



President Financial Training

CUCPTSA

Presenter:
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President Financial Responsibilities

- Sign all authorizations for payment and may sign checks as approved by the executive board or the association.
- Remind officers of their financial duties as needed.
- Contact the council (if in council) or district PTA if you need answers to any questions or whenever you need help and when procedures are not being followed.
- Coordinate with the treasurer to get bank signature cards changed as needed.
- Appoint a budget committee upon election of officers. The president should be a member of the budget committee.
- Give financial officers all materials pertaining to financial procedures and due dates, as received from council (if in council), district, State and National PTAs.
- Encourage officers to attend any workshops and/or conferences given by the council, district or California State PTA.
- Have all contracts and/or legally binding documents approved by the executive board and the association before signing with another elected officer.
- Notify treasurer of the amount of the insurance premium due and the council/district due date.
- Include financial due dates on the association calendar

Fiduciary Duties

- Care, loyalty & obedience over the business of the PTA
- The entire PTA Executive Board must make sure that all financial procedures are followed
- Protect the assets of the organization
- Ensure compliance with all laws
 - Federal, State, School District
- Ensure continuity of the organization
- Remain transparent
 - financial reports and minutes are simple, complete & clear

TREASURER RESPONSIBILITIES

Monthly:

Work with the PTA president and, as needed, the school staff/principal to maintain updated financial information

Advise board members of the status of their individual budgets

Refer to your **Council Financial Calendar** and meet all deadlines

Remit Per-Capita membership dues using a unit remittance form

Reconcile the bank statement

Back-up financial files if using Quickbooks, Quicken, etc.

Attend monthly PTA meetings and

1. Prepare and present a **Treasurer's Report**; obtain approval of all checks/disbursements/transfers
2. Provide a current **Budget to Actual Report**
3. Move to release budgeted funds in order for expenses to be paid and obtain approval to pay bills between meetings (not to exceed budget)
4. Give your secretary a script to follow!

Note: A 501(c)(3) organization is required to have printed financials available upon request. DO NOT post your financial records online. OK to send out electronically ahead of the meeting to executive board, have paper copies at association meetings

Treasurer's Report

- Signed copy must be presented at every meeting, showing all activity since last meeting
 - Reports cover different time periods, depending on type of meeting
 - Covers either the period from association meeting to association meeting OR the period from executive board meeting to executive board meeting
- Include the dates covered in the report - choose the dates that work best
- List each bank account separately
- Include beginning balance (ending balance from last report)
- List all deposits since last treasurer's report
 - including date, amount, and purpose.
- List all checks paid since last treasurer's report
 - including check number, amount, recipient, and purpose.
- A Budget-to-Actual report must be presented monthly
- The treasurer's report is "filed for audit" - no motion needed.

TREASURER'S REPORT (SAMPLE)

PTA
November 14, 2006 – December 14, 2006

CHECKING ACCOUNT

BALANCE ON HAND 11/14/2006 **\$ 4250.00**

INCOME

11/15	DEP: Carnival	\$ 1450.00	
11/17	DEP: Membership Dues, unit portion (150 @ \$5)	750.00	
11/22	DEP: Book Fair	349.50	
12/05	DEP: Gift Wrap	5000.00	
12/10	NSF check #1113 – Book Fair purchase	<u>(16.50)</u>	
	TOTAL	7533.00	7533.00

FUNDS NOT BELONGING TO THE UNIT INCOME

11/17	DEP: Membership, 150 @ \$4.00 (council/district/State/National PTA)	\$600.00	
12/10	DEP: Founders Day Freewill Offering	<u>213.00</u>	
	TOTAL	813.00	813.00

TOTAL INCOME **\$12596.00**

EXPENSES

Ck # 3150	Cajon Council, insurance premium	\$ 195.00	
Ck # 3151	Mary Smith, Carnival expenses	55.00	
12/10	Bank fee, NSF Ck # 1113	10.00	
Ck # 3153	Patty Harper, hospitality	7.49	
Ck # 3154	Book Fair Company	120.00	
Ck # 3155	VOID		
Ck # 3156	Cajon Council, convention/2 delegates	260.00	
Ck # 3157	Susan Bird, office supplies	15.29	
Ck # 3158	VOID	0.00	
Ck # 3159	Beverly Anderson, postage	3.70	
12/13	Transfer to Savings	<u>5000.00</u>	
	TOTAL	5666.48	5666.48

