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Basic Treasurers Training

California State PTA
Convention 2009

California State PTA Convention 2009

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Treasurer Elect

What you need to do as soon as you are elected

Board Retreat

Survey the Schools Needs

Set Goals

Start of the Budget Process

Training

Become Familiar with the Reoprts

Tool Kit and Bylaws are the Governing Documents

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Transition with Out Going Treasurer

- Learn how to use the accounting system
- Understand the reports you will be generating
- Know how and when to contact the tax professional ,Council or District Treasurers
- Obtain a copy of the Finance Section of the Tool Kit

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Budget Committee

- Appointed by the President Elect
- Chaired by the Treasurer
- Design a financial plan to meet the needs of the association based on the Goals and objectives.
- Combines the best of the past with the new ideas of the future
- Tool Kit Section 5.2.1

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Changing of the Guard

- Obtain Audited Records
- Obtain Treasurers Supplies
- Obtain Computer Program and Backup of Data
- Make sure tax return is being prepared

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Changes at the Bank

- Replace the signature Card on all bank accounts.
- Review bylaws for approved signers
- All signers should go the bank together with the Secretary
- Remove all past signers
- Change signers on all accounts

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Organizing your Records

Keep the Treasurers Report, Check Ratification List, and Minutes from each meeting together.

Keep the Bank Reconciliation, Bank Statement and Canceled checks for each month together

Group Fund Raising and Membership reports along with the cash verification and deposit records

Attach receipts and copy of canceled check to each authorization for Payment or Check Request. Keep the Authorization for payments in check number order for easy reference

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Presenting the Budget

- Present the Proposed Budget to the Board first
- Present the Proposed Budget to the Association at the June meeting
- Release funds needed for the summer.
- Represent the Proposed Budget to the Association in September

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Cash Verification

- MUST BE USED FOR THE RECEIPT OF ALL MONIES
- MUST BE SIGNED BY ALL PERSONS COUNTING THE FUNDS
- MUST BE COUNTER SIGNED BY THE PERSON TAKING CUSTODY OF THE MONEY
- KEEP A COPY SEPARATE FROM THE MONEY

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Dealing with Expenditures

- All Expenses Must be Approved by the Association
- Authorization for Payment must be Completed
- Receipts must be attached to the AFP
- Released Funds can be paid upon receipt of the AFP
- If funds not are not released the payment must be held until it is approved by the association

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Authorization for Payment

..... PTA

..... **PAYMENT AUTHORIZATION/REQUEST FOR REIMBURSEMENT**

..... ATTACH ALL RECEIPTS TO THIS EXPENSE STATEMENT

..... Name _____

..... PTA Position _____

..... Address _____

..... City/Zip _____ Telephone (____) _____ E-mail _____

..... Expenditure was for: _____

..... List Expenditures: _____ \$ _____

..... **TOTAL EXPENSE** \$ _____

..... Total Amount Claimed From Above \$ _____

..... Minus Advance Received \$ _____

..... Reimbursement Claimed \$ _____

..... Not claimed - donate to PTA \$ _____

..... Refund to PTA (Enclose Check) \$ _____

..... Signature _____ Date _____

..... For PTA TREASURER USE:

..... f Membership-approved activity f Funds released by membership

..... f Executive Board-approved expenditure

..... Check Number _____

..... Category _____

..... Amount Advanced _____

..... Expenses _____

..... Amount Owed or Due _____

..... President's signature: _____ Date _____

..... Date approved in minutes: _____ Secretary's signature _____

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Your First Treasurers Report

- Have copies of previous year's Treasurers Reports.
- Know the PTA Unit Name, Name of Bank & Bank Account Number.
- Have a Beginning and Ending Balance on this report.

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Reporting to the Board

- Prepare and present a Treasurer's Report at every executive board meeting
- Present bills to be paid
- Keep board updated on income and expenses as they relate to the board



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Reporting to the Association

- Prepare and present a Treasurer’s Report at every Association meeting
- Approve fundraisers
- Approve upcoming activities
- Release funds from the budget

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Reconciling the Bank Statement

- Have someone other than the Treasurer look at Bank Statement, sign & date it. Then forward to Treasurer.
- Do Bank Reconciliation ASAP
- Check Beginning Balance with previous Bank Statement, it should agree.
- Have Deposit Slips, Receipts & Check Register with you.

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Dealing with NSF Checks

- Non Sufficient Funds – Returned Checks
- Deal with NSF Checks ASAP
- Collect the total of the NSF Check & any Bank Fees
- Enter the amount of the NSF check as a negative amount in the income account.
- When Collected – enter as a positive amount

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Writing the Check

- Payable as listed on the Authorization for Payment only
- The amount must match the authorized amount
- NEVER PRE-SIGN CHECKS
- NEVER PAY IN CASH!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!

