
Torrance Council of PTAs

Beginning Financial Training

— September 2023 —

Council Financial Team 2023-2024

Document Turn-In: docs@torrancecouncilofptas.org

<p>Treasurer Shanie Asato, 310-702-3741 treasurer@torrancecouncilofptas.org</p>	<p>Receives copies of tax returns, charitable trust registration form, raffle registration form, raffle report, worker's comp form, unit annual financial report.</p>
<p>Financial Secretary Mary Scharpf, 310-371-0452 financialsec@torrancecouncilofptas.org</p>	<p>Receives all money (submit with Council remit form). Contact to purchase unit payment authorization forms, cash verification forms, treasurer's books.</p>
<p>9th VP - Director of Budget & Finance Judy Briggs, 310-654-3055 9vp@torrancecouncilofptas.org</p>	<p>Receives requests for reimbursement or advances from Council, copies of association approved budgets, keeps track of Council budget.</p>
<p>Financial Reviewer (Auditor) Nels Atha financialrev@torrancecouncilofptas.org</p>	<p>Receives copies of financial reviews (audits), monthly and association unit treasurer reports, minutes</p>

PTA Reporting Structure

- National PTA - [PTA.org](https://www.pta.org)
 - California State PTA - [CAPTA.org](https://www.capta.org)
 - Thirty-Third District PTA - [33rdpta.org](https://www.33rdpta.org)
 - Torrance Council of PTAs - [torrancecouncilofptas.org](https://www.torrancecouncilofptas.org)
 - Unit (your school's PTA/PTSA)

PTA Roles and Organization

- Association = All members of your unit
 - Decides what the unit does
 - Approves how money is spent
 - Chooses representation of the association
- Executive Board = Elected and appointed officers
 - Carries out the business as directed by the association
 - Protects assets and reports to the association
- President = Official representative of the association
 - Coordinates and oversees the work of the association

Fiduciary Responsibilities

- Protecting the financial assets of the PTA is the responsibility of all board members
- PTA funds belong to the membership of the PTA
- Members must be fully informed about how PTA funds are used
- Members must be provided with the opportunity to approve business transactions of the organization (i.e., association meetings)
- PTA must keep members informed of all fiduciary matters

Financial Team Responsibilities

- The financial officers are elected to manage the fiscal operations of the unit
- Treasurer
 - Maintains permanent records to track unit funds and financial transactions
 - Chairs the budget committee and prepares the budget for adoption by the association
 - Pays all bills as authorized by the executive board and association
 - Prepares and presents financial reports at executive board and association meetings
 - Prepares federal and state filings
- Financial Secretary
 - Works closely with the treasurer on all financial matters
 - Receives and deposits money received by the association
 - Maintains records of all funds collected and deposited
 - Prepares and presents financial reports at executive board and association meetings
- Auditor
 - Audits the books and financial records of the unit to determine their accuracy
 - Prepares and presents audit report to executive board and association

Spring Responsibilities of the Incoming Financial Team

- Review unit bylaws and standing rules to determine financial duties
- Work with the outgoing members of the unit financial team
- The board-elect budget committee puts together a proposed budget for the next school year; chaired by the treasurer-elect
- The board-elect adopts the proposed budget for the next school year
- At the last association meeting of the school year:
 - Adopt the proposed budget for the next school year
 - Approve the release of funds as needed at least through the first association meeting of the next school year
 - Record in minutes the change of bank signers required for the next school year

Summer Responsibilities of the Incoming Financial Team

- PTA Fiscal Year - July 1 thru June 30
- Revise the budget for adoption at first board and association meetings of the year
 - Update the starting balance for the new year
 - Update the budget based on changes made to plans for the new year
- After July 1, visit the bank to update the account's signature card. The incoming board cannot sign checks until this is completed.
 - Review unit bylaws for approved signers
 - Check with the bank to learn requirements and necessary documents for changing signers (i.e., bylaws, minutes, etc.)
 - Remove all past signers
 - Change signers on all accounts
 - Ensure the bank statements are mailed to the school's address
- If your unit plans to hold a raffle, submit raffle application by September 1

Responsibilities of the Outgoing Financial Team

- Close out the books for the school year
- Prepare reports for period ending June 30 to be presented at first board and association meetings of the new school year
 - Treasurer report, financial secretary report, budget to actual report
 - Financial Review (audit) for the period January 1 - June 30
- Prepare the Annual Treasurer Report to be submitted to Torrance Council
- Prepare and submit federal and state taxes (or extension) and Charitable Trust renewal by November 15
- Submit raffle report by October 1
- Transfer all financial materials to the incoming financial team
 - Permanent financial records, electronic files, log in information, checkbook, checkbook register, etc.

The Budget Process

- Creating/Revising the Budget
 - Treasurer is the chairperson of the Budget Committee
 - Design a financial plan that meets the needs of the association based on its goals and objectives for the year
 - Combine the best of the past with new ideas for the future
 - Ensure that all proposed programs, activities, and fundraisers are in compliance with the *Insurance and Loss Prevention Guide*
- The executive board and association must adopt the proposed budget and approve any changes to the budget
- All programs, activities, and fundraisers must be approved by the association
 - Evidence of approval must be shown in the minutes for insurance purposes

Budget Elements

	Budget
Cash Balance Forward	\$ 8,524.23
Income	
Administration	
001 - Membership Dues Income	\$ 2,000.00
001A - Membership Dues Income from TOTEM	\$ 500.00
001B - Membership Dues Income - Council Solicited	\$ 48.00
003 - Membership Donations Income	\$ 500.00
Fundraisers	
101 - Fundraiser 1 Income	\$ 2,500.00
102 - Fundraiser 2 Income	\$ 1,000.00
Programs	
201 - Program 1 Income	\$ 500.00
Non-Unit Income	
002 - Membership Dues Transitory Income	\$ 3,000.00
Total Income	\$ 10,048.00
Expense	
Administration	
010 - Bank Fees Expense	\$ 25.00
012 - Insurance Expense	\$ 258.00
015 - Operating Expense - copies, supplies	\$ 200.00
018 - myPTEZ Expense	\$ 209.00
019 - Tax Preparation Expense	\$ 250.00
.....	
090 - Unbudgeted Expense	\$ 6,930.23
Fundraisers	
101 - Fundraiser 1 Expense	\$ 500.00
102 - Fundraiser 2 Expense	\$ 200.00
Programs	
201 - Program 1 Expense	\$ 5,000.00
202 - Program 2 Expense	\$ 2,000.00
Non-Unit Expense	
002 - Membership Dues Transitory Expense	\$ 3,000.00
Total Expense	\$ 18,572.23
Total Balance	\$ -

