



PTA Treasurer Training

Being Accountable and Transparent



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01

ROLES AND RESPONSIBILITIES

Tasks of the Treasurer





Treasurer Duties

- Maintain accurate, detailed financial records
- Help prepare the PTA Budget
- Receive & disburse funds
- Present a Treasurer's report at PTA meetings
- Prepare an IRS tax return, 990, 990EZ, or 990N
- File Colorado Secretary of State Documents if applicable
- Prepare the books for the annual audit (financial review)



02

FIRST 30 DAYS



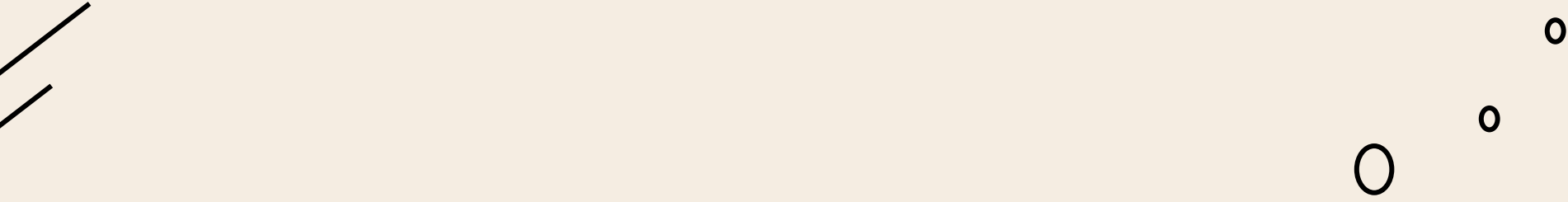
To Do List





Upon Taking Office, First:



1. Make sure the books are audited/financial review before accepting them
 2. File Signature cards with the bank 
 3. Study duties and any references to finances/budget in your PTA bylaws
 4. Check on bond and liability insurance
 5. Check the files and see if all the records you need are there. 
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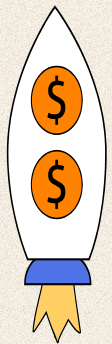
Upon Taking Office:

Check files & records to make sure you have them all. Ask about missing records immediately.



Treasurer's Files

- | | |
|-----------------------------|---------------------------------|
| ✓ Checkbook | ✓ Audit/Financial Review Report |
| ✓ Check Requests (Vouchers) | ✓ Adopted Budget |
| ✓ Commercial Deposit Slips | ✓ Bylaws |
| ✓ Endorsement Stamp | ✓ Minutes of Meetings |
| ✓ Receipt Book | ✓ Membership Roster |
| ✓ Bank Statements | ✓ Tax Records |
| ✓ Accounting Ledger | ✓ Prior Years' Records |
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Upon Taking Office

Become familiar with your PTA bylaws

File a new signature card with the bank

The requirements vary so check with your bank, but usually require:

- Minutes from a meeting stating the names of the signers that will be removed and added.
- Copy of Driver's License





03

FINANCIAL AUDIT

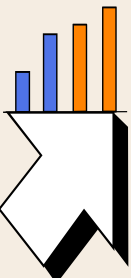
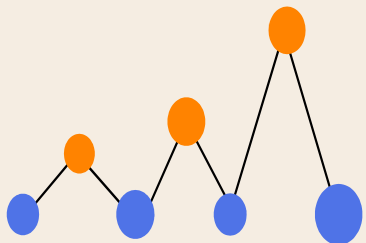
Being Accountable with Funds

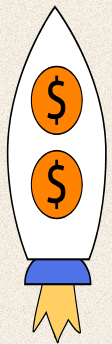


The Audit: Accountability

The Purpose of the financial review is twofold:

- To certify the accuracy of the books and records
- To assure the membership that the association's resources/funds are being managed responsibly.