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Paying Membership and Insurance

- Membership is paid as it is received
- Paid through channels
- Use proper remittance form
- Insurance must be paid by due date

- Council, District, State, and National Dues are Funds NOT belonging to the Unit

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Keeping Track of the Budget

- IS THE DUTY OF THE ENTIRE BOARD
- Inform Committee Chairman of their budgeted amounts
- Ensure expenses stay within Budget
- The budget is a working document and can be revised by the association

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Preparing for the Audit

- Tying up the Loose Ends
 - Get all pending authorizations completed and paid
 - All outstanding checks need to be researched and cleared
 - Organize records for the auditor – use audit check list.

Deliver books and records to Auditor

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Annual Financial Report

- Reports gross receipts and disbursements for the fiscal year.
- Distributed to the executive board and to the membership
- May be required by federal and state tax agencies.
- The council and district PTA also requires this report.

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Tax Return

- All PTAs must file a tax return
- A Qualified Tax Professional is recommended
- Due on the 15th day of the fifth month
(4 1/2 months after the end of the fiscal year)

Copies must be forwarded to your Council or District

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Questions



PTA FINANCIAL OFFICERS

TREASURER DUTIES

- Keep permanent records that track gross income, receipts and disbursements of the association, including the number of members, dues collected and the total per capita dues remitted through channels to the California State PTA. These records should be available for inspection by an authorized representative of either the California State PTA or National PTA.
- Chair the budget committee and prepare the budget for adoption by the association. Adoption of the budget does not authorize the expenditure of the money.
- Receive all monies from the financial secretary or from other volunteers counting monies received. Give a receipt. Deposit immediately in the name of the association in a bank approved by the executive board.
- Receive and retain a copy of the deposit slip for any deposit made.
- Pay all bills as authorized by the executive board or the association and on receipt of payment authorization signed by the president, financial secretary, and/or the recording secretary.
- Secure two authorized signatures on all checks. Any two elected officers (with the exception of the secretary and auditor, and officers related by blood, marriage, or living in the same household) may be authorized to sign checks.
- Keep an accurate record of receipts and disbursements in a ledger, which is a permanent record of the PTA.
- Report expenditures to the membership as they relate to the budget adopted by the association.
- Each month, remit portions of per capita dues through channels.
- Prepare and present a Treasurer's Report at every association and executive board meeting. The Treasurer's Report should also be presented at other times if requested by the association.
- Be responsible for completing and forwarding all necessary report forms required by the California State PTA for insurance and for filing all tax returns and other forms required by government agencies.
- Make an Annual Financial Report to the association that includes gross receipts and disbursements for the year.
- Maintain continuous and direct communication with the president regarding finances. Advise board members of the status of the treasury and their individual budgets.
- Obtain information on proposed programs from program committee chairman.
- Become aware of deadlines (including postmark dates) for all financial transactions.
- All treasurers are encouraged to attend the California State PTA convention finance conferences.
- Attend council and district PTA workshops and trainings when scheduled.
- If you are a bulk mail permit holder, verify funds are maintained in the account.

FINANCIAL SECRETARY DUTIES

- Give a receipt for all monies received for the association and either turn funds over to the treasurer or deposit in the PTA bank account.
- Give a copy of the deposit slip to the treasurer for the association's records.
- Keep an accurate record of all receipts and authorizations for payment for the treasurer's financial records.
- Prepare all authorizations for payment as approved by the executive board or the association.
- Forward authorizations for payment to the president and recording secretary for signatures.
- Prepare and present a Financial Secretary's Report at association and executive board meetings, and at other times when requested by the association. The report must include an accurate record of all receipts and authorizations for payment.
- Report all funds deposited to the treasurer. These totals should be included in the Annual Financial Report to the association.
- Perform such other duties as may be delegated to the financial secretary by the president or treasurer.
- All financial secretaries are encouraged to attend the California State PTA convention finance conferences.
- Attend council or district PTA workshops and trainings when scheduled.

AUDITOR DUTIES

- Audit the books and financial records of the association semi-annually.
- Prepare a midyear and year-end audit in the months stipulated in the bylaws. Prepare and present a written report to the executive board in the months stipulated in the bylaws.

AUDITOR'S DUTIES (continued)

- Prepare and present a written report for adoption by the association in the months stipulated in the bylaws.
- The outgoing auditor is responsible for conducting the audit at close of term.
- Audit the books upon resignation of the treasurer or financial secretary or at any time deemed necessary by the executive board.

An audit determines the accuracy of the books, detects inconsistencies or errors, provides recommendations for corrective action, protects the financial officers, verifies that funds were sent through channels as appropriate, and assures the membership that the association's resources were managed in a businesslike manner within the regulations established for their use. The person conducting the audit should always be impartial and not related by blood, marriage or reside in the same household of the president or other financial officers nor to any chairmen handling funds.

The auditor is often a member of the budget, programs, or fundraising committees, but is never the one authorized to sign the PTA's checks. It is permissible for the PTA to hire a professional well-versed in the tax requirements for nonprofit organizations to conduct the audit.

The auditor may be an elected officer; appointed individual or committee; or a professional hired by the PTA in accordance with the procedures listed in your bylaws. The president, treasurer, financial secretary, secretary, or committee chairmen handling funds may not audit the finances.

SAMPLE FINANCIAL CALENDAR OF ACTIVITIES

(Year-round PTAs adapt accordingly)

UPON ELECTION

- Treasurer-Elect chairs budget committee.
- Board-Elect develops and adopts preliminary budget. based on proposed PTA programs for the upcoming year.
- Present proposed budget to the current executive board and the membership at the last PTA meeting of the year (this allows board-elect the ability to cover routine summer expenses as outlined in the bylaws).

AUGUST-SEPTEMBER

- Re-present budget to association for adoption at its first meeting.
- Send approved audit and year end financial report and current year budget to council or district as directed.
- Send the first remittance of per capita dues through channels. Send monthly thereafter.

OCTOBER

- Prepare tax forms and file as required Forward copies of tax returns to council or district as directed. (Tax Requirements 5.7, 239).

NOVEMBER/DECEMBER

- Send checks for insurance premiums through channels. Do not send checks directly to the California State PTA office or the insurance broker.
- Complete and send the Workers' Compensation Annual Payroll Report through channels whether or not the association has employees.
- Review 5.6 for Additional Filing Requirements.

JANUARY

- Submit books and financial records for mid-year audit, as specified in the bylaws.
- Revise budget, if necessary.
- Pay annual U.S. Postal Service Bulk Mailing permit fee, if required.

JANUARY (continued)

- Ensure that Workers' Compensation form and insurance premiums have been forwarded through channels. The premium must be forwarded through PTA channels to be received in the California State PTA office by January 31, or a late fee of \$25 will be assessed by the California State PTA. Postmarks will not be accepted.

FEBRUARY

- Send Founders Day freewill offering through channels to district PTA, when collected. The event may be held during a month other than February.
- Determine if convention registration fees need to be paid.

MARCH

- Ensure all per capita dues have been forwarded through channels, in accordance with established due dates.

APRIL

- Issue convention checks for authorized expenditures for elected delegates.

MAY/JUNE

- Attend workshops for financial officers, when offered.
- Submit books and financial records to outgoing auditor for end-of-term audit, as stipulated in the bylaws (after close of fiscal year).
- Give financial records and materials to the incoming financial officer (except those in audit).
- Obtain new bank account signature cards to assist the incoming officers.
- Prepare Annual Financial Report and tax returns (end of fiscal year)

Other pertinent dates should be added (or adjusted) to the calendar to meet timeframes specific to each PTA and fiscal year.

RECORDS RETENTION SCHEDULE

It is very important that certain records be retained. Listed are items that must be reviewed on a periodic basis and kept in a safe place. Develop a records retention policy based on this list.

Permanent Storage

Annual audit reports
Articles of Incorporation
Canceled checks for important transactions (e.g., taxes, contracts).
Checks should be filed with papers pertaining to the transaction
Corporation reports filed with the Secretary of State
Legal correspondence
Group exemption documents
Insurance records:
(Accident reports, claims, policies)
Ledgers
Minutes of executive board, association and committees (bound)
PTA Charter
Tax documents:
Letter assigning IRS Employer Identification Number (EIN)
State and federal tax forms, as filed
Correspondence with state or federal agencies
Trademark registrations

10 Years

Financial statements (year-end) and budgets
Grant award letters of agreement

7 Years

Payment authorization and expense forms (receipts attached) for payments to vendors or reimbursement to officers
Cash receipt records
Checks (other than those listed for permanent retention) updated yearly
Expired contracts and leases
Insurance incident reports
Invoices
Purchase orders
Sales records

3 Years

General correspondence
Employee records (post-termination)
Employment applications

1 Year

Bank reconciliations
Correspondence with vendors if non-contested
Duplicate deposit slips
Current Bylaws, approved by state parliamentarian
Standing Rules
Certificates of Insurance
Inventories of products and mater

_____ PTA

PAYMENT AUTHORIZATION/REQUEST FOR REIMBURSEMENT
 ATTACH ALL RECEIPTS TO THIS EXPENSE STATEMENT

Name _____
 PTA Position _____
 Address _____
 City/Zip _____
 Telephone (____) _____ E-mail _____

Expenditure was for: _____

List Expenditures: _____ \$ _____
 _____ \$ _____
 _____ \$ _____
 _____ \$ _____
TOTAL EXPENSE \$ _____

Total Amount Claimed From Above \$ _____
 Minus Advance Received \$ _____
 Reimbursement Claimed \$ _____
 Not claimed – donate to PTA \$ _____
 Refund to PTA (Enclose Check) \$ _____

Signature _____ Date _____

FOR PTA TREASURER USE:

- Membership-approved activity Funds released by membership
 Executive Board-approved expenditure

Check Number	Category	Amount Advanced	Expenses	Amount Owed or Due

President's signature: _____ Date _____

Date approved in minutes: _____ Secretary's signature _____