- Cash Balance Forward = balance as of July 1
- Income
 - Administration
 - Membership Dues Income
 - Membership Donations Income
 - Fundraisers
 - Programs
 - Non-Unit Income
 - Membership Dues Transitory Income - portion of dues rec'd by unit that will be forwarded to council
- Expense
 - Administration
 - Unbudgeted Expense
 - Contains funds that are not budgeted toward any admin, fundraiser, program expenses
 - Used to cover unexpected/unplanned expenses and cover carry-over expenses needed for following year
 - Fundraisers
 - Programs
 - Non-Unit Expense
 - Membership Dues Transitory Expense - portion of dues rec'd by unit paid to council (should equal Membership Dues Transitory Income)
- Total Balance = 0

How to Set Up Your Budget to Record Memberships

- Income
 - Administration
 - Membership Dues Income
 - 001 = unit portion of dues that are paid directly to unit (cash, check, or online sales) (500 members)
 - 001A = unit portion of dues received from TOTEM (125 members)
 - 001B = unit portion of dues received from council (12 members)
 - 003 Membership Donations Income - separate line to record donations that come in with memberships - do not include with membership dues
 - Non-Unit Income
 - 002 Membership Dues Transitory Income - council portion of dues rec'd by unit that will be forwarded to council
- Expense
 - Non-Unit Expense
 - 002 Membership Dues Transitory Expense - council portion of dues rec'd by unit that are paid to council (should equal Membership Dues Transitory Income)

Membership dues = \$10 (unit portion = \$4, council portion = \$6)

Income		
Administration		
001 - Membership Dues Income		\$ 2,000.00
001A - Membership Dues Income from TOTEM		\$ 500.00
001B - Membership Dues Income - Council Solicited		\$ 48.00
003 - Membership Donations Income		\$ 500.00
Non-Unit Income		
002 - Membership Dues Transitory Income		\$ 3,000.00
Expense		
Non-Unit Expense		
002 - Membership Dues Transitory Expense		\$ 3,000.00

Keeping Track of the Budget

- It is the duty of the entire board!
- Ensure that expenses stay within budget
 - Budget to Actual Report
 - Inform committee chairpersons of their budgeted amounts
- The budget is a working document and can be revised and re-approved by the executive board and association as needed
- Adoption of the budget does not authorize the expenditure of funds
 - Event plans need to be approved by the executive board
 - Funds need to be released by the association at an association meeting prior to use of funds
 - “I move to release the following funds: Back to school luncheon \$500, PTA insurance \$258, Carnival \$1,000, etc.”, OR
 - Present report with list of funds to be released, “I move to release the funds as posted.”

Event Plan

- Event plans should be prepared by the chairperson of the event/program/fundraiser and presented to the executive board for approval in advance of the event
- It is not required to use a form such as this, but it is a useful worksheet in planning and as a historical document

Torrance Council of PTAs Event Planning Worksheet

PTA
every child, one voice.

Torrance Council of PTAs

EVENT PLANNING WORKSHEET
Attach separate sheet(s) if more space is required for any section
* Item must be approved by the executive board. ** Item must be approved by the association.

EVENT / FUNDRAISER / PROGRAM TITLE:

Chairperson(s):

Email & Cell:

Location: _____ Date and time: _____

Description:

EVENT INCOME AND EXPENSES

Budgeted income: \$ _____
Budgeted expense: \$ _____ Is this a self-funding event? Yes No
List income and expense categories and estimates. Include things such as facility use permit, flyers, handouts, copy fees, name tags, refreshments, signs, presenter, publicity, audio/visual, etc.

Income		Expenses	
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
Total estimated income:	\$	Total estimated expenses:	\$

CATERING

Name of Company: _____ Contact Information: _____

Cost per person: _____ Tip Amount: _____

Tax Amount: _____ Delivery Charge: _____

Menu Options: _____

Copy to President, Treasurer, and Chairman

Chairman: Keep with copy of signed contract, flyers, announcements, etc.

COMMITTEE MEMBERS

Committee members are appointed by the president and ratified by the executive board

1.	6.
2.	7.
3.	8.
4.	9.
5.	10.

SPECIAL CONTACTS (JUDGES, SPEAKERS, SERVICE PROVIDERS)

Name	Contact Information

CHECK WHEN COMPLETED (if applicable)

- | | | |
|---|---|---|
| <input type="checkbox"/> Program approved by council | <input type="checkbox"/> Volunteers confirmed | <input type="checkbox"/> Parental permission slip |
| <input type="checkbox"/> OK with PTA budget | <input type="checkbox"/> Judges confirmed | <input type="checkbox"/> Developed |
| <input type="checkbox"/> OK with council/TUSD calendar | <input type="checkbox"/> Hospitality arranged | <input type="checkbox"/> Copied |
| <input type="checkbox"/> OK with insurance | <input type="checkbox"/> Parking logistics | <input type="checkbox"/> Distributed |
| <input type="checkbox"/> Vendors need hold harmless and liability insurance | <input type="checkbox"/> Signage | <input type="checkbox"/> Evaluation form(s) |
| <input type="checkbox"/> Received staff input | <input type="checkbox"/> Publicity/invitation materials | <input type="checkbox"/> Developed |
| <input type="checkbox"/> Facility Use Permit | <input type="checkbox"/> Copied | <input type="checkbox"/> Copied |
| <input type="checkbox"/> Special requirements | <input type="checkbox"/> Email notification sent | <input type="checkbox"/> Other (list) |
| <input type="checkbox"/> Podium/Microphone | <input type="checkbox"/> Posted on social media | <input type="checkbox"/> |
| <input type="checkbox"/> Flag | <input type="checkbox"/> Press release via TUSD | <input type="checkbox"/> |
| <input type="checkbox"/> Custodian | <input type="checkbox"/> | <input type="checkbox"/> |

CHECK AND DATE WHEN COMPLETED

- Date funds allocated by council: _____
- Date event plan approved by executive board: _____
- Date contract approved by association (write N/A if not applicable): _____

NOTES (include items to be finalized):

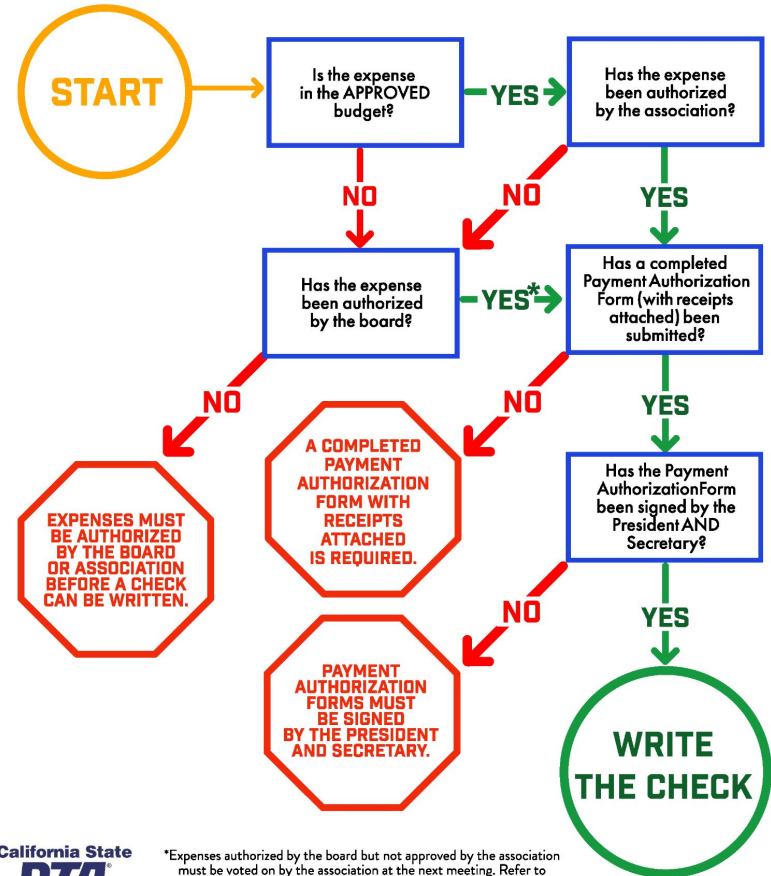
Copy to President, Treasurer, and Chairman

Chairman: Keep with copy of signed contract, flyers, announcements, etc.

Paying Bills & Reimbursement

- Checks may be written for expenses that are:
 - Authorized by the Association
 - Approved budget
 - Funds released prior to spending
 - Approved in an event plan presented to the executive board
- The minutes of the association/executive board meetings must show the authorization and approval of expenses
- Funds should not be spent until approved – risk to chair if funds spent are not approved

CAN WE WRITE THIS CHECK?



Handling Disbursements

- The person requesting a check prepares a Payment Authorization form (PA) and attaches original receipts or invoices
- Financial secretary
 - Checks all receipts or invoices
 - Assigns a check number
 - Assigns a budget number
 - Obtains approval or ratification by association
- Present the approved PA to the treasurer for issuance of the check
- Evidence of approval or ratification of all expenses must be included in the minutes

PTA/PTSA Payment Authorization No. _____

Name _____ Date _____

Check to be made out to: _____

Address (if check to be mailed) _____

Advance: YES NO

Amount	Budget Account	Item (Please attach receipts)	
TOTAL \$	Brought forward \$	Credits \$	Carried forward \$

President _____ Secretary _____

White Copy-Treasurer, Yellow-Financial Secretary, Pink-Submitter

**Triplicate forms available for purchase
\$5 for 50 forms**

Writing and Recording the Check

- Treasurers write the checks, payable as listed on the PA
 - The amount of the check must match the amount on the PA and the attached receipts/invoices
 - All checks must have two signatures (see unit bylaws for approved check signers)
 - A person should not sign their own check
- It is recommended that payments be made by check
- Do not make payments in cash, and do not use a PTA debit/ATM card
- Copies of the PA should go to - treasurer (original), financial secretary, requestor
- Original copies of the PA should be retained for financial review (audit)
- Treasurer records checks - in accounting software AND on the check register
 - Record checks using the date the check was written, not the date the check was cashed by the bank

Handling Money

- All money must be counted by 2 members
 - Must not be related nor live in same household
 - One person should be an officer or chairperson
- Money should be counted on school premises (should not be taken home to count)
- Cash Verification Form
 - Signed by persons counting the money
 - If receiving membership dues, reconcile the number of memberships and record on the form with donations received
- Money and signed cash verification form are given to the financial secretary for verification and deposit into the bank account
- Copies of cash verification form (receipt) should be given to event/program chairperson, financial secretary, treasurer (original)

PTA/PTSA Cash Verification Form Receipt No. _____

Activity _____ Date _____

COINS		CURRENCY		CHECKS <i>Attach additional pages if needed.</i>	
_____ X \$1 = \$ _____	_____ X \$1 = \$ _____	# _____ \$ _____	# _____ \$ _____		
_____ X 50¢ = \$ _____	_____ X \$2 = \$ _____	# _____ \$ _____	# _____ \$ _____		
_____ X 25¢ = \$ _____	_____ X \$5 = \$ _____	# _____ \$ _____	# _____ \$ _____		
_____ X 10¢ = \$ _____	_____ X \$10 = \$ _____	# _____ \$ _____	# _____ \$ _____		
_____ X 5¢ = \$ _____	_____ X \$20 = \$ _____	# _____ \$ _____	# _____ \$ _____		
_____ X 1¢ = \$ _____	_____ X \$50 = \$ _____	# _____ \$ _____	# _____ \$ _____		
TOTAL \$ _____	_____ X \$100 = \$ _____	# _____ \$ _____	# _____ \$ _____		
	TOTAL \$ _____	# _____ \$ _____	# _____ \$ _____		

TOTAL CASH \$ _____ TOTAL \$ _____

CHECKS \$ _____

GRAND TOTAL \$ _____

Membership Dues # _____ @ \$ _____ = \$ _____

Donations \$ _____

The above listed money has been counted & placed in the sealed envelope by:

Signature (1) _____

Signature (2) _____

Received by _____ Financial Secretary

Date _____

White Copy (Treasurer) Yellow Copy (Financial Secretary) Pink Copy (Chairman)

**Triplicate forms available for purchase
\$5 for 50 forms**

Handling Money - continued

- Make arrangements for event committee members and/or other board members to be available to count funds at the end of an event
- If putting money into the school/PTA safe, follow chain of custody protocols and make a copy of the cash verification form before putting it into the safe
- Deposit funds into the bank as soon as possible
- Mark checks “For Deposit Only” with the PTA account number
- Develop a system to identify checks should they be returned unpaid by the bank
- Deposit only PTA funds into PTA accounts - no commingling of funds belonging to other organizations
- All cash verification forms and deposit receipts should be retained for financial review (audit)

Recording the Receipts and Deposits

- Financial Secretary
 - records the receipts under the appropriate budget categories
 - makes the deposits
 - records the deposits
- Receipts and deposits should be recorded using the date of the transaction
 - Receipts = date received
 - Deposits = date deposited to the bank

