

Lori Prussman
lorip@mopta.org
816-262-2664

OF BEING
TREASURER

TREASURER

- EACH UNIT OR COUNCIL SHALL HAVE A TREASURER.
- TREASURER SHOULD HAVE SOME FINANCIAL BACKGROUND.
- TREASURER SHOULD BE MADE AWARE OF THE RESPONSIBILITIES OF THE OFFICE BEFORE THEY AGREE TO TAKE THE POSITION.
- IN ORDER TO MINIMIZE FRAUD IT IS STRONGLY SUGGESTED THAT SIGNATURES ON SIGNATURE CARD ARE OF UNRELATED SIGNATORIES.

RESPONSIBILITIES OF TREASURER INCLUDES...

- MANAGE AND OVERSEE ALL FINANCIAL ACTIVITIES OF THE UNIT
- CHAIR BUDGET COMMITTEE (CHECK YOUR BYLAWS)
- MONITOR FUNDRAISING ACTIVITIES
- MAKE DEPOSITS OF FUNDS
- MAKE DISBURSEMENTS AS NEEDED
- REPORT ON ALL FINANCIAL ACTIVITY OF THE UNIT

FINANCIAL TRACKING

- MEMBERSHIP DUES
- FUNDRAISING ACTIVITIES
- ANY RECEIPTS OR DONATIONS
- ALL DISBURSEMENTS MADE
- REPORTING ON ALL ACTIVITIES AT REGULAR MEETINGS

PTA COMPLIANCE

- YEARLY FILING IRS REQUIREMENT (990N, 990EZ OR 990)
- KEEPING YOUR UNIT IN GOOD STANDING WITH MOPTA*
- YEARLY FILE WITH MOPTA YOUR (DUE ON OR BEFORE DEC. 1)
 - FINANCIAL REVIEW (AUDIT)
 - ANNUAL END OF YEAR REPORT
 - A COPY OF IRS FILING

UNIT IN GOOD STANDING

EACH UNIT MUST

- PAY MEMBERSHIP DUES EACH MONTH WHEN THEY ARE SOLD. FUNDS SHOULD NOT STAY IN YOUR ACCOUNT.
- FISCAL YEAR-END REPORT, COPY SUBMITTED TO MOPTA BY DECEMBER 1.
- COPY OF WRITTEN REPORT OF THE ANNUAL FINANCIAL REVIEW OR AUDIT SUBMITTED TO MOPTA BY DECEMBER 1.
- COPY OF THE FILED IRS 990 FORMS OR 990-N EMAIL RECEIPT TO MOPTA BY DECEMBER 1.
- BYLAWS MUST BE CURRENT.

IF YOU MISS THE DECEMBER 1 DEADLINE THE PTA WILL BE OUT OF GOOD STANDING. AS SOON AS THE DOCUMENTS ARE SUBMITTED THE "UNIT IN GOOD STANDING" STATUS WILL BE RESTORED

UPON ELECTION

- READ BYLAWS TO BECOME FAMILIAR WITH DUTIES
- ENSURE THAT THE “BOOKS” HAVE BEEN REVIEWED/AUDITED BEFORE YOU ACCEPT THEM
- HAVE A TRAINING SESSION WITH OUTGOING TREASURER
- OBTAIN ALL PREVIOUS RECORDS AND FILES INCLUDING SUPPLIES OR SOFTWARE
- SECURE SIGNATURES FOR NEW SIGNATURE CARD FOR CHECKING ACCOUNT, SAVINGS OR MONEY MARKET

CONTINUED...

- REQUEST TRAINING OPPORTUNITY FOR YOURSELF AND OTHER OFFICERS; SUCH AS STATE CONVENTION, NATIONAL PTA CONVENTION OR LOCAL SCHOOL OF INFORMATION
- SET FILES UP ACCORDING TO APPROVED BUDGET
- ENSURE THAT FINANCIAL REVIEW/AUDIT, ANNUAL END OF YEAR REPORT AND IRS FILING HAVE BEEN COMPLETED AND SENT TO MOPTA ON OR BEFORE DECEMBER 1ST

TIMELINE (BEST PRACTICE)

- MARCH: ELECTED TO POSITION
- APRIL: ATTEND TRAINING!!
- MAY: INSTALLED TO POSITION.
- JUNE: MORE PLANNING AND TRAINING SESSIONS. END OF FISCAL YEAR (CHECK BYLAWS FOR YOUR END DATE)
- JULY: 1) BEGINNING OF NEW FISCAL YEAR.
 - 2) OUTGOING TREASURER SHOULD HAVE “BOOKS” READY FOR “FINANCIAL REVIEW/AUDIT”
 - 3) COMMITTEE/AUDITOR SHOULD GET “BOOKS”
 - 4) NEW SIGNATURES CARDS MUST BE SIGNED AT BANK
 - 5) OUTGOING TREASURER CANNOT PAY ANY BILLS OR MAKE DEPOSITS. INCOMING TREASURER IS NOW RESPONSIBLE PARTY.
 - CHECKS CANNOT BE WRITTEN UNTIL “BOOKS” ARE AUDITED AND RETURNED.

- AUGUST: "BOOKS" SHOULD BE COMPLETED AND NEW YEAR BEGINNING. CHECK WITH OUTGOING TREASURER TO SEE THAT "REPORTS" HAVE BEEN COMPLETED. THE OUTGOING TREASURER SHOULD HAVE ALL THESE SUBMITTED AND A COPY IN YOUR PROCEDURE BOOK. IF YOUR BUDGET WAS APPROVED AT YOUR MAY MEETING THEN YOU ARE GO TO GO.
- SEPTEMBER: FINANCIAL REVIEW/AUDIT MUST BE APPROVED AT FIRST GENERAL MEETING
- SEPTEMBER - MAY: AT THE FIRST OF EACH MONTH YOU WILL NEED TO SUBMIT MEMBERSHIP DUES TO STATE OFFICE. PAY BILLS AS NEEDED, PREPARE MONTHLY REPORTS, MAKE DEPOSITS AND OTHER DUTIES
- NOVEMBER: DEADLINE FOR IRS FILINGS IS NOVEMBER 15TH
- DECEMBER: DEADLINE DEC. 1ST FOR ALL FINANCIAL REPORTS TO STATE OFFICE
- APRIL: BUDGET COMMITTEE MEET AND PREPARE A PROPOSED BUDGET. (BEST PRACTICE)
- MAY: BUDGET SHOULD BE PRESENTED AND APPROVED AT GENERAL MEMBERSHIP MEETING. (BEST PRACTICE)
- JUNE: BEGIN TO PREPARE FOR THE FINANCIAL REVIEW/AUDIT. JUNE 30TH END OF FISCAL YEAR!

BANKING

- PTA BANK ACCOUNTS ARE FOR PTA USE EXCLUSIVELY
- THE EIN IS THE OFFICIAL IDENTIFICATION FOR THE PTA. PERSONAL SOCIAL SECURITY NUMBERS SHOULD BE USED ONLY FOR PERSONAL IDENTIFICATION OF THE SIGNERS.
- BANK SIGNERS USUALLY DETAILED IN BYLAWS UNDER DUTIES OF OFFICERS-TREASURER. THE BANK MAY REQUIRE MINUTES, BYLAWS OR RESOLUTIONS TO SUPPORT THOSE SIGNERS.
- PTA'S SHOULD NOT USE DEBIT OR CREDIT CARDS.

INSURANCE

- PTA'S SHOULD CONSIDER PURCHASING A NON-PROFIT INSTITUTIONAL FIDELITY BONDING POLICY.
- THE COST OF THE POLICY WILL DEPEND UPON THE AMOUNT OF FUNDS HANDLED BY THE PTA.
- INSURING COMPANIES DO REQUIRE SPECIFIC INTERNAL CONTROLS
- PTA'S SHOULD CONSIDER GENERAL LIABILITY INSURANCE TO COVER ROUTINE RISKS OF MEETINGS. THE SCHOOL DISTRICT'S INSURANCE MAY NOT COVER PTA EVENTS EVEN IF THEY ARE ON SCHOOL GROUNDS.
- OTHER INSURANCE IS AVAILABLE INCLUDING MEDICAL COVERAGE, EVENT COVERAGE, ETC. SUCH INVESTMENTS ARE THE JUDGMENT OF INDIVIDUAL PTA'S.

STATE TAX EXEMPT LETTER

- ISSUED FROM MO DEPARTMENT OF REVENUE
- EACH PTA MUST APPLY FOR THEIR OWN
- MOPTA CAN HELP WITH
 - EIN / LETTER OF DETERMINATION
 - UNIT IN GOOD STANDING STATUS
 - GROUP EXEMPTION NUMBER
- RENEW / NEW

BUDGET

- ALL FINANCIAL TRANSACTIONS MUST FALL WITHIN THE BUDGET.
- THE BUDGET IS PROPOSED BY A COMMITTEE THAT INCLUDES THE TREASURER. BEST PRACTICE IS TO HAVE THIS COMMITTEE MEET BEFORE APRIL 30 TO HAVE BUDGET READY FOR APPROVAL AT MAY MEETING.
- THE BUDGET IS BASED ON PAST RECORDS, PLANNED ACTIVITIES AND GOALS.
- THE BUDGET MUST BE APPROVED BY THE GENERAL MEMBERSHIP. BEST PRACTICE IS TO HAVE YOUR BUDGET APPROVED AT YOUR LAST MEETING OF THE YEAR.
- EXPENSES THAT EXCEED THE BUDGET MUST BE APPROVED BY THE MEMBERSHIP AS A BUDGET AMENDMENT.

FUNDING BUDGETS

- PTA IS PRIMARILY AN EDUCATION & ADVOCACY GROUP - NOT A MONEY RAISING GROUP
- FOCUS SHOULD BE ON SERVICE-ORIENTED PROJECTS
- PURPOSEFUL FUNDRAISING SHOULD BE DONE EACH YEAR
- REMEMBER THAT YOU ARE FUNDRAISING TO FUND YOUR BUDGET IN THAT FISCAL YEAR.
- USE THE **3-TO-1 RULE**: 1 FUNDRAISING = 3 NON-FUNDRAISING PROJECTS AIMED AT HELPING PARENTS AND CHILDREN
- A FUNDRAISING PROJECT SHOULD BE FOR A DEFINITE PURPOSE AND SHOULD BE IN HARMONY WITH THE PTA PURPOSES.

BOOKKEEPING

- SHOULD BE A METHOD THAT ALLOWS DETAILED ACCOUNTING BY BUDGET LINE; THIS COULD BE ON PAPER, SPREADSHEETS OR USING COMPUTER ACCOUNTING PROGRAMS.
- KEEP ALL CHECKBOOK ENTRIES CURRENT.
- MAINTAIN A LOG OF FUNDS RECEIVED AND ANOTHER OF FUNDS DISBURSED.
- MAINTAIN ACCOUNTING FOR EACH BUDGET LINE.
- MAINTAIN A PAPER TRAIL FOR ALL FINANCIAL ACTIVITY FROM THE COUNTING OF FUNDS, TO BANK ACTIVITY TO REPORTS.

MONEY HANDLING

- CASH AND CHECKS SHOULD BE COUNTED BY TWO PEOPLE, A TAPE RUN AND A RECEIPT SIGNED BY BOTH COUNTERS.
- RECEIPTS SHOULD BE WRITTEN IN DUPLICATE FOR ALL CASH RECEIVED: ONE COPY TO THE CHAIRMAN, ONE TO TREASURER.
- CHECKS RECEIVED SHOULD BE NOTATED FOR PURPOSE; RECORD KEPT OF CHECKS
- DEPOSITS SLIPS SHOULD BE MADE AT THE TIME THE FUNDS ARE COUNTED, SLIPS SHOULD BE IN TRIPLICATE: ORIGINAL TO BANK, COPY TO TREASURER, COPY TO ACCOUNT RECONCILER.

MONEY HANDLING

- DEPOSITS SHOULD BE MADE AT THE BANK THE SAME DAY FUNDS ARE COLLECTED, WHENEVER POSSIBLE
- DEPOSITS SHOULD BE NOTATED REGARDING PURPOSE OF FUNDS COLLECTED.
- CASH SHOULD NEVER BE TAKEN HOME OR STORED IN CAR.
- NIGHT DEPOSIT BOXES AT THE BANK ARE THE BEST OPTION, TWO PEOPLE SHOULD GO TOGETHER TO MAKE THE DEPOSIT.

MONEY HANDLING

- CASH STORED IN SCHOOL SAFE SHOULD BE IN A PTA LOCK BOX WITH ONLY PTA ACCESS. COORDINATE THROUGH SCHOOL PRINCIPAL. THE SCHOOL IS NOT RESPONSIBLE FOR THE FUNDS.
- KEEP ALL SUPPORTING DOCUMENTS RECEIVED WITH ANY CASH, FUND RAISER, ETC.
- THE TREASURER SHOULD BE THE ONLY PERSON MAKING DEPOSITS AT THE BANK.
- NEVER DEPOSIT FUNDS INTO SCHOOL OR PERSONAL ACCOUNTS.

DISBURSING MONEY

- ALL DISBURSEMENTS ARE MADE BY CHECK, NO CASH PAYMENTS FOR ANYTHING.
- REFUNDS ARE MADE BY CHECK AND A RECEIPT ISSUED.
- EXPENDITURES SHOULD FALL WITHIN THE BUDGET.
- EXPENDITURES SHOULD BE AUTHORIZED BY TWO PEOPLE, E.G. PRESIDENT AND CHAIRMAN. VOUCHERS SHOULD BE SUBMITTED ALONG WITH RECEIPTS. (BEST PRACTICE)

DISBURSING MONEY

- CHECKS ARE ALWAYS SIGNED BY THE TREASURER. BYLAWS MAY REQUIRE SECOND SIGNATURE (SUGGESTED)
- PRESIDENTS SHOULD ONLY SIGN CHECKS IN THE ABSENCE OF THE TREASURER, OR AS CO-SIGNER ON CHECK IF REQUIRED.
- CHECKS SHOULD BE USED IN NUMERICAL ORDER.
- **NEVER SIGN A BLANK CHECK.**
- **NEVER SIGN A CHECK TO CASH.**

DISBURSING MONEY

- A RECEIPT, INVOICE OR OTHER DOCUMENTATION SHOULD BE KEPT ALONG WITH THE VOUCHER FOR EVERY CHECK WRITTEN.
- MAINTAIN A RECEIPT FOR ALL PURCHASES.
- PAY BILLS AT LEAST MONTHLY UPON SUBMISSION OF RECEIPTS, **NEVER PAY WITH CASH.**

RECONCILE MONTHLY

- RECOMMEND THAT BANK STATEMENTS BE REVIEWED AND INITIALED BY SOMEONE OTHER THAN ACCOUNT SIGNERS (INSURANCE COMPANY MAY REQUIRE THIS)
- RECOMMEND THAT YOU ADD TO YOUR STANDING RULES TO MAKE IT A DUTY OF ANOTHER ELECTED OFFICER WHO IS NOT A SIGNER, TO REVIEW THE BANK STATEMENT EACH MONTH.
- HAVE STATEMENTS SENT TO BOTH THE TREASURER AND THE REVIEWER; IF POSSIBLE. ONLINE VIEWING OF THE ACCOUNTS MAY SUFFICE OR MAKE COPIES FOR REVIEWER.
- REVIEWER SHOULD LOOK FOR RED FLAGS INCLUDING: CHECKS SHOWING UP IN NON-SEQUENTIAL ORDER, CHECKS MADE OUT TO CASH, CASH WITHDRAWALS, CHECKS WRITTEN OUT TO NON-APPROVED VENDORS, CHECKS WRITTEN OUT FOR NON-APPROVED EXPENSES, CHECKS WRITTEN OUT TO INDIVIDUALS.

RECONCILE MONTHLY

- THE TREASURER SHOULD PROVIDE THE REVIEWER WITH EVIDENCE SUPPORTING ANY QUESTIONABLE TRANSACTION.
- ANY DISCREPANCIES SHOULD BE DISCUSSED WITH THE TREASURER, REVIEWER AND PRESIDENT.
- USE OF A SERVICE FOR COLLECTION OF INSUFFICIENT FUNDS IS RECOMMENDED. TRY CALLING THE BANK TO SEE IF THERE ARE FUNDS AVAILABLE BEFORE DEPOSITING AGAIN.

REPORTS

- PREPARE REPORTS **MONTHLY**. BEGINNING BALANCE, ITEMIZE RECEIPTS AND DISBURSEMENTS, AND CONCLUDE WITH A BALANCE ON HAND.
- ALL FUNDS SHOULD BE TRACKED SEPARATELY BY ACTIVITY.
- THE TREASURER SHOULD HAVE AT ALL TIMES A BREAK DOWN OF BUDGET USAGE.
- PREPARE AN **ANNUAL YEAR-END REPORT** THAT REFLECTS ALL ACTIVITY FROM THE FIRST DAY THROUGH THE LAST DAY OF THE FISCAL YEAR.

FINANCIAL REVIEW (AUDIT)

- THE BOOKS OF THE TREASURER MUST BE REVIEWED EVERY YEAR.
- ADDITIONAL REVIEWS SHOULD BE HELD UPON THE CHANGE OF TREASURER.
- ENSURE BOOKS ARE BALANCED AND WELL DOCUMENTED.
- A REPORT SUMMARIZING THE EXAMINATION WILL BE WRITTEN AND SIGNED BY THE EXAMINERS. THE REPORT MUST BE ADOPTED BY THE UNIT AT THE NEXT MEETING.

IRS 990, 990 EZ OR 990-N

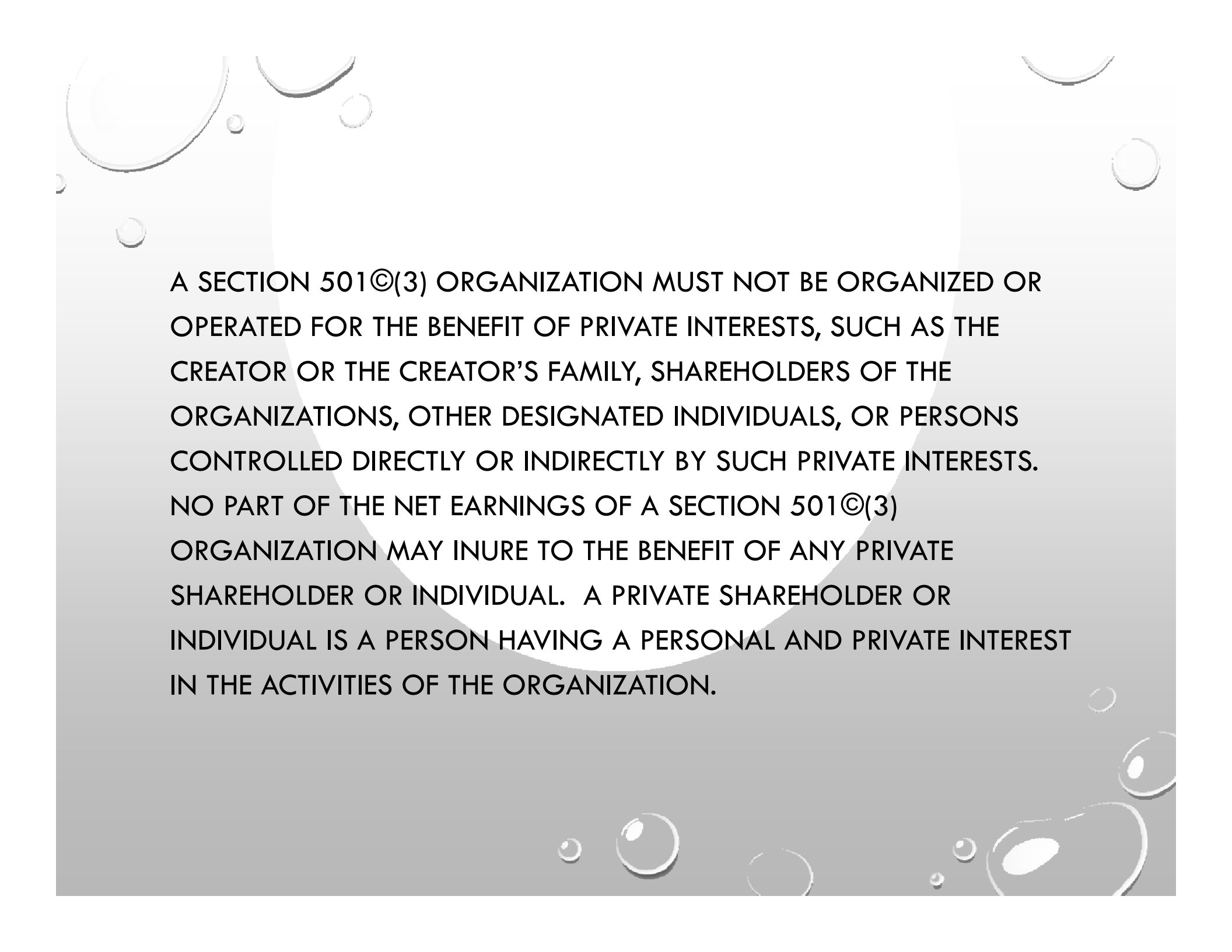
- ALL NON-PROFIT ORGANIZATIONS INCLUDING PTAS, MUST FILE THE APPROPRIATE 990 FORM EACH YEAR.
- DETERMINED BY THE AMOUNT OF GROSS RECEIPTS FOR THE YEAR.
- 990'S MUST BE FILED BY THE 15TH DAY OF THE 5TH MONTH FOLLOWING THE CLOSE OF THE FISCAL YEAR. (FISCAL YEAR ENDING JUNE 30, THE 990 IS DUE NOVEMBER 15.) THE 990 CAN BE FILED SOON AFTER THE CLOSE OF THE FISCAL YEAR; DO NOT WAIT FOR THE DEADLINE.
- SUBMIT A COPY OF THE 990-N EMAIL RECEIPT OR A COPY OF THE FILED 990, 990 EZ AND SCHEDULE A TO MOPTA BY DECEMBER 1.

WHOSE MONEY IS IT?

- THE TREASURER IS THE CUSTODIAN OF THE MONEY, IT DOES NOT BELONG TO THE TREASURER, THE EXECUTIVE COMMITTEE, THE PRINCIPAL OR THE COUNCIL. **THE MONEY BELONGS TO THE GENERAL MEMBERSHIP OF THE UNIT.**
- THE TREASURER IS TO DISBURSE THE MONEY AS DIRECTED BY THE EXECUTIVE BOARD/COMMITTEE, BY THE MEMBERSHIP AND BY THE APPROVED BUDGET.
- IT IS THE TREASURER'S DUTY TO DISBURSE MONEY IN ACCORDANCE WITH GOOD FINANCIAL PRACTICES AND ACCORDING TO THE BYLAWS.

SUNSHINE FUNDS

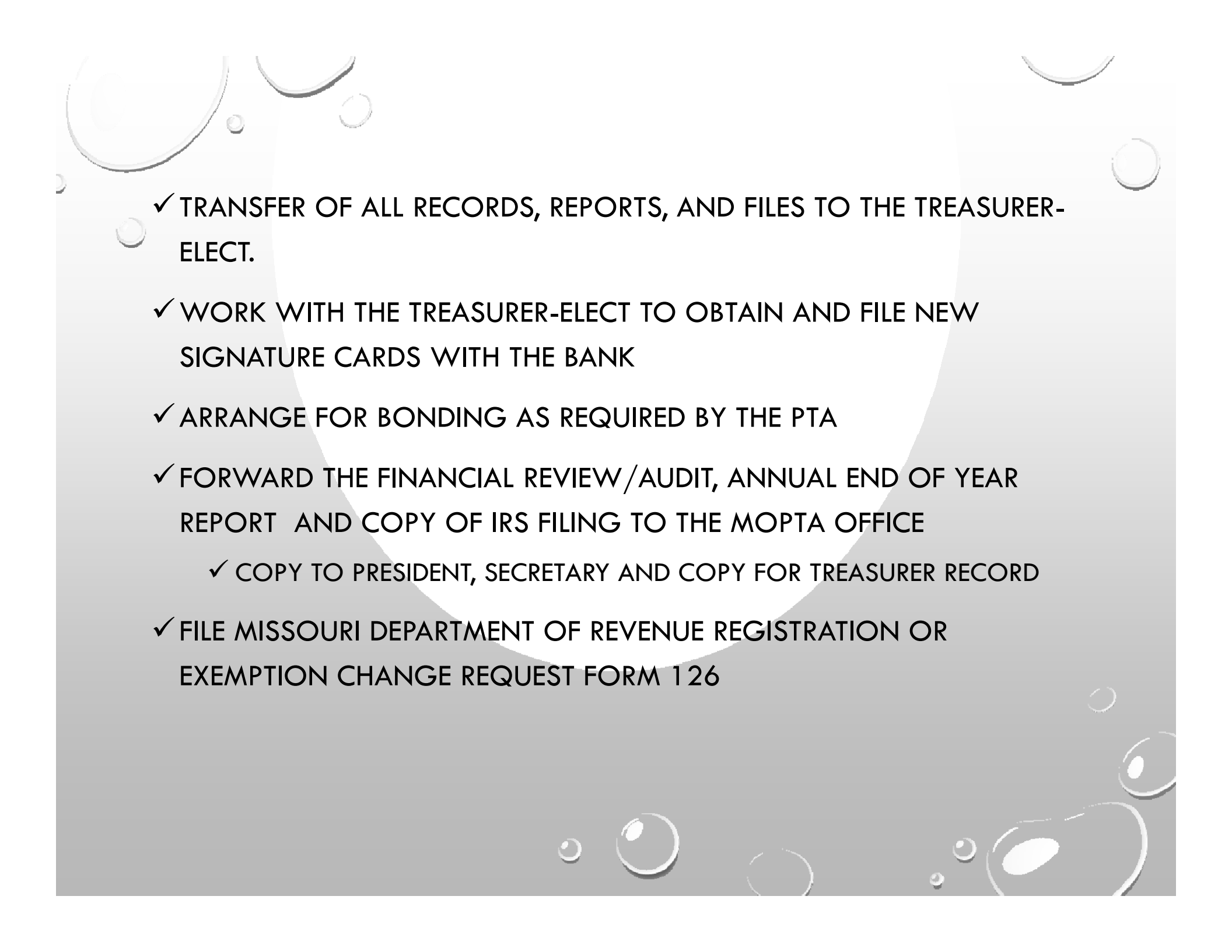
“SUNSHINE FUNDS” REFER TO A LOCAL PTA UNIT’S EFFORT TO PROVIDE ASSISTANCE TO AN INDIVIDUAL OR FAMILY IN THE CASE OF A CATASTROPHIC EVENT, SUCH AS FIRE OR OTHER DISASTER. WHILE THESE EFFORTS ARE EXTREMELY WELL INTENTIONED AND ADMIRABLE, USING THE FUNDS OF A LOCAL PTA FOR SUCH A CAUSE COULD RESULT IN THAT LOCAL PTA UNIT LOSING THEIR TAX-EXEMPT STATUS WITH THE IRS. THIS IS DUE TO THE “INUREMENT OF BENEFITS RULE”, WHICH STATES THE FOLLOWING:



A SECTION 501©(3) ORGANIZATION MUST NOT BE ORGANIZED OR OPERATED FOR THE BENEFIT OF PRIVATE INTERESTS, SUCH AS THE CREATOR OR THE CREATOR'S FAMILY, SHAREHOLDERS OF THE ORGANIZATIONS, OTHER DESIGNATED INDIVIDUALS, OR PERSONS CONTROLLED DIRECTLY OR INDIRECTLY BY SUCH PRIVATE INTERESTS. NO PART OF THE NET EARNINGS OF A SECTION 501©(3) ORGANIZATION MAY INURE TO THE BENEFIT OF ANY PRIVATE SHAREHOLDER OR INDIVIDUAL. A PRIVATE SHAREHOLDER OR INDIVIDUAL IS A PERSON HAVING A PERSONAL AND PRIVATE INTEREST IN THE ACTIVITIES OF THE ORGANIZATION.

BEFORE YOU LEAVE OFFICE

- ✓ MAKE SURE THAT ALL STATE AND NATIONAL PORTIONS OF DUES HAVE BEEN COLLECTED AND FORWARDED TO THE STATE PTA OFFICE.
- ✓ PREPARE ALL FINANCIAL RECORDS FOR AUDIT
- ✓ MAKE SURE THAT THE PTA'S BOOKS AGREE WITH THE BANK BALANCE AND OUTSTANDING CHECKS, PLUS CASH ON HAND
- ✓ PREPARE THE ANNUAL REPORT COVERING THE TERM OF OFFICE
- ✓ SUBMIT IRS FORM 990, 990-EZ, 990-N, 990-T, OR OTHER IRS FORMS IF REQUIRED. PREPARE OTHER REPORTS REQUIRED BY THE GOVERNMENT

- 
- ✓ TRANSFER OF ALL RECORDS, REPORTS, AND FILES TO THE TREASURER-ELECT.
 - ✓ WORK WITH THE TREASURER-ELECT TO OBTAIN AND FILE NEW SIGNATURE CARDS WITH THE BANK
 - ✓ ARRANGE FOR BONDING AS REQUIRED BY THE PTA
 - ✓ FORWARD THE FINANCIAL REVIEW/AUDIT, ANNUAL END OF YEAR REPORT AND COