurer</b>	<b>Financial Review Committee</b>
<p>1. Are insurance policies in force to protect the PTA against loss of property by reason of fire, theft or other casualty?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>2. Are liability policies in effect to protect PTA officers and members, schoolchildren or other third parties where PTA projects or activities may result in an accident?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>3. Are the treasurer and all others authorized to handle PTA funds covered by a fidelity bond in the amount determined by the board?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>Internal Revenue Service (IRS) and Tax Forms:</b>	<b>Treasurer</b>	<b>Financial Review Committee</b>
1. What is the PTA/PTSA's Employer Identification Number (EIN)? _____		
2. A copy of the letter from Virginia PTA verifying your PTA as a subordinate of the Virginia PTA with our 501c(3) Determination Letter and your Sales Tax Exemption Certificate are in your permanent files.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Has the IRS form 990, 990-EZ or E-Postcard been filed with the IRS?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Has it been forwarded to Virginia PTA? (the e-mail confirmation may be forwarded for the E-Postcard)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
4. Is the PTA/PTSA incorporated? <ul style="list-style-type: none"> <li>• If "YES", has an annual corporate report been filed with the state government, as required?</li> <li>• Does the annual report reflect current officers and/or a registered corporate agent?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Fundraising, Corporate Sponsorship and Grants:</b>	<b>Treasurer</b>
1. Did the PTA follow the 3 to 1 rule for fundraising ( <i>reference "Standards for PTA Fundraising" at www.ptakit.org</i> )	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Did the PTA ensure fundraisers did not exploit children?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Were all fundraisers approved by the general membership?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Was care taken to see that no laws were violated during fundraisers?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Were all school system policies for fundraisers followed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Did the President sign all fundraising contracts?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Were sufficient procedures in place to ensure the safe handling of funds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Did the PTA receive any money from grants? If "YES" list: Grant Source                          Amount _____ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No
Were monies expended in accordance with grant application?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Did the PTA receive any money or goods from corporate sponsorships? Was the money or goods used according to the request?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No

<b>Leadership Training</b>	<b>Treasurer</b>
1. Were officers sent to Leadership Training and Annual Conference?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Did officers participate in District or Council training?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Did officers complete National PTA E-learning courses?	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Financial Review Committee or Auditor Additional Comments and Recommendations:**

- 1) Include budget to-date information with each treasurer report
- 2) Denote the treasurer report beginning and ending balance at each meeting
- 3) Denote the person providing the report in the minutes. The following meeting dates provided numbered list of discussion topics but fail to include the person providing the report.
- 4) A process needs to be put in place for identifying with clarity each charge made through the online membership platform and through the square app.
- 5) Donations need to be entered separately as donations and not lumped in with membership or other deposits
- 6) Items such as t-shirts sold should be identified separately from the membership costs
- 7) The current banking statement does not provide canceled checks or copies of canceled checks. Recommend one of those is added to the banking statements.



Financial Review Report for: \_\_\_\_\_.

EIN: \_\_\_\_\_ Date of financial review: \_\_\_\_\_.

Financial review period from \_\_\_\_\_ to \_\_\_\_\_.

Last financial review period from \_\_\_\_\_ to \_\_\_\_\_. Ending balance: \$ 2,879.31

<b>1. Beginning Balance</b> (Should match prior financial review/audit "Ending Balance")	\$ 2,879.31
<b>2. Receipts</b> (Total of all deposits and credits)	\$ 2,043.58
<b>3. Add line 1 and line 2:</b>	\$ 4,922.89
<b>4. Expenses</b> (Total of all checks written and debits)	\$ 3,611.15
<b>5. Subtract line 4 from line 3 for "ENDING BALANCE"</b> (Should match check register) <b>TREASURER'S RECORDS</b>	\$ 1,311.74

**OUTSTANDING CHECKS AND DEPOSITS:**

<b>6. Balance on Last Bank Statement:</b>	\$ 1,311.74																											
<b>Outstanding Checks:</b>																												
<table border="1"> <thead> <tr> <th>Check #</th> <th>Payable to:</th> <th>Amount</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr> <td> </td> <td>Total outstanding checks:</td> <td>\$</td> </tr> </tbody> </table>	Check #	Payable to:	Amount																							Total outstanding checks:	\$	
Check #	Payable to:	Amount																										
	Total outstanding checks:	\$																										
<b>7. Subtract total for Outstanding Checks from Line 6.</b>	\$ 0																											
<b>Outstanding Deposits</b>																												
<table border="1"> <thead> <tr> <th>Source of Deposit</th> <th>Amount</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr> <td>TOTAL OUTSTANDING DEPOSITS:</td> <td>\$</td> </tr> </tbody> </table>	Source of Deposit	Amount							TOTAL OUTSTANDING DEPOSITS:	\$																		
Source of Deposit	Amount																											
TOTAL OUTSTANDING DEPOSITS:	\$																											
<b>8. Add total Outstanding Deposits to Line 7.</b>	\$ 0																											
<b>9. Enter amount in line 8 to verify "ENDING BALANCE"</b> Should match check register and amount in Line 5. <b>BANK RECORDS</b>	\$ 1,311.74																											