Financial Procedures for the Internet

- Torrance Council recommends using normal methods (writing a check and depositing funds at the bank) for handling disbursements and receipts
- Online payment collection systems designed for business use are allowed
 - PayPal, Square, merchant account, etc.
- Online payment systems are allowed
 - Electronic Funds Transfer (EFT), Bank Bill Pay Services
- Person-to-person apps not designed for business use and/or which are not protected by FDIC insurance and bank-level security features, should not be used by PTA

Financial Procedures for the Internet (cont'd)

- When using EFT/Bank Bill Pay System to pay expenses ...
 - Use the Payment Authorization form with original invoices or receipts
 - An [Authorization for Payment via EFT/Bank Bill Pay Services](#) needs to be signed by two check signers
 - Payments should be recorded in the checkbook register, ledger, and treasurer report
- When using online payment collection systems or electronic check deposit feature
 - Revenue should be accounted for and recorded in checkbook register, ledger, and financial reports
 - Check with bank on policy regarding quantity of electronic deposits allowed per month and any associated fees
 - Procedures should be established regarding who has access to this feature
 - Create a policy on the storage or destruction of checks for deposit
 - Create a policy on the review of electronic deposits

Financial Procedures for the Internet (cont'd)

- A separate bank account is recommended for use with online payment/collection
 - Consider establishing a financial policy on the quantity of funds that should be kept in this account
 - Use of this account should be limited to online payments collections and online payment of expenses
 - Transferring funds between accounts
 - An [Authorization to Transfer Funds Between Accounts](#) must be used to transfer funds between bank accounts; requires the signature of two check signers
 - A motion should be made to transfer funds between accounts at an executive board or association meeting
 - Each bank account requires a separate treasurer report and audit

Forms Needed for Online Banking

PTA
everychild.onevoice.®

**AUTHORIZATION TO TRANSFER FUNDS
BETWEEN ACCOUNTS**

Date: _____

Reason for transfer: _____

Transfer from account: _____

Transfer to account: _____

Amount to transfer: _____

Requested by: _____

Authorized by: _____
(Authorized Check Signer)

(Authorized Check Signer)

*This form must be signed by two authorized check signers before any transfer may be made.
Signatures by facsimile copy will be accepted.*

Date of Transfer: _____ Bank Transaction Number: _____

- [Authorization to Transfer Funds Between Accounts](#)
 - Use this form to transfer funds between the general checking account and other accounts
 - Requires signatures from two authorized check signers
- [Authorization for Payment via EFT/Bank Bill Pay Services](#)
 - Use this form for any payment of expenses using EFT/Bank Bill Pay Service
 - Requires signatures from two authorized check signers

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AUTHORIZATION FOR PAYMENT VIA EFT/BANK BILL PAY SERVICES
ATTACH ALL INVOICES AND ORIGINAL SIGNED REQUEST FOR PAYMENT

Date: _____

Vendor Name: _____

Address: _____

City/State/Zip: _____

Telephone (_____) _____ Email: _____

Budget Account: _____

Reason for Payment: _____

Payment Account: _____

Payment Amount: _____

Requested By: _____

Authorized By: _____ Date: _____
(Authorized Check Signer)

Authorized By: _____ Date: _____
(Authorized Check Signer)

This form must be signed by two authorized check signers before any transfer/transaction may be initiated. Signatures by facsimile copy will be accepted.

FOR PTA TREASURER USE:
 Membership-approved activity Funds released by membership
 Executive Board-approved expenditure

Transaction Date	Transaction Number
------------------	--------------------

Date Approved in minutes: _____ Secretary's signature: _____

08/2017

Fig. F-11 Authorization for Payment Via EFT/Bank Bill Pay Services

Financial Reports

- Monthly Executive Board Meetings
 - Treasurer Report - treasurer
 - Ratifies checks as listed on report (and any other checks written)
 - Financial Secretary Report - financial secretary
 - Approves bills to be paid at meeting (as needed)
 - Budget to Actual Report - financial secretary
- Association Meetings
 - Treasurer Report - treasurer
 - Ratifies checks as listed on report (and any other checks written)
 - Financial Secretary Report - financial secretary
 - Approves bills to be paid at meeting (as needed)
 - Budget to Actual Report - financial secretary
 - List of Funds to be Released - treasurer
 - Approves funds to be released

Treasurer Report - Sample

- Prepared and presented by the treasurer at monthly executive board meetings and association meetings
- The treasurer report must contain
 - Unit name, type of meeting, date of meeting, dates covered by report
 - Balance on hand at beginning of report period
 - List of Deposited Income (deposits at bank)
 - List of Transfers/Adjustments (i.e., interest, automatic deposits) (as necessary)
 - Total of Deposits
 - List of Checks
 - List of Fees/Adjustments (i.e., bank fees) (as necessary)
 - Total of Disbursements
 - Balance on hand at end of report period
- A report should be prepared for each bank account

Best High PTA
Executive Board Meeting
March 4, 2020

Treasurer's Report
From February 1, 2020 to February 29, 2020

Date	Type	Number	Description	Amount	Totals
Balance on Hand 2/1/2020					<u>\$ 20,420.40</u>
Deposited Income					
2/22/2020	DEPOSIT		Remit 2303 - 3 members (001-4.00, 001A-4.00, 001B-4.00, 002-6.00)	\$ 18.00	
2/22/2020	DEPOSIT		Remit 2304 - Founders Day Free Will Donation	\$ 25.00	
2/22/2020	DEPOSIT		Remit 2305 - Community Rewards	\$ 362.28	
				TOTAL	<u>\$ 405.28</u>
Total Deposits					<u>\$ 405.28</u>
Checks					
2/13/2020	CHECK	3940	Diane Jones - HSA certificates (120.00), pins (58.73)	\$ 178.73	
2/13/2020	CHECK	3941	TUSD - Field trip bus	\$ 500.00	
2/28/2020	CHECK	3942	Sharon Smith - HSA programs copies	\$ 18.20	
2/28/2020	CHECK	3943	Cynthia Lee - HSA ceremony	\$ 120.27	
2/28/2020	CHECK	3944	Torrance Council of PTAs - 1 member (6.00), HSA dinner (4x55), Founders Day (50.00), Founders Day Free Will (25.00)	\$ 301.00	
2/28/2020	CHECK	3945	Kristi Miller - Reflections	\$ 233.54	
2/28/2020	CHECK	3946	Torrance Council of PTAs - scholarships	\$ 100.00	
				TOTAL	<u>\$ 1,451.74</u>
Total Disbursements					<u>\$ 1,451.74</u>
Balance on Hand 2/29/2020					<u>\$ 19,373.94</u>