Audit Procedures and Docs

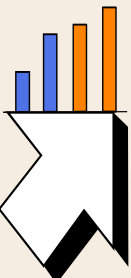
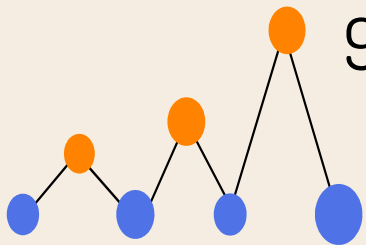
www.jcpta.org Running Your PTA

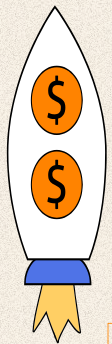
- Financial records should be reviewed at least once a year, any time there is a change in financial officers, or at any other time deemed necessary
- Documents needed for reviews:
 - Prior year's completed financial review report
 - Current Year Financial Review Report
 - Checkbook & cancelled checks
 - Bank statements & deposit receipts
 - Account ledger
 - Last Treasurer's Report
 - Expense vouchers & receipts
 - Any other information requested by the financial review committee



Audit Attendees

- Depending on what is written in your bylaws:
 - Two or three PTA members, who are not current signers on the bank account
 - The in-coming treasurer can be an audit committee member, unless they were a signer on the account during the year being reviewed
 - A hired accountant with non-profit expertise. This is primarily for a PTA that receives enough in donations (over \$100,000) to require an IRS Form 990 (not the 990N or 990EZ.)





Filing the Financial Audit

- Financial Review is due 30 days after fiscal year-end (check bylaws for your PTA specifics)
- Download a copy of the Audit/Financial Review Report at: <http://www.jcpta.org/financial-review-how-to/>
- Make 4 copies of Audit/Financial Review Report
 - File Audit report with Colorado PTA
 - Copy for Treasurer
 - Copy for Secretary
 - Copy for President





04

ANNUAL BUDGET


Preparing and Updating

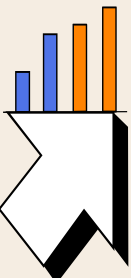
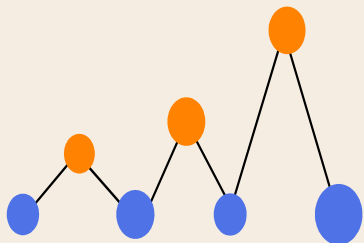


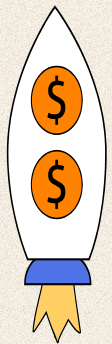


The Budget!



- The Budget is a statement of projected revenues and expenses.
 - Your PTA unit cannot spend money until the budget is approved by the members.
 - The Budget can be amended as your year progresses. Provisional budgets should be prepared and voted on in the Spring for anticipated financial needs in the Fall.
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Drafting the Budget

- Form a budget committee of 3 to 5 members
- Review prior year's actual vs. budgeted receipts and disbursements
- **First**, determine how much money your unit will need to cover anticipated expenses for the current year. **Next**, determine how you are going to pay for those expenses



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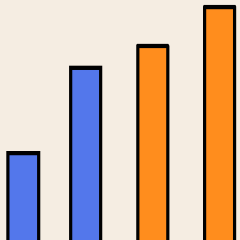
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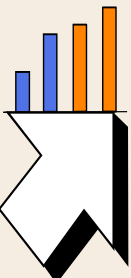
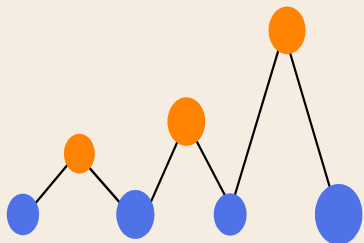
Drafting the Budget

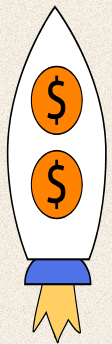
- Draft a preliminary budget worksheet, based on the budget committee's projections.
 - Projected income should equal projected expenses plus reserves
 - Allocate sufficient funds for members to attend training at PTA Conventions and Conferences
 - Consider including an emergency reserve fund in your budget for unplanned expenses, next year's start-up costs, etc.



