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LOCAL UNIT FINANCIAL
REPORT COVER SHEET

Purpose: This report is solely for the internal use of Delaware PTA. It will only be used in the aggregate to enable Delaware PTA to assess the contributions of PTAs throughout the state.

Instructions:

- Fill in the information requested below. Please print.
Submit copies of the following with this form:
- Most recent IRS 990/990EZ or copy of e-card. All units are required to file with the IRS!
- Most recent audit report.
- Final budget for most recently completed school year.
- Most recent annual financial report.
Mail this completed form and attachments to Delaware PTA, 925 Bear-Corbitt Rd, Room 101, Bear, DE 19701-1323.
Send a copy of form and attachments to your region vice president and council president.

Date Local PTA Unit Name
Local Unit ID # Region Council
Contact Person Position
Address
City State Zip
Daytime Phone E-Mail

LOCAL UNIT FINANCIAL REPORT CHECKLIST

(attach documents)

Copy of most recent IRS 990/990EZ or copy of e-card Yes No
Copy of most recent audit report Yes No
Copy of final budget for most recently completed school year Yes No
Copy of most recent annual financial report Yes No

PTA Treasurer's Signature Date

PTA President's Signature Date

FOR OFFICE USE ONLY
Date Received
Notes:

AUDIT CHECKLIST / FINANCIAL MANAGEMENT

Name of PTA/PTSA: _____

Date of this audit: _____ Period covered by this audit: _____

Date of last audit: _____ Period covered by last audit: _____

The purpose of the Audit Checklist/Financial Management Form is to provide the PTA/PTSA Board, Treasurer and Audit Committee with a tool, or guideline, to conduct an inspection of the books and records and a review of the financial management practices of the PTA/PTSA. Stewardship of other people's money is an important part of volunteer activity and requires systematic and ongoing attention.

This checklist should be completed by the board and auditor or audit committee and kept with the adopted audit report and filed with the permanent financial records.

TREASURER'S FILES

1. Were all records turned over in a timely manner to the audit committee?
2. Did the treasurer's books contain a copy of the bylaws and standing rules?
3. Did the treasurer's books contain a copy of the adopted budget?
4. Did the treasurer's books contain a copy of the minutes of all meetings?
5. Did the treasurer's books contain copies of all previous audits?

BUDGET

1. Was the budget prepared and reviewed by the Board?
2. Did the general membership approve the budget? Date: _____
 - a. If NO, explain: _____

TREASURER'S REPORTS

1. Was a detailed, written treasurer's report presented at every Board meeting?
2. Was a treasurer's report presented at every membership meeting?
3. Were the reports clear, concise, and easily understood?
4. Did the reports show the source of all income and expenses?
5. Did the treasurer prepare an annual, year-end detailed, written report?

FINANCIAL PROCEDURES/CONTROLS

1. Were PTA funds always deposited promptly into the PTA bank account?
2. Did two (2) or more people always count the funds?
3. Was a receipt always written to the person who gave the funds to the treasurer?
4. Was all income properly allocated to the appropriate budget line?
5. Were expenditures properly allocated to appropriate budget lines?
6. Was there a proper invoice or receipt for each expenditure?
7. Was every expenditure part of approved budget, or properly approved at a general membership or Board meeting prior to the expense occurring?
8. Are all PTA monies kept separate from school, personal or other organization funds?

MEMBERSHIP DUES

1. What was the PTA/PTSA's total membership count for the year through June 30th?
2. What was the dollar amount paid in dues to Delaware PTA through June 30th?
3. Is there any outstanding dues balance owed to Delaware PTA?
 - a. If yes, what is the balance owed?
 - b. Have arrangements been made for payment to Delaware PTA?

BANK ACCOUNTS

1. With which bank does the PTA/PTSA maintain its checking account?
2. Are all checks used in sequential order?
3. Were all checks properly signed by two signers?
4. Is there a policy that prohibits the signing of blank checks?
5. Are all bank signatory cards up to date with at least 3 Officer signatures?
 - a. If no, please explain:
6. Are all checks accounted for, including voided checks?
7. Does the PTA/PTSA have a savings account?
8. Does the PTA/PTSA have any certificates of deposit?
9. Does the PTA/PTSA have any other types of accounts?
 - a. If yes, please explain:

INSURANCE

1. Who is the PTA/PTSA's insurance provider?
2. Did the PTA/PTSA purchase general liability insurance?
3. Did the PTA/PTSA purchase fidelity bonding insurance?
4. Did the PTA/PTSA purchase directors and officers insurance?
5. Is the PTA/PTSA insured against loss of property (equipment, records, etc)?
6. Did the PTA/PTSA have a claim made against any of its insurance?
7. Is a copy of the insurance loss and control guide included in the treasurer's files?