Financial Secretary Report - Sample

- Prepared and presented by the financial secretary at each monthly executive board meetings and association meetings
- The financial secretary report must contain
 - Unit name, type of meeting, date of meeting, dates covered by report
 - List of Receipts
 - Total of Receipts
 - List of Deposits
 - Total of Deposits
 - List of Transfers/Adjustments (i.e., transfers, automatic deposits, etc.) (as necessary)
 - Total of Transfers/Adjustments (as necessary)
 - Total members to date

**Best High PTA
Executive Board Meeting
March 4, 2020**

**Financial Secretary Report
From February 1, 2020 to February 29, 2020**

Date	Number	Description	Amount
Receipts			
2/10/2020	2303	Amy Hamilton - 3 members (001-4.00, 001A-4.00, 001B-4.00, 002-6.00)	\$ 18.00
2/20/2020	2304	Sharon Smith - Founders Day free will	\$ 25.00
2/20/2020	2305	Sharon Smith - Community reward	\$ 362.28
		TOTAL	<u>\$ 405.28</u>
Deposits			
2/22/2020		Remits 2303-2305	\$ 405.28
		TOTAL	<u>\$ 405.28</u>

TOTAL MEMBERS THRU 2/29/2020: 636

Budget to Actual Report

- Prepared and presented by the financial secretary at monthly executive board meetings and association meetings
- Board members and chairpersons should receive a copy

	Actual	Budget	Difference
Cash Balance Forward	\$ 8,524.23		
Income			
Administration			
001 - Membership Dues Income	\$ 1,200.00	\$ 2,000.00	\$ (800.00)
001A - Membership Dues Income from TOTEM	\$ 404.00	\$ 500.00	\$ (96.00)
001B - Membership Dues Income - Council Solicited	\$ 32.00	\$ 48.00	\$ (16.00)
003 - Membership Donations Income	\$ 225.00	\$ 500.00	\$ (275.00)
Fundraisers			
101 - Fundraiser 1 Income	\$ 2,750.00	\$ 2,500.00	\$ 250.00
102 - Fundraiser 2 Income	\$ -	\$ 1,000.00	\$ (1,000.00)
Programs			
201 - Program 1 Income	\$ 250.00	\$ 500.00	\$ (250.00)
Non-Unit Income			
002 - Membership Dues Transitory Income	\$ 1,800.00	\$ 3,000.00	\$ (1,200.00)
Total Income	\$ 6,661.00	\$ 10,048.00	\$ (3,387.00)
Expense			
Administration			
010 - Bank Fees Expense	\$ -	\$ 25.00	\$ (25.00)
012 - Insurance Expense	\$ 258.00	\$ 258.00	\$ -
015 - Operating Expense - copies, supplies	\$ 23.53	\$ 200.00	\$ (176.47)
018 - myPTEZ Expense	\$ 209.00	\$ 209.00	\$ -
019 - Tax Preparation Expense	\$ 100.00	\$ 250.00	\$ (150.00)
.....			
090 - Unbudgeted Expense	\$ -	\$ 6,930.23	\$ (6,930.23)
Fundraisers			
101 - Fundraiser 1 Expense	\$ 435.15	\$ 500.00	\$ (64.85)
102 - Fundraiser 2 Expense	\$ -	\$ 200.00	\$ (200.00)
Programs			
201 - Program 1 Expense	\$ 4,750.00	\$ 5,000.00	\$ (250.00)
202 - Program 2 Expense	\$ -	\$ 2,000.00	\$ (2,000.00)
Non-Unit Expense			
002 - Membership Dues Transitory Expense	\$ 1,800.00	\$ 3,000.00	\$ (1,200.00)
Total Expense	\$ 7,575.68	\$ 18,572.23	\$ (10,996.55)
Net Gain or Loss	\$ (914.68)	\$ (8,524.23)	\$ 7,609.55
Total Balance	\$ 7,609.55		

Reporting Financials at a Meeting - Treasurer

- Present the treasurer's report
 - Beginning balance, total deposits, total disbursements, and ending balance
 - "Here is the treasurer's report for February 1 thru February 29, 2020. Balance on hand as of February 1 is \$20,420.40. Total deposits are \$405.28. Total disbursements are \$1,451.74. Balance on hand as of February 29 is \$19,373.74."
 - The president asks if there are any questions/discussion. The report will be filed for audit.
- Make a motion to ratify checks issued since the last meeting.
 - In most cases, it will just be the checks as listed on the treasurer's report.
 - "I move to ratify check numbers 3940-3946 in the amount of \$1,451.74 as listed on the treasurer's report."
 - If there are issued checks that are not listed on the report, then each check must be listed individually with the check number, payee, purpose, and amount stated for each check.
 - "I move to ratify the following checks ... "
 - President will continue with the motion
- Releasing funds at an association meeting
 - "I move to release the following funds ... *<list each budget item & amount>*" OR "I move to release the funds as posted" ... *<post report of funds to be released at meeting>*

Reporting Financials at a Meeting - Financial Secretary

- Present the financial secretary report
 - Total receipts, total deposits, total transfers (if included), total members to date
 - “Here is the financial secretary report for February 1 thru February 29, 2020. Total receipts are \$405.28. Total deposits are \$405.28. Total members to date are 636.”
 - The president asks if there are any questions/discussion. The report will be filed for audit.
- Make a motion to approve to pay bills that are submitted prior to and/or during the meeting
 - “I move to approve to pay the following bills ...”
 - List check number, payee, purpose, and amount for each check
 - President will continue with motion.
- Present the budget to actual report
 - Starting balance, total deposits & disbursements to date, ending balance
 - “Here is the budget to actual report thru February 29, 2020. Starting balance is \$8,524.23. Total income to date is \$6,661. Total expenses to date is \$7,575.68. Ending balance on February 29, 2020 is \$7,609.55.