Sample Budget Worksheet

Local Unit PTA			
Proposed Budget 2008-2009			
	2007-2008	2007-2008	2008-2009
	Budget	Actual	Proposed
INCOME			
Carry-Forward From Previous Year	2,000.00	1,800.00	2,000.00
Unallocated Reserves	1,500.00	1,500.00	1,500.00
Membership Income (Local Portion Only)	200.00	300.00	300.00
Interest Income	-	-	100.00
Corporate Sponsors	-	-	1,000.00
<i>Fundraising Projects (Net Totals)</i>			
Barnes & Noble Book Sales	2,300.00	2,500.00	2,700.00
Carrabba's Night	2,500.00	3,000.00	3,000.00
Entertainment Book Sales	900.00	800.00	900.00
Fun Run Income	8,000.00	9,000.00	10,000.00
TOTAL INCOME	17,400.00	18,900.00	21,500.00
EXPENSES			
Bank Fees	50.00	10.00	50.00
Printing Expenses	125.00	150.00	150.00
Office Supplies	175.00	250.00	250.00
Postage	100.00	75.00	100.00
Liability Insurance & Bonding	200.00	200.00	200.00
Hospitality: Teacher Conferences, PTA Meetings, Secretaries Day, Volunteer Appreciation	300.00	260.00	300.00
Reflections	200.00	180.00	300.00
Jeffco Scholarship	100.00	100.00	100.00
Science Fair	200.00	225.00	300.00
Grants: After School Programs	2,400.00	2,600.00	3,250.00
Multicultural Night	300.00	300.00	-
Leadership Training: Fall Training, State & National Convention, Spring Banquet	1,300.00	1,500.00	1,500.00
Enrichment Speakers	400.00	450.00	500.00
Teacher Wish List	8,050.00	9,500.00	11,000.00
Unallocated Reserves	1,500.00	1,500.00	1,500.00
Carry-Forward 2009-2010	2,000.00	1,800.00	2,000.00
TOTAL EXPENSES	17,400.00	19,100.00	21,500.00





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Adopting and Amending

- The preliminary draft should be presented to the PTA Board for consideration, and to the PTA membership for approval.
- The budget must be presented at a **general PTA meeting, and voted on by the members**. A majority vote of the members present is required for adoption.
- The adoption of the budget authorizes the PTA to spend other people's money for expenses covered in the budget
- Amendments can only be made at a general membership meeting.
- Amendments require a majority vote of the members present at a general meeting or at a special meeting called for that purpose.



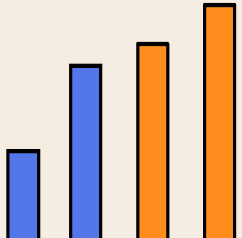
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Sample Adopted Budget

Adopted Budget Fiscal Year End 6/30/18	
Beginning Checking Account Balance	\$ 2,000.00
REVENUE:	
Membership Income (Local Portion Only)	300.00
Interest Income	100.00
<i>Fundraising Revenue</i>	
Book Fair	2,700.00
Silent Auction	10,000.00
Entertainment Book Sales	900.00
Fun Run	12,000.00
TOTAL RECEIPTS (Beginning balance + revenue)	\$ 28,000.00
EXPENSES:	
Bank Fees	100.00
Office Supplies	600.00
Postage	100.00
Liability Insurance & Bonding	200.00
<i>Fundraising Expenses:</i>	
Book Fair	1,200.00
Silent Auction	1,000.00
Entertainment Book Sales	500.00
Fun Run	800.00
Hospitality: Teacher Conferences, PTA Meetings,	500.00
Reflections	500.00
Science Fair	500.00
<i>Grants:</i>	
After School Programs	14,500.00
Books for Bookroom	3,000.00
Classroom Consumables	1,000.00
Leadership Training: Fall Training, State Convention,	1,500.00
TOTAL EXPENSES	\$ 26,000.00
Reserves for Start-up Expenses 2018-2019	2,000.00
TOTAL EXPENSES & START UP RESERVES	\$ 28,000.00