INTERNAL REVENUE SERVICE

1. What is the PTA/PTSA's Employee Identification Number (EIN)?
2. Did PTA/PTSA's gross income exceed \$50,000 for the most recent fiscal year?
 - a. If YES, has the PTA/PTSA made plans to file a 990 EZ form?
3. Did the PTA/PTSA's gross income exceed \$100,000 for the most recent fiscal year?
4. If YES, it is recommended that the PTA/PTSA hire a CPA for their audit/filing.
4. Has the Form 990N been filed electronically (units grossing \$50,000 or less)?
5. A copy of Form 990N has been uploaded to the Memberhub compliance hub?

BANK RECONCILIATION

1. Was the bank statement reconciled in a timely manner?
2. Are bank statements verified each month by individuals other than those who are authorized to sign checks?
3. Did the monthly, written treasurer's report balance with the bank statement?

4. Did the year end financial report reconcile to the financial statement?

EXAMINATION OF BOOKS AND RECORDS

1. Do the canceled checks, entries in checkbook and treasurer's reports ALL agree?
2. Do the deposit slips, entries in income ledger, and treasurer's reports ALL agree?
3. Did the expenses for projects and activities fall within budgeted levels?
4. Were there any checks written for "CASH"?
5. Have all the financial obligations for the PTA been paid in full?
 - a. If No, explain:

GRANTS, CORPORATE SPONSORSHIP, AND FUNDRAISING

1. Did the PTA/PTSA receive any money from grants?
 - a. If Yes, list: Grant Source/Grant Amount

(Please continue on separate page if necessary)

2. Were monies expended in accordance with grant application(s)
3. Did the PTA/PTSA receive any money or good from corporate sponsorship?
4. Was the money used in accordance with to the request?
5. Did the money follow the 3 to 1 rule* with fundraising?
*3 non-fundraising activities must be held for every 1 fundraising activity
6. Did the PTA/PTSA ensure fundraisers did not exploit children?
7. Were all PTA/PTSA fundraisers approved by the general membership?
8. Was care taken to see that no laws were violated during fundraisers?
9. Were all school system policies for fundraisers followed?
10. Did the PTA/PTSA President sign all fundraising contracts?
11. Were sufficient procedures in place to ensure the safe handling of funds?

OTHER

1. Was money budgeted and spent on Leadership Training?
2. Was money budgeted and spent on State Convention?
3. Is a copy of the adopted audit report provided to Delaware PTA each year?
4. Were all officers paid members of the PTA/PTSA?

NOTES

Financial Review Procedure

1. Start the financial review with the records posted after the last audit. Check to see if the amount shown on the bank statement corresponds to the starting balance recorded in the checkbook and ledger.
2. Complete a sample test of transactions. The size of this sample should be based on the size of the association. If mistakes are found, the sample should be broadened to take in more transactions. It may be deemed necessary to review all the transactions of a PTA. You should consider retaining the services of an external auditor if nearly all of the transactions are reviewed due to errors or concerns regarding accuracy.

Some items to look for:

- Monthly bank reconciliation
 - Unexplained reconciling items
 - Unusual endorsements on checks
 - A match of check endorsements to payees
 - Disbursements not supported by invoices or other documentation
 - Blank checks secured in a safe place
 - Deposit ticket dates timely with dates received by bank
 - Timeliness of deposits based on known dates of events
 - All invoices paid by check and not cash
3. Make certain that state and national portions of the membership dues have been kept separate from other receipts and forwarded immediately to the state office.
 4. Make certain that money collected for a specific purpose (special projects, gifts, scholarship funds, council dues, etc.) has been so disbursed.
 5. Check the treasurer's reports and annual report for accuracy.
 6. After any errors have been corrected by the treasurer, and the president is satisfied that the financial accounts are correct, sign and date the annual report using a different color ink: "Examined and found correct. (Name), (Date)."

7. If all is in order, the financial review committee or auditor should prepare a statement, and the auditor, or each member of the financial review committee, should sign it.

A sample statement might read, "The auditing committee has examined the records of _____ PTA for the period of (time covered) and found them to be correct. Balance on hand: \$ _____." (Signatures of committee)

8. The financial review committee also must submit a report in the event that there are not adequate records available to conduct a proper accounting of the association's funds.

A sample statement might read, "The financial review committee has examined the records of _____ PTA and found that more adequate accounting procedures need to be followed so a more thorough financial review can be given." The financial review committee should indicate the information that is needed.

9. The financial review must be officially adopted by the association and must be included in a completed annual report covering the association's entire fiscal year. If the report states that additional information and verification is needed, the requested information should be provided by the treasurer.
10. If the validity of the financial review is questioned, an independent certified public accountant (CPA) should be engaged. At any time during the process, the state PTA may be contacted for information or assistance.