Reporting Financials at a Meeting - Handout

Financial Reporting at Executive Board Meetings (Sample for an April Executive Board Meeting)

POSITION	REPORT/MOTION	SCRIPT	MINUTES
Financial Secretary (FS)	Reading the Financial Secretary Report	FS: Here is the financial secretary report for March 2023. Total receipts were \$1,235.00; total deposits \$1,235.00; and we have 424 members. President: Any questions? The report will be filed for financial review.	Financial Secretary Report – Jethro Gibbs: March 2023 Report Total receipts \$1,235.00; total deposits \$1,235.00; total members 424. The report was filed for financial review.
	Paying Bills (checks presented at meeting)	FS: I move to pay the following expenses– Check 346 to Ellie Bishop for hospitality \$30.00 Check 347 to Leon Vance for copies \$12.50 President: Is there a second? (motion continues...)	Jethro Gibbs moved to pay the following expenses: Check 346-Ellie Bishop, hospitality, \$30.00 Check 347-Leon Vance, copies, \$12.50 Seconded. Motion carried.
	Reading the Budget to Actual Report	FS: Here is the budget to actual report thru March 31, 2023: Balance on 7/1/22 \$36,243.93; total income \$13,286.42; total expenses \$10,087.58; ending balance on 3/31/23 \$39,442.77 President: Any questions? The report will be filed for financial review.	Budget to Actual Report – Jethro Gibbs: Balance 7/1/22 \$36,243.93; total income \$13,286.42; total expenses \$10,087.58; balance 3/31/23 \$39,442.77. The report was filed for financial review.
Treasurer (T)	Reading the Treasurer Report	T: Here is the treasurer report for March 2023. Balance on 3/1/23 \$36,527.77; total deposits \$1,235.00; total disbursements \$1,320.00; balance on 3/31/23 \$36,442.77 President: Any questions? The report will be filed for financial review.	Treasurer Report – Ziva David: Balance 3/1/23 \$36,527.77; total deposits \$1,235.00; total disbursements \$1,320.00; balance 3/31/23 \$36,442.77. The report was filed for financial review.
	Ratify checks (checks listed on treasurer report, and any checks written prior to meeting but not listed on the report)	T: I move to ratify checks 335-344 in the amount of \$1,320.00 as listed on the treasurer report; and check 345 to T-Shirt Company for spirit wear \$520.25. President: Is there a second? (motion continues...)	Ziva David moved to ratify checks 335-344 in the amount of \$1,320.00 as listed on the treasurer report <include list of checks>; check 345 to T-Shirt Company, spirit wear, \$520.25. Seconded. Motion carried.

*Note: A copy of all financial reports given during meetings must be attached to the minutes.

Financial Reporting at Association Meetings (Sample for a June Association Meeting – previous association meeting held in February)

POSITION	REPORT/MOTION	SCRIPT	MINUTES
Financial Secretary (FS)	Reading the Financial Secretary Report	FS: Here is the financial secretary report for February 1 thru May 31, 2023. Total receipts were \$9,638.74; total deposits \$9,638.74; and we have 427 members. President: Any questions? The report will be filed for financial review.	Financial Secretary Report – Jethro Gibbs: February 1, 2023 - May 31, 2023 Report Total receipts \$9,638.74; total deposits \$9,638.74; total members 427. The report was filed for financial review.
	Paying Bills (checks presented at meeting)	FS: I move to pay the following expenses– Check 357 to Abby Sciuto for Zoom meetings: \$51.62 Check 358 to Ellie Bishop for spring brunch, \$176.89 President: Is there a second? (motion continues...)	Jethro Gibbs moved to pay the following expenses: Check 357-Abby Sciuto, Zoom meetings, \$51.62 Check 358-Ellie Bishop, spring brunch, \$176.89 Seconded. Motion carried.
	Reading the Budget to Actual Report	FS: Here is the budget to actual report thru May 31, 2023: Balance on 7/1/22 \$36,243.93; total income \$14,401.16; total expenses \$16,192.31; ending balance on 5/31/23 \$34,452.78 President: Any questions? The report will be filed for audit.	Budget to Actual Report – Jethro Gibbs: Balance 7/1/22 \$36,243.93; total income \$14,401.16; total expenses \$16,192.31; balance 5/31/23 \$34,452.78 The report was filed for financial review.
Treasurer (T)	Reading the Treasurer Report	T: Here is the treasurer report for February 1 thru May 31, 2023. Balance on 2/1/23 \$34,173.24; total deposits \$5,384.27; total disbursements \$5,104.73; balance on 5/31/23 \$34,452.78 President: Any questions? The report will be filed for audit.	Treasurer Report – Ziva David: Balance 2/1/23 \$34,173.24; total deposits \$5,384.27; total disbursements \$5,104.73; balance 5/31/23 \$34,452.78 The report was filed for financial review.
	Ratify Checks (checks listed on treasurer report, and any checks written prior to meeting but not listed on the report)	T: I move to ratify checks 325-355 in the amount of \$5,104.73 as listed on the treasurer report and check 356 to Yearbook Company for yearbooks \$1,831.62. President: Is there a second? (motion continues...)	Ziva David moved to ratify checks 325-355 in the amount of \$5,104.73 as listed on the treasurer report <include list of checks>; check 356 to Yearbook Company, yearbooks, \$1,831.62. Seconded. Motion carried.
	Release Funds (list of budget expense items needed before the next association meeting)	T: I move to release funds as listed on the posted report. President: Is there a second? (motion continues...)	Ziva David moved to release funds as listed on the attached report. Seconded. Motion carried.
	Change of Check Signers (remove current signers; add incoming signers)	T: I move to approve the change of check signers as per the bylaws on our checking account effective July 1 – remove Jenny Shepard, Jimmy Palmer, Ziva David; add Tim McGee, Tony DiNozzo, Kate Todd. President: Is there a second? (motion continues...)	Ziva David moved to change the check signers as per the bylaws on the checking account effective July 1: remove Jenny Shepard, Jimmy Palmer, and Ziva David; add Tim McGee, Tony DiNozzo, and Kate Todd. Seconded. Motion carried.

*Note: A copy of all financial reports given during meetings must be attached to the minutes.

Monthly Bank Statements

- Bank statements should be mailed to the PTA at the PTA's permanent address
 - Statements should not be mailed to the home address of a check signer
- The canceled checks or images of the canceled checks should be included in the statement
- It is acceptable to use the bank's online banking to obtain a bank statement
- Review of monthly bank statements
 - A board member who does not sign checks should open, review, sign, and date each month's bank statement prior to giving it to the treasurer for bank reconciliation
 - If online banking is used to retrieve bank statements, a board member who does not sign checks should download the statement for review

Monthly Bank Reconciliation

- The treasurer should reconcile the monthly bank statement with the checkbook register/treasurer reports to ensure that the bank and financial records are correct
 - Verify that all transactions listed on the bank statement have been recorded in the checkbook register and treasurer reports
 - Look for uncashed checks and unposted deposits
 - Bank statement balance + unposted deposits - uncashed checks should be equal to the checkbook register balance
- The treasurer should provide a copy of the bank reconciliation and the bank statement to a board member who is not a check signer for review. The reviewer should sign and date the bank reconciliation.
- **The person who reviews the monthly bank reconciliation reports needs to be appointed by the president and ratified by the association.**

Bank Reconciliation in myPTEZ

- myPTEZ has a bank reconciliation feature
- Enter the date of the bank statement, ending balance on bank statement, and select all checks cashed and deposits recorded on bank statement
- A bank reconciliation report is automatically created that can be forwarded for review

Record any bank charges or interest earned in the Balance Adjustment section under the Ledger menu option. Make sure to save the progress of your reconciliation before you navigate away from this page. The Difference value (located on the lower right hand side) needs to be green to perform a reconciliation.