05

DISBURSEMENTS



How to properly document money spent

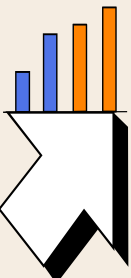
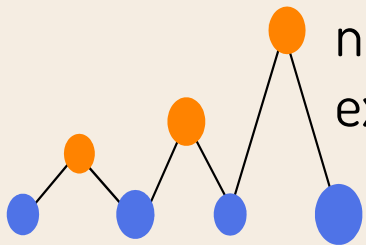




Money Matters



- ▣ **ALL** checks require two authorized signatures. NEVER SIGN BLANK CHECKS.
 - ▣ **ALL** expenses should be paid by check or debit card. NEVER USE CASH.
 - ▣ **ALL** checks written should be only for authorized expenses (INCLUDED IN THE BUDGET OR RECORDED IN MEETING MINUTES)
 - ▣ **ALL** check requests should include a receipt. NO RECEIPT, NO REIMBURSEMENT.
 - ▣ **ALL** Debit/Credit Cards need to have the same documentation. To protect yourself, it is always prudent to email your board and notify them you will be using the Debit/Credit card to pay an expense.
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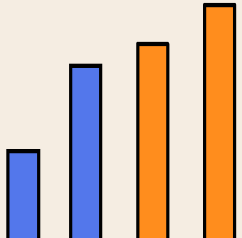


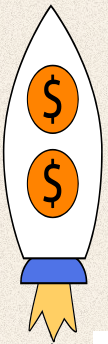


Check Requests and Records



- A voucher should be filled out for every check written or Debit card transaction
- Information to include on the voucher: date, check number, description of the expense, budget line item, amount to be paid and the payee.
- Receipts should be attached





Check Requests and Records

Local Unit PTA
Expense Voucher
(Please attach receipt)

DATE	PTA BUDGET CATEGORY	ITEM OF EXPENSE	AMOUNT

Make check payable to: _____ TOTAL _____

Check requested by: _____
(Committee Chairperson)

Approved by: _____, PTA President

Approved by: _____, PTA Treasurer

For Treasurer's use only:

CK NO: _____

Date Paid: _____

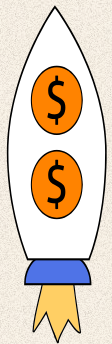




COLLECTING MONEY

How to handle money coming in





Collecting Money

- ❑ Keep a detailed record of all deposits made, including all individual checks included in the deposit, and attach the receipt issued by the bank
- ❑ Deposit all funds promptly in the PTA bank account. Use an endorsement stamp for checks
- ❑ Cash Money counts should be conducted by at least two people (one of which can be the treasurer)
- ❑ Issue a receipt signed by both people who verified the count, and attach it to your copy of the deposit record
- ❑ Cash Verification forms can be found on www.jcpta.org





Cash/Check Receipt Verification



CASH/CHECK RECEIPT VERIFICATION

SOURCE OF CASH OR CHECKS:

PTA ACCOUNT TITLE FOR DEPOSIT:

DATE:

TOTAL AMOUNT OF CASH:

TOTAL AMOUNT OF COIN:

TOTAL AMOUNT OF CHECKS:

OF CHECKS (provide a list of checks with this form):

TOTAL AMOUNT TO BE DEPOSITED:

SIGNATURE OF PERSON TURNING IN MONEY

DATE

SIGNATURE OF PERSON TURNING IN MONEY

DATE

TREASURER VERIFICATION:

TOTAL AMOUNT OF CASH:

TOTAL AMOUNT OF COIN:

TOTAL AMOUNT OF CHECKS:

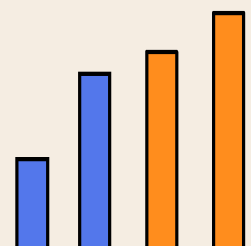
OF CKS

TOTAL AMOUNT TO BE DEPOSITED:

TREASURER SIGNATURE

DATE

TOTAL AMOUNT GIVEN TO TREASURER AND TOTAL AMOUNT DEPOSITED IN THE BANK SHOULD BE THE SAME AMOUNT. IF THERE IS A DIFFERENCE, EXPLAIN BELOW:





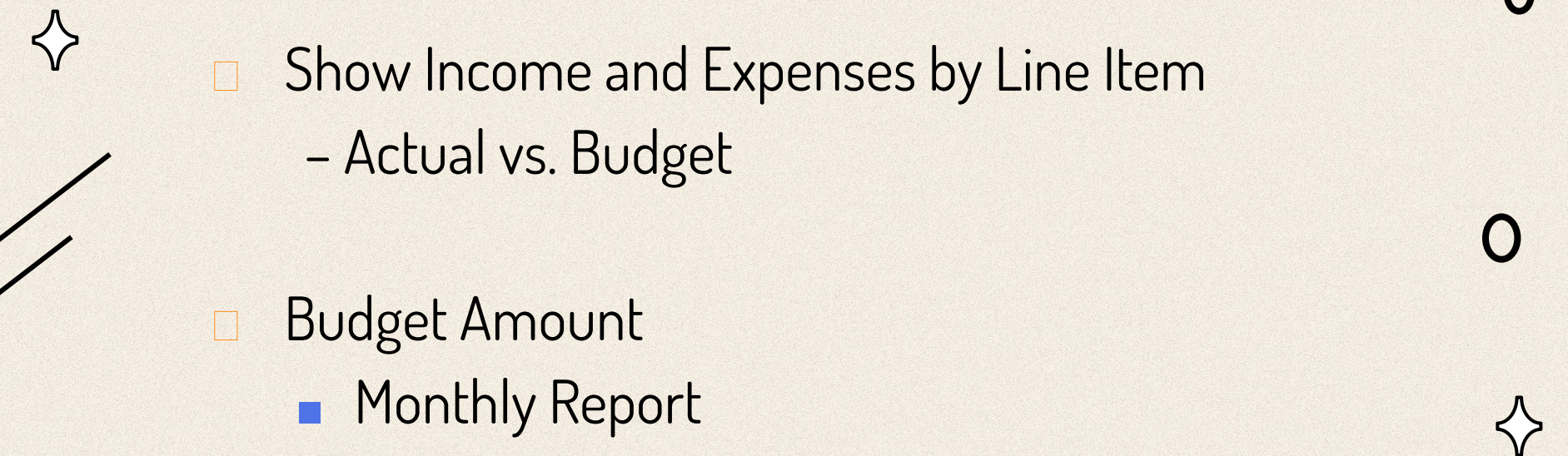
TAXES, INSURANCE, ETC

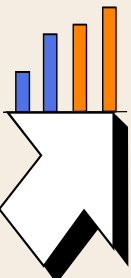
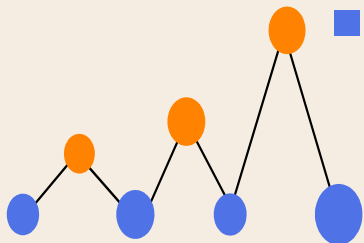
More info on Treasurer Roles





Treasurer's Report

- Make a report for all Board meetings
 - Show Income and Expenses by Line Item
 - Actual vs. Budget
 - Budget Amount
 - Monthly Report
 - Year-to-Date Totals
 - Variance/Difference
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Sample Treasurer Report

Current Balance			\$ 35,530.88
Outstanding Expenses			\$ 2,772.47
Outstanding Deposits			\$ 890.56
Forecasted Income			
Miscellaneous Bank Fees			
Ending Balance			\$ 33,648.97

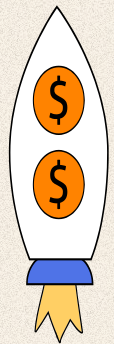
ACTUAL vs. BUDGET YTD		School Year		2021	2022
Code	Committee/ Expense	Actual	Approved Budget	Remaining \$	Remaining %
1000	Reflections	\$181.88	\$665.00	\$483.12	72.65%
3000	Hospitality/ Teacher Appreciation Week	\$1,342.82	\$2,000.00	\$657.18	32.86%
4000	Fall Carnival	\$4,328.25	\$5,000.00	\$671.75	13.44%





Keeping in “Good Standing”

- Make sure a current Officer’s List is filed by June 1st
- File your Membership Reports and dues by 10/1 and 2/1
- Pay liability insurance premiums on time (AIM 11/1)
- Send a copy of your Financial Review Committee Report to the Colorado PTA via “Compliance” in MemberHub
- Send a copies of Form 990, 990-EZ, or proof that you filed the 990N (postcard) to the Colorado PTA
- Proof that you have registered with the Secretary of State if applicable—send in proof to COPTA
- Email copies to: office@copta.org



Recording Membership Dues

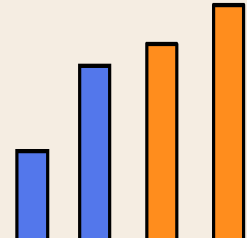
- State and National dues should be recorded as Accounts Payable in your financial records, and subtracted from your ending bank balance on financial reports.
- For every membership, regardless of what you collect per member, you owe \$6.25 to COPTA (\$3 to them, \$2.25 to NPTA, \$1 to JCPTA Council) payable in October and February, along with your membership list.





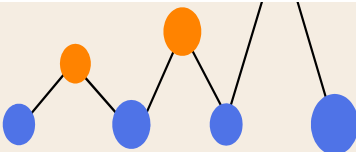
Insurance and Bonding

- General liability insurance protects local PTA units against liability lawsuits arising from injuries and property damage
- Bond insurance protects against losses due to embezzlement
- Review the insurance policy and educate your unit regarding what PTA sponsored events are covered, and what events are excluded.




Tax Returns

If...	Then...
Receipts \leq \$ 50,000	File Form 990-N (e-postcard) electronically by the 15 th day of the 5 th month after year-end (NO EXTENSION WITH THIS FORM)
Receipts $>$ \$50,000 and $<$ \$200,000	Complete Form 990 EZ including Schedules (A,G and/or O) by the 15 th day of 5 th month after year-end
Receipts \geq \$200,00	Complete Form 990 and schedules by the 15 th day of the 5 th month after year-end
You need an extension of time	Complete Form 8868 and mail before the date-due deadline for an automatic 6-month extension
The return is late	A penalty of \$20 a day may be charged
UBI $>$ \$1,000	File a form 990-T with your return



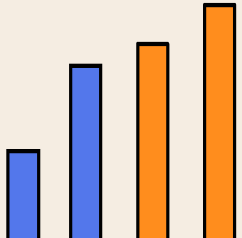
The IRS defines **unrelated business income** (UBI) as income from a trade or business regularly carried on by a nonprofit organization that is not substantially related to the performance by the organization of its exempt function.

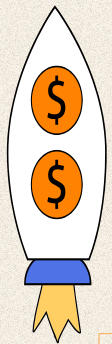




501 (c)3 Tax Exempt Status

- All Local Unit PTAs are considered subordinate units under the Colorado PTA 501(c)3 status.
- All units have their own EIN# for receipts on donations and for filing tax returns.
- The Tax Exemption Number is used to purchase items and be exempt from Colorado sales tax.
- All units use the same Tax Exemption Number.
- Colorado PTA office has a copy of the IRS determination letter, verification that your unit is a subordinate unit, and tax exemption certificate. You are welcome to request a copy.