FUNDS NOT BELONGING TO THE UNIT EXPENSES:

#3152	Cajon Council, 150 members @ \$4.00 (council/district/State/National PTA)	\$600.00	
#3160	Cajon Council, Founders Day Freewill Offering	<u>213.00</u>	
	TOTAL	813.00	813.00

TOTAL EXPENSES **\$ 6479.48**

BALANCE ON HAND 12/14/2006 **\$ 6116.52**

SAVINGS ACCOUNT

BALANCE ON HAND 11/14/2006 **\$ 8649.55**

12/10	DEP: Interest	4.32	
12/13	DEP: Transfer from Checking	5000.00	
	Withdrawals	<u>0.00</u>	

BALANCE ON HAND 12/14/2006 **\$ 13653.87**

Signature _____ Date _____

Treasurer Motions

- “I am presenting the Treasurer’s Report from _____ to _____
Beginning balance is \$_____, Receipts are in the amount of \$_____,
Disbursements are in the amount of \$_____, Ending balance is \$_____”
(president asks if there are any questions, then states that the treasurer report will be filed for audit)
- “I move to approve/ratify check #_____ through check #_____ in the total amount of \$_____”
(2nd, president will restate/repeat motion, any discussion, then vote)
- “I move to release funds for _____ not to exceed the budgeted amount”
(2nd, president will restate/repeat motion, any discussion, then vote)

TREASURER RESPONSIBILITIES

Annually:

Complete and forward and/or file all necessary forms required by the California State PTA, including

1. **Workers Compensation Annual Payroll Report** (due in January) - paper copy to council/district
2. State **(199)**, Federal **(990)**, Attorney General Registry of Charitable Trusts Renewal **(RRF-1)** (due in November); and **Form CT-TR-1** if unit has annual revenue under \$50,000. Upload all of these forms to PTA EZ Document Management (president has the log in); File electronically or mail **certified/return receipt** (proof of mailing)
3. Annual Financial Report; Upload to PTA EZ
4. Work with your unit auditor to help complete the mid-year and end of year audits - provide auditor paper copies and/or access to PTA EZ (if using)

Other Duties:

Chair the budget committee (treasurer-elect) and prepare a **Proposed Budget** for adoption at the last association meeting of the year and a **Budget** for adoption at the first association meeting of the year. Release funds for payment of ordinary and necessary expenses over the summer.

Obtain approval at last executive board/association meeting of new check signers and make sure names and offices reflected in the minutes.

Give copies of the **Adopted Budget and Accepted Annual Financial** to your unit president to turn in to council.

After July 1, make sure to update bank signature cards. Banks require that you provide copies of PTA meeting minutes from last executive board/association meeting showing approval of authorized check signers.

Annual Budget Guidelines

- The budget committee is appointed by the incoming president and chaired by the incoming treasurer. Check by-laws for list of members.
- The committee can not develop the budget until the board-elect has determined the goals and programs for the upcoming year.
- The **proposed budget** is adopted at the last association meeting of the year. This allows funds to be spent over the summer.
- Over the summer the proposed budget can be fine-tuned, and the **final budget** created. The final budget is adopted at the first association meeting of the year.
- The budget is a flexible document and can be amended at any association meeting by a two-thirds vote.
- Check your Standing Rules (contained in your by-laws) for any specific budget requirements.
- Make sure your president gives a copy of the final adopted budget to council. (Don't need to forward up changes that happen later in the year)
- Budgets **should** be balanced but ok if not. (Assumes carry-over funds)
- You can carry over money from one year to the next.
- General rule is **3 programs to 1 fundraiser** (count all passive fundraisers under one fundraising category)
- PTAs **cannot include** in their budgets money for personal gifts or to purchase gift cards for other purposes (but can reimburse a board member who purchases gift cards or write a check to a teacher/school for gift card purchases).
- All expenses must be included in the budget. If a new expense is suggested, the association MUST vote and approve that amendment to the budget before any money can be spent.
- PTAs can donate money to another non-profit if funds are budgeted.

