







Fiduciary Responsibilities

PTAs must be fiscally responsible to the members and need to ensure that all financial procedures and laws are followed.

This is the responsibility of ALL members of the executive board.

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Financial Resources

- California State PTA Toolkit: toolkit.capta.org
- California State PTA website: www.capta.org
- Tax Filing Support Specialist: taxinfo@capta.org
- Bylaws
- Insurance Guide
- Attorney General: www.ag.ca.gov
- IRS: www.irs.gov
- California Franchise Tax Board: www.ftb.ca.gov
- Secretary of State: www.sos.ca.gov



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Role of a PTA Treasurer

- An *elected* member of the board
- Most senior manager of PTA funds
- Chair of the budget committee

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Immediately Upon Election

- Meet
- Survey school's needs
- Goals
- 3-to-1 Rule
- Training
- Financial Reports

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Transition With Outgoing Treasurer

- Accounting system
- Understand reports
- Audited records
- Treasurer's supplies
- Annual Financial Report & Tax Returns

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Bank Accounts

- Approved signers
- Election minutes
- Trip to Bank
- Past signers
- All accounts

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Bank Statements

- Mailed to school address or to non-signer
- No paper statements? Non-signer needs view-only online access to print statements
- **Statements opened (or printed), reviewed, dated & SIGNED by non-check signer**
- 5 minute "financial review"
- Deposits and checks

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Reconciling the Bank Statement

- Reconcile ASAP, must be done monthly
- Reconciliation REVIEWED & SIGNED by non-check signer
- Insurance claims may be denied if process is not followed!

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Organizing Your Records

- Treasurer's reports
- Bank statements and reconciliations
- Cash verification and deposit records
- Authorizations for payment and receipts
- Record retention schedule

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What's in My Treasurer's Binder?

- Calendar
- Agendas, Executive Board
- Agendas, Association
- Minutes, Executive Board
- Minutes, Association
- Budgets (original & updated)
- Annual Financial Report
- Tax Filings
- Audits
- Treasurer's reports, Executive
- Treasurer's reports, Assoc.
- Bank statements
- Bank reconciliations
- Cash Verification forms
- Payment Authorizations
- Bylaws
- Conflict of Interest/ Whistleblower forms

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First Association Meeting

- Financial reports
 - Annual Financial Report for prior year
 - Year-end audit
- Fundraisers and programs
- Budget
- Treasurer's Report
- Checks to ratify
- Release funds

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The Treasurer's Report

- Report Period
- Every Bank Account
- All receipts and expenditures
- Balance reports and minutes
- Ratify checks written

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Part II



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Budget Committee

- President-elect appoints
- Treasurer-elect chairs
- Financial Plan
- New-Old?
- Proposed budget

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Budget Timeline

- Proposed budget to the board
- Last meeting of the year
- Summer funds released
- Revised budget to the board
- First meeting of the year

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The Budget

- Carry-over Funds per the audit
- Income
- Funds Not Belonging to the Unit: Income
- Expenses
- Carry-over for next year's board
- Unallocated
- Funds Not Belonging to the Unit: Expenses

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Monitoring the Budget

- Executive Board responsibility
- Chairmen's role
- Expenses within budget
- Revise budget???

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Dealing With Income

- NO petty cash boxes
- Two people count (minimum)
- Use Cash Verification Forms
- Deposit immediately
- Maintain a paper trail

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Cash Verification Form

- All receipt of monies
- Signed by all counting
- Countersigned -- person taking custody
- Copies of cash verification form

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Dealing With Expenses

- Authorized
- Authorization for payment
- Receipts
- Authorized funds -- paid with signed authorization for payment.
- No authorization of funds?

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Writing the Check

- Payee
- Amount
- **2 Signatures**
- NEVER pre-sign checks
- NEVER pay in cash!

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Electronic Payments

- NO credit/debit cards
- Bank bill payment services
- Large financial processors
- NO person-to-person apps

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Paying Membership and Insurance

- Per capita paid as received
- Channels
- Use proper remittance form
- Insurance must be paid by due date

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Council, district, state, and National PTA dues are **“Funds NOT Belonging to the Unit”** and do not need membership approval to be forwarded.

Remit monthly per bylaws.

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Dealing with TOTEM Fees

- Membership – fee for user
- Donation – fee for PTA
- Reminder: no per capita remitted through channels for Totem members

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Dealing with NSF Checks

- Non Sufficient Funds – returned checks
- Contact payers ASAP
- Collect bank fees
- NSF check = negative to the income account
- When collected, use same income account

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Part III

California State
PTA
www.child.org/voice

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Reporting to the Board

- Treasurer’s report
- Present expense authorizations/
bills to be paid
- Update budget to actuals
- Budget changes needed?

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Reporting to the Association

- Treasurer’s report
- Checks to ratify
- Approve new activities, other budget
changes as needed
- Release funds to next association meeting
- Quarterly (minimum) budget to actuals
update

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Raffles

- Legal raffle vs opportunity drawing

California Attorney General's website
www.ag.ca.gov/charities/raffles.php

- Registration Form
- \$20.00 fee
- CT Number & current status required
- Report due at end of fiscal year

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Casino Nights

- 3 years of tax compliance
- California Attorney General's website
- Registration Form
- \$100.00 fee
- CT Number & "current" status required

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Alcohol

Alcohol and Beverage Control

- Registration Form
- \$100.00 fee
- Auction baskets
- Serving at events

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Preparing for the Audit

- Tie up the loose ends.
 - Pay pending authorizations
 - Research outstanding checks
- Organize records for the auditor - use audit check list
- Deliver books and records to auditor

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Tax Returns

- PTAs file Federal & State information returns with three agencies:
 - Internal Revenue Service (IRS): 990N, 990EZ or 990
 - California Franchise Tax Board (FTB): 199N or 199
 - California Attorney General’s Registry of Charitable Trusts (AG/RCT): RRF-1 and CT-TR-1 (if required)
- **Failure to file = fines and/or loss of tax-exempt status**
- Tax Professional?

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Tax Returns

- Due 4 ½ months after end of fiscal year
- Copies uploaded to MyPTEZ (formerly PTAEZ) and provided to council or district as required
- More info at:

capta.org/pta-leaders/services/tax-filing-support-center/



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Attorney General’s Registry of Charitable Trusts

- Must file RRF-1 annually (due on the same schedule as other tax filings)
- Attach IRS 990 or 990EZ if filed
- Filing fees
- **New** TR-1 Treasurer’s Report Form **ALSO** required if gross receipts ≤ \$50,000

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