Registering as a 501 (c)3 Org in Colorado

- If your gross income is greater than \$25,000 then you need to file The Colorado Charitable Solicitations Act.
- First you must file to get a Colorado Business Registration ID#.
- Register with the Colorado Secretary of State's Office as a fundraising 501(c)(3) organization.
- The registration deadline for the The Colorado Charitable Solicitations Act is the same date as the Form 990 filing deadline
- For instructions on how to file, go to www.sos.state.co.us, select "Licensing Center" from the menu bar. Under FAQ's and Instructions, select Registration Instructions for Charitable Organizations








FUNDRAISING

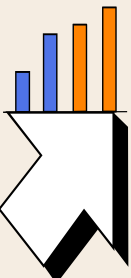
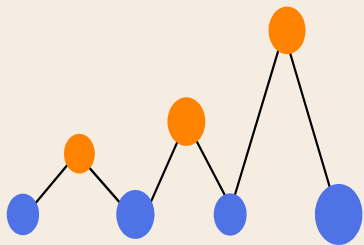
The Do's and Don'ts





Speaking of Fundraising

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- The primary emphasis of PTA should be the promotion of the PTA Mission
 - Fundraising is useful to achieve your goal, but is not a primary PTA function
 - Remember the 3-to-1 rule. For every fundraiser, plan three non-fundraising activities that focus on community outreach, enrichment, or advocacy





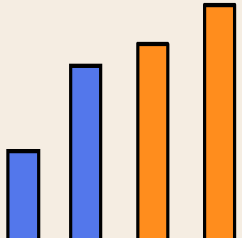
Rules for PTA Sponsorship



- PTAs may accept money from sponsors

BUT

- Sponsor may not receive substantial benefit in return
- PTA may not promote the sponsor's products or services



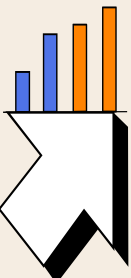
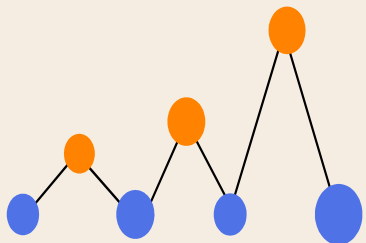
Acknowledging Sponsors: Do's

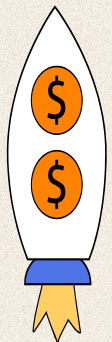
PTA's can acknowledge sponsors:

- Verbally from the podium
- In signage/ banners
- In print or web coverage of the event
- In membership newsletters/publications



Sponsors can distribute small items with their logo and display products at the sponsored event





Acknowledging Sponsors: Don'ts



But... PTA's Can't:

- Use qualitative or comparative language about the sponsors products or services
- Publish price information
- Offer inducements to use, sell, or purchase sponsor's products or services
- Advertise on sponsors' behalf

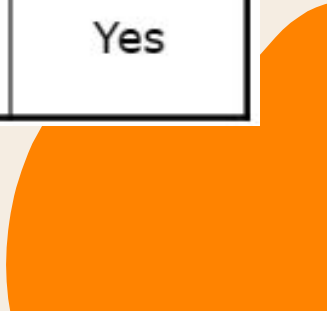
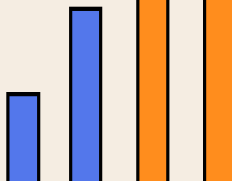
Sponsors cannot make support contingent on attendance at event, broadcast ratings, or and degree of public exposure

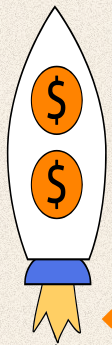




Documenting Contributions

	$\leq \$75$	\$76-\$250	\$251-\$500	\$501-\$5,000	$> \$5,000$
Canceled check	Yes	Yes	No	No	No
Contribution receipt	No	No	Yes	Yes	Yes
Form 8283	No	No	No	No	Yes
Appraisal on form 8283	No	No	No	No	Yes
Identify nondeductible portion	No	Yes	Yes	Yes	Yes





Resources and Reinforcement

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Thank You!