SPECIFIC BUDGET CATEGORIES -

All Separate Line Items

- **List anticipated income/receipts:**

Carry-over funds from last year, membership dues (unit portion), fundraisers, donations, etc.

- **List anticipated receipts not belonging to unit:**

Council, District, State, National PTA dues

- **List anticipated expenses:**

Programs, assemblies, fundraising expenses, administrative costs (bank fees, officer expenses, insurance, training, etc.)

- **List anticipated expenses not belonging to unit:**

Council, District, State, National dues

HOSPITALITY EXPENSES

As a general rule, hospitality that is not part of a program should not exceed 5% of your total budget.

The separate “Hospitality” line item should cover refreshments served at your meetings. All other food and drink items purchased for a specific program or event should be included in the line item for that program or event and NOT in the general “Hospitality” line item.

DONATIONS RECEIVED FOR A SPECIFIC PURPOSE

Donations received for a specific fundraising purpose (ie a new computer lab) must be spent for that purpose OR returned to the individual donor

MEMBERSHIP REMITTANCE

1. The amount your unit can charge for annual membership (which runs through the end of October) is determined in your by-laws. Your unit cannot change this amount without an official change in your by-laws.
2. You must forward up at least **15 members** to your council by the end of October to remain a unit in good standing. Use a remittance form.
3. *In your budget, show membership as income and pass-through (income not belonging to your unit). The pass-through income category should match the pass-through expense category.*
4. If you are using **TOTEM E-Membership** you should use a separate income budget line ("TOTEM Membership Dues") to track these payments which are deposited directly into your bank account. Totem deposits the unit share and automatically distributes the council, district, state, and national portions of the dues, you do not need to.

BUDGET (SAMPLE)

FISCAL YEAR _____

Name of Unit _____ IRS EI # _____
Council _____ District PTA _____
Bank Name _____ Account # _____
Bank Address _____

BALANCE ON HAND from previous year \$ _____
ESTIMATED RECEIPTS

Interest income \$ _____
Membership dues (unit portion only) \$ _____
Fundraising (list individually) \$ _____
\$ _____
TOTAL \$ _____

RECEIPTS NOT BELONGING TO UNIT

Council, district, State and National PTA membership per capita \$ _____
Founders Day freewill offering \$ _____
TOTAL \$ _____
TOTAL RECEIPTS \$ _____

ESTIMATED DISBURSEMENTS

Operating expenses

Membership envelopes \$ _____
Insurance premium \$ _____
Newsletter and publicity \$ _____
Council/district PTA leadership workshops \$ _____
Convention (State/National PTA) \$ _____
Officers' and chairmen's reimbursement \$ _____
Past president's pin \$ _____
Honorary Service Award \$ _____

Program expenses

Programs and assemblies \$ _____
Reflections Program \$ _____
Family Engagement \$ _____
Emergency preparedness \$ _____
Hospitality \$ _____

Fundraising

Carnival \$ _____
Book fair \$ _____
Gift wrap \$ _____

Carry-over to next year

Unallocated reserves \$ _____
TOTAL \$ _____

DISBURSEMENTS NOT BELONGING TO UNIT

Council, district, State and National PTA membership per capita \$ _____
Founders Day freewill offering \$ _____
TOTAL \$ _____
TOTAL DISBURSEMENTS \$ _____
BALANCE ON HAND \$ _____

Date

Treasurer's Signature

ABC Elementary PTA 2014-2015 Proposed Budget

BALANCE ON HAND from previous year (7/1/2014) \$ **6,000.00**

ESTIMATED RECEIPTS

Book Fair \$ 3,750.00
Donations \$ 300.00
Jog-a-thon \$ 12,000.00
Membership Dues (unit portion only) \$ 550.00
Spirit Wear \$ 2,500.00
Total: \$ 19,100.00

RECEIPTS NOT BELONGING TO UNIT

Membership - council, district, State & National \$ 450.00
Founders Day Freewill Offering \$ 50.00
Total: \$ 500.00

TOTAL RECEIPTS \$ 25,600.00

ESTIMATED DISBURSEMENTS

Operating expenses

Bank Fees \$ 50.00
Convention PTA \$ 2,500.00
Council/District leadership workshops \$ 100.00
Membership Envelopes \$ 45.00
Insurance premium \$ 220.00

Program Expenses

Art Masters \$ 4,000.00
Assemblies \$ 3,000.00
Emergency Preparedness \$ 500.00
Family Night \$ 200.00
Field Trips \$ 6,000.00
Red Ribbon \$ 150.00
Reflections Art Program \$ 300.00
Spirit Wear \$ 2,450.00

Fundraising Expenses

Book Fair \$ 2,200.00
Jog-a-thon \$ 1,000.00
Carry-over to next year \$ 6,000.00
Unallocated reserves \$ 2,385.00

Total: \$ **31,100.00**

DISBURSEMENTS NOT BELONGING TO UNIT

Membership - council, district, State & National \$ 450.00
Founders Day Freewill Offering \$ 50.00
Total: \$ 500.00

TOTAL DISBURSEMENTS \$ 31,600.00

BALANCE ON HAND (6/30/2015) \$ -

Treasurer's Signature

Date Adopted



Banking Procedures

- All PTA money must be immediately deposited in an account authorized by the board
- No PTA funds are to be taken home
- No co-mingling school or other funds with PTA funds
- Withdrawals in person at a bank are not permitted, write a check
- Do not pay bills with cash; do not use an ATM card
- Obtain “View-Only” access to your accounts
- Keep bank account signature cards up to date with signers as designated in your bylaws
- Use Authorization to Transfer Funds Between Accounts form to transfer funds between your two PTA accounts (savings to checking, etc.)
- Use school address for bank statements
- An elected officer, other than the check-signers, should open and review the bank statement
- Do 5-minute Audit of bank statement-REQUIRED
- Reconcile bank statements monthly- REQUIRED
- Make certain you get photocopies of cancelled checks from the bank



RECENT CHANGES TO BANKING PROCEDURES

Payment via Electronic Funds Transfer/Bank Bill Pay Service

- Pay regular bills
- Pay RRF-1 annual fee

New Rules from US Treasury Department

- Personal Data
- “Collect, Validate and Screen”



* Do I LOOK like I pay my bills online ? *

NEW PTA INSURANCE REQUIREMENT

The new PTA insurance guidelines now require that ***BANK RECONCILIATIONS*** must be signed monthly by a non check signer. Monthly reconciliations must be printed out, signed, and provided to auditor as part of audit files.

Audits must be reviewed by an audit committee if audit is not done by a public accountant. Committee must be one or more members that are not check signers.

THIRD PARTY PAYMENT PROCESSING VENDORS

PayPal

Separate bank account no longer required

Square

All fees incurred are income and must be recorded as such

Stripe

Use general ledger function to show transfers - list fees and net income separately

Venmo

NOT ALLOWED

B of A Merchant Services

Consider fees when setting up service

Check Request System

Approval of the budget does not authorize anyone to spend money or expect reimbursement of funds spent on behalf of the association.
The executive board or association must vote to authorize committee/board members to spend association funds

- **Step One: release funds from the budget for each upcoming activity**
 - Only the association is authorized to release funds
 - “I move to release funds for the carnival, not to exceed budgeted amount”
- **Step Two: the requestor prepares a Payment Authorization Form**
 - Attach invoice or receipts
 - President and secretary sign the form
 - Treasurer writes the check
- **Step Three: treasurer writes check**
 - Record purpose on the memo line
 - Record the check number and date on the payment authorization form
 - Keep Payment Authorization forms for audit
- **Step Four: treasurer presents checks to be approved/ratified to the executive board and association**

Writing a Check

- Make sure Payment Authorization Form is completed and original receipts or invoices are attached
- Two signatures on every check
 - Signers may not be related or living in the same household
- Record the check in the checkbook register (electronic or paper)
- Never sign a blank check

YEAR END- Transitions

- Finish the term
- Complete all responsibilities (including updating your procedure book).
- Meet with current board to evaluate/celebrate the term.
- Send new board contact information to council.
- Meet with successor; introduce successor to key individuals (school administration & staff).
- [Turn over all PTA materials and resources](#) that relate to position.
- Invite incoming board to current executive board and council meetings.