Bank Account: One West Bank

Statement Date: 01/24/2021

Last Statement Date: 12/31/2020

Beginning Balance: \$ 30822.74

Ending Balance: \$

Checks and Other Disbursements

Date	Type	Number	Description	Amount
08/05/2020	CHECK	3955	Remits 2403-2408	\$ 150.00
11/02/2020	CHECK	3980	Remits 2403-2408	14.95
11/23/2020	CHECK	3983	Remits 2403-2408	12.00
11/23/2020	CHECK	3985	Remits 2403-2408	24.00
11/23/2020	CHECK	3986	Remits 2403-2408	16.00
11/23/2020	CHECK	3987	Remits 2403-2408	12.00
11/23/2020	CHECK	3988	Remits 2403-2408	44.00

Deposited Receipts

Date	Type	Number	Description	Amount
01/20/2021	DEPOSIT		Remits 2403-2408	\$ 116.00

Print Item List PDF Generate

Cleared Balance \$30,822.74

Difference \$0.00

Dealing with NSF Checks

- NSF = non-sufficient funds
- NSF checks are checks deposited to your account that were not able to be cashed due to insufficient funds in the bank account
- How to record a NSF check
 - Deduct the amount of the NSF check from Receipts
 - Add any bank fee incurred as a Disbursement
- Collect the total of the NSF check and the bank fee from the person who wrote the check; ask for payment in cash
- How to record recovery of the NSF check and bank fees
 - Record the amount of the NSF check as a Receipt
 - Deduct the bank fee from Disbursements

Voiding Checks

- Reasons for voiding a check
 - Error on check - void as soon as error is found
 - Reissue a check - void using the current date
- No motions are needed to void a check
- A motion is needed to reissue a voided check, especially if a check was originally issued in a previous year

Permanent Financial Record

- A permanent financial record should be kept of the following records:
 - Monthly receipts and disbursements (i.e., treasurer and financial secretary reports or receipt and disbursement ledgers)
 - Summary of receipts and disbursements for each audit period (i.e., a budget to actual report or the myPTEZ Financial Report)
 - Audits
 - Annual treasurer report
- Suggestion - purchase a bound journal book; print out information on full page sheets of labels to put in book
- Keep a separate binder/folder to hold copies of each year's federal and state filings
 - Federal and state tax returns
 - Charitable trust registration
 - Raffle registration/reports
 - Statement of information (for incorporated units)

Preparing for the Financial Review (Audit)

- The financial reviewer (auditor) prepares two financial review (audits) per year
 - July 1 thru December 31
 - Target completion date - adopt at February executive board/association meetings
 - January 1 thru June 30
 - Target completion date - adopt at September executive board/association meetings
- Financial records to be given to the financial reviewer (auditor) for each period:
 - Permanent financial record book
 - Checkbook register
 - Bank statements
 - Bank reconciliation reports
 - Payment authorizations and receipts/invoices
 - Cash verifications and deposit records
 - All federal and state filings (taxes, charitable trust, worker's comp, raffle reports, etc.)

Treasurer's Annual Report

- The treasurer is required to prepare this report at the end of the fiscal year
- The report summarizes gross receipts and disbursements for the fiscal year (July 1 - June 30)
- The tax preparer uses the Annual Report to prepare and file taxes
- This report is turned in to council and district PTAs
- 3 different report options:
 - Budget to Actual Report that covers the entire fiscal year
 - Treasurer's Annual Report form in an Excel file as provided by Torrance Council
 - Annual Report that includes all of the information in the sample found in the CAPTA Toolkit (<http://downloads.capta.org/toolkit/forms/AnnualFinancialSample.pdf>)
- A copy is due to Torrance Council at the October executive board meeting

Federal and State Filings

- Federal and State taxes for the fiscal year due by November 15
 - Federal (to the IRS) - form 990, 990EZ, or 990N (e-postcard)
 - State (to the Franchise Tax Board) - form 199 or 199N
- Charitable trust renewal form (RRF-1) due to the California Attorney General's office with payment by November 15
 - If your unit files the 990N, your RRF-1 must be submitted along with the form CT-TR-1
 - If your unit files the 990 or 990EZ, your RRF-1 must be submitted along with a copy of your 990 or 990EZ
- Incorporated units ONLY
 - File a Statement of Information form to the California Secretary of State's office every other year

RECOMMENDATION: Mail federal and state forms using certified mail/return receipt OR keep proof of electronic filing of any forms.

Copies of all filings must be turned in to Torrance Council as soon as completed

Raffle Registration

- Raffle registration year is now January 1 thru December 31
- If you registered for the raffle for the 2022-2023 school year, your raffle registration has been extended thru December 31, 2023
- Raffle report for September 1, 2022-December 31, 2023 is due by February 1, 2024
- Raffle registration for 2024 will be accepted starting October 1, 2023
- Raffle registration form: [CT-NRP-1](#)
 - Turn in with raffle registration fee (\$30) and [Entity Status Letter](#)
- Raffle report form: [CT-NRP-2](#)

Copies of all filings must be turned in to Torrance Council as soon as completed

Gifts to School

- Gifts to school can include
 - Monetary donation to be used by the school for a specific purpose
 - Donation of items that will stay with the school
- Gift to School Committee
 - Composed of PTA president, board members, principal and/or other administrators/teachers
 - Discuss needs of the school along with available PTA funds
 - Provide recommendations of gifts to school to the executive board
- Recommendations of Gifts to School
 - Present to the executive board for discussion/approval
 - After executive board approves gifts to school, present to the association for approval
- Field trips and payments for bus transportation are considered gifts to school
 - Must be approved by TUSD
 - Bus transportation must be paid through TUSD

Fiduciary Agreement

- Documents the agreement between the school and the PTA regarding a gift to school
 - Monetary Donation - funds donated will be spent for a specific purpose by a specified date
 - NOTE: Checks must be written to TUSD
 - Equipment Donation - transfers ownership of and responsibility for (installation, operation, maintenance) donated items to the school
- Signed by the PTA president, PTA treasurer, and the school administrator
- Required for ALL gifts to school
- Keep track of fiduciary agreements
 - Ensure that funds have been spent by the school as specified by the PTA
 - If funds have not been spent by the designated date, the PTA may ask for those funds to be returned

MONETARY DONATION:

All monies being donated to schools should be payable to TUSD and given to the school site for deposit in the school's district account. The school name should be written on the memo line.

The _____ PTA/PTSA, hereafter referred to as "PTA", hereby gives to _____ School, hereafter referred to as "School", a monetary grant in the amount of _____ dollars (\$ _____), PTA check number _____, dated and signed by _____ (President) and _____ (Treasurer) of the PTA.

The gift money is for the sole purpose of _____

_____.

It is hereby agreed that the gift monies will be spent for the above stated purpose on or before _____ (date). Any portion of such funds that is unused or unexpended as of such date shall be reimbursed in full to the PTA within sixty (60) business days of the expiration date.

PTA President: _____ Date: _____

PTA Treasurer: _____ Date: _____

School Administrator: _____ Date: _____

EQUIPMENT DONATION:

The _____ PTA/PTSA, hereafter referred to as "PTA", hereby gives to _____ School, hereafter referred to as "School", the following equipment _____

_____.

The School accepts ownership of the above described equipment and accepts responsibility for the installation, operation and maintenance of the above described equipment.

PTA President: _____ Date: _____

PTA Treasurer: _____ Date: _____

School Administrator: _____ Date: _____

Financial Records Retention

- Permanent
 - Annual Financial Statements
 - Audit Reports
 - General ledger (monthly receipts and disbursements)
 - Treasurer's Annual Report
 - Federal and State Tax Returns
 - Charitable Trust Registrations
 - Raffle Reports
 - IRS Rulings
 - Cancelled checks (special, such as loan repayment)
- 7 Years
 - Accounts payable (payment authorizations and receipts/invoices)
 - Accounts receivable (cash verification forms and deposit receipts)
 - Bank statements, reconciliations, deposit slips
 - Cancelled checks (routine)
 - Employee, Business Expense Reports, Documents (workers' comp, 1099)
 - Interim financial statements
 - Credit card receipts

Records Retention and Destruction Policy

for all PTA records can be found on the CAPTA website at toolkit.capta.org/finance/policies-and-procedures/records-retention-schedule-and-destruction-policy/

Financial Turn-In Dates - Reports, Documents, Payments

Turn in reports and documents to: docs@torrancecouncilofptas.org

- Monthly
 - Executive board treasurer reports
 - Membership dues - \$6 per member
- September
 - Treasurer reports for previous year
 - Budget approved by association
- October
 - Audit for January 1 - June 30
 - Treasurer's Annual Report (for previous fiscal year)
 - Raffle registration/report
 - Association treasurer report (Sept meeting)
- November/December
 - Federal and state tax returns (all pages)
 - Charitable trust registration form (RRF-1)
 - Insurance payment - currently \$272 - payable directly to insurance company
- November/December (continued)
 - Donations for council & district (scholarship, Project BOSS & HOPE, health, Founders Day)
- December/January
 - Workers' Comp Annual Payroll Report (directly to insurance company)
 - Association treasurer report (Nov/Dec meeting)
- March/April
 - Audit for July 1 - December 31
 - Association treasurer report (Feb/Mar meeting)
- As needed
 - Payments for meetings, luncheons, etc.
 - Revised budgets approved by association
 - Statement of Information (for incorporated units), Fiduciary Agreements

Turning in Payments to Council

- Payments for membership, donations, council and district events should be by check written to *Torrance Council of PTAs* or *TCPTA*
- Payments should be given to the Torrance Council financial secretary
- The check should be turned in with the *Torrance Council of PTAs Remit Form*
 - If meetings are in person, forms will be available at Torrance Council executive board meetings
 - If meetings are virtual, a copy of the form will be emailed to all units along with instructions on how to submit payment
- The form should include a list of all payments included in the check

Torrance Council of PTAs Remit Form

Use this form for all remittance. Remit all 4 copies with payment to the Council Financial Secretary. Make checks payable to **Torrance Council of PTAs** Please remit ONE check for all items listed.

Remit #

PTA Unit _____

Name _____ Phone _____

Council Use	Item/Event	Amount
	Membership Dues (\$6.00 per capita) # of Members: _____ x \$6.00 =	\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
	TOTAL	\$

For Council Use	
Date: _____	Amount: \$ _____
Check # / Maker (if not unit) OR Cash: _____	
Membership: Council (\$1.25): _____	Fwd to Dist.(\$4.75): _____

A portion of the total sum sent for the National portion of PTA membership dues is payment for one year's subscription to *Our Children* of the National Congress of Parents and Teachers, which will be sent to the president of each local unit.

PTA Financial Resources

- Your unit's bylaws and standing rules
- Torrance Council of PTAs website - www.torrancecouncilofptas.org
- California State PTA - CAPTA.org
 - Toolkit - toolkit.CAPTA.org
- CAPTA Insurance Coverage - AIM
 - CAPTA.org/pta-leaders/services/insurance/
 - Insurance Guide - Red Light, Yellow Light, Green Light
 - Vendor Insurance Requirements and Forms
 - Contact: capta@aim-companies.com
- Letter of Determination - proof of tax-exempt status as a constituent organization under CAPTA
 - President must send an email to LOD@CAPTA.org to request a copy; email must include the following information - unit, president's name, council, district
- Internal Revenue Service - Tax-Exempt Organization Search Tool (for information about organization's tax filing status)
www.irs.gov/charities-non-profits/tax-exempt-organization-search
- California Attorney General - oag.ca.gov/charities
 - Charitable Trust Registry Verification Search - verify status of charitable trust registration, raffle registration
 - Registry Forms - oag.ca.gov/charities/renewals
 - Charitable Trust Registration Form (RRF-1)
 - Annual Treasurer Report Attorney General of California (CT-TR-1) (filed with RRF-1 if unit filed 990N/e-postcard)
 - Nonprofit Raffle Forms - oag.ca.gov/charities/raffles
 - Raffle Registration Form (CT-NRP-1)
 - Raffle Report Form (CT-NRP-2)
 - Franchise Tax Board - Entity Status Letter (required with raffle registration application)
 - www.ftb.ca.gov/help/business/entity-status-letter.asp
- California Secretary of State (for incorporated units)
 - Statement of Information (SI-100) (due every other year)
 - www.sos.ca.gov/business-programs/business-entities/statements

QUESTIONS?



Financial Workshop Evaluation