Items to turn over

- Procedure book
- Insurance Loss and Prevention Guide
- List of where things are stored and passwords for electronic media
- Current, outgoing board list (and previous year's lists)
- Copy of nominating committee report
- Membership totals for current year
- Annual unit historian reports
- Reports and samples/fliers of invitations and other materials/programs from any events or programs
- Agendas from meetings for past year
- Copies of minutes from past years
- Copy of current bylaws and standing rules
- Copy of financial documents

Financial documents to turn over during transition

- Budget for current year and previous two years
- Audits for at least one year (and finalized arrangements for summer audit)
- Year-end financial report (arranged for)
- List of governmental assigned numbers: Federal employer identification number (EIN), California state entity number, California charitable trust number, etc.
- IRS Form 990s, California Form 199s, California Registry of Charitable Trust RRF-1s, and other legal filings (as part of the permanent records)

Annual Financial Report

- The Annual Financial Report covering the income and expenses for the entire fiscal year is to be completed by the outgoing treasurer
- Annual report ending balance agrees with audit ending balance
- Helps with completing Tax Filings



ANNUAL FINANCIAL REPORT (SAMPLE)	
FISCAL YEAR _____	
Name of Unit _____	IRS EI # _____
Council _____	District PTA _____
BALANCE ON HAND from previous year	\$ _____
RECEIPTS	
Savings account interest	\$ _____
Checking account interest	\$ _____
Membership dues (one portion only)	\$ _____
Fundraising (list total gross income individually)	
xxx	\$ _____
xxx	\$ _____
Donations	\$ _____
TOTAL	\$ _____
RECEIPTS NOT BELONGING TO UNIT	
Council, district, state, and National PTA membership per capita	\$ _____
Founders Day freewill offering	\$ _____
TOTAL	\$ _____
TOTAL RECEIPTS	\$ _____
DISBURSEMENTS (List Budget Categories)	
Operating expenses	
Membership envelopes	\$ _____
Insurance premium	\$ _____
Newsletter and publicity	\$ _____
Council/district leadership workshops	\$ _____
Convention (State/National PTA)	\$ _____
Officers' and chairmen's reimbursement	\$ _____
Past president's pin	\$ _____
Honorary Service Award	\$ _____
Program expenses	
Programs and assemblies	\$ _____
Reflections Program	\$ _____
Family Engagement	\$ _____
Emergency preparedness	\$ _____
Hospitality	\$ _____
Fundraising	
Carnival	\$ _____
Book fair	\$ _____
Gift wrap	\$ _____
TOTAL	\$ _____
DISBURSEMENTS NOT BELONGING TO UNIT	
Council, district, state, and National PTA membership per capita	\$ _____
Founders Day freewill offering	\$ _____
TOTAL	\$ _____
BALANCE ON HAND	TOTAL DISBURSEMENTS \$ _____
Signature _____	Date _____

Financial Forms

Forms section of the toolkit at www.toolkit.capta.org

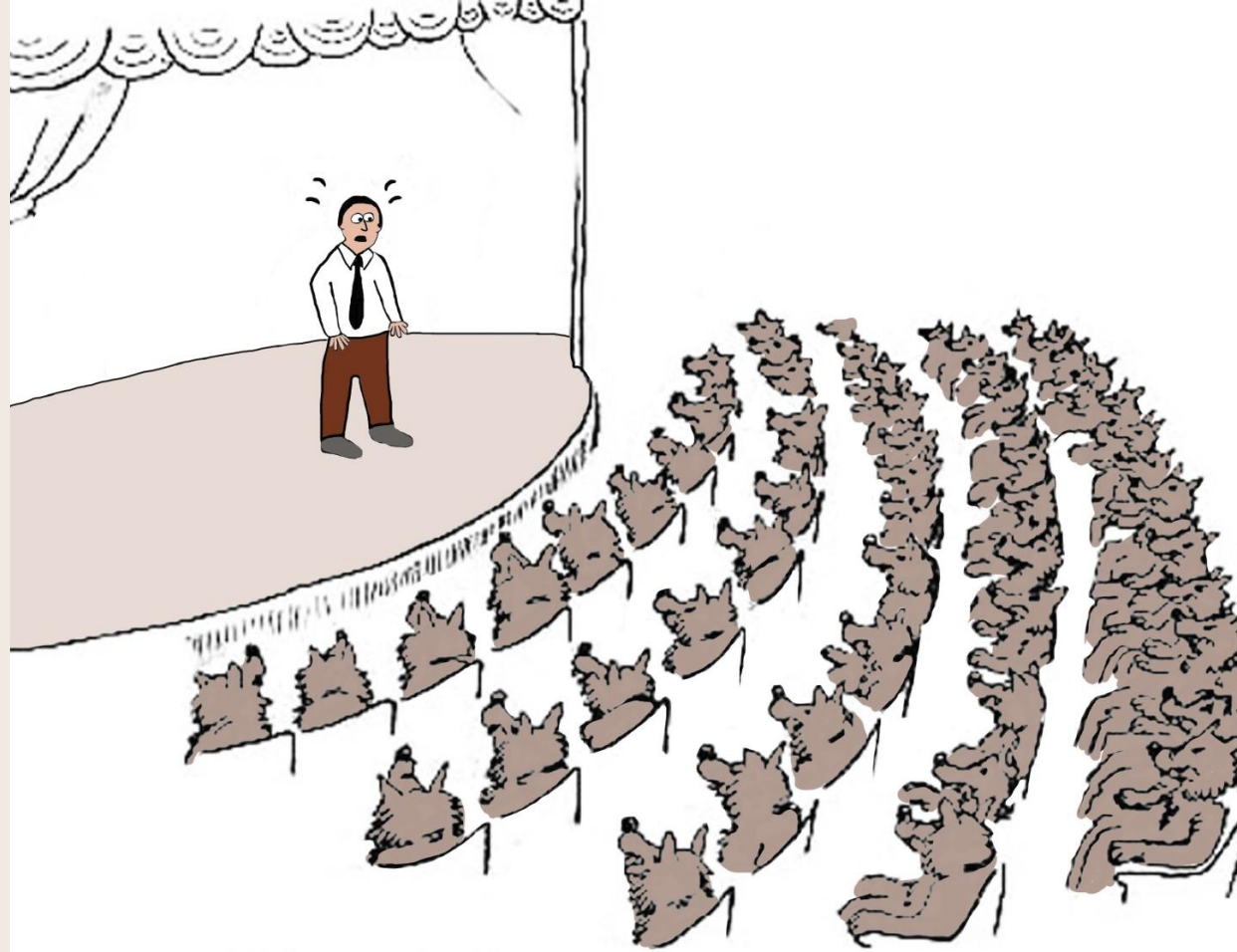
- Conflict-Whistleblower
 - each officer and chairperson completes a form. Treasurer keeps with financial documents
- Fiduciary Agreement
 - use when gifting money to school
- Request for Advance
- Authorization to Transfer Funds
- Authorization For Payment Via EFT/Bank Bill Pay Services
- Unit Remittance
 - use when remitting payments to council
- Workers' Compensation Annual Payroll Report
 - each unit and council must complete and forward through channels (even if no employees)

PTA Resources

- PTA Toolkit
 - www.toolkit.capta.org
- Council PTA Officers
 - www.cucptsa.com
- Fourth District PTA
 - www.fourthdistrictpta.org
 - 714-241-0497
- CA State PTA
 - www.capta.org

QUESTIONS?

Thank you for attending!



“I’m a little nervous. You see, I didn’t expect to be thrown to the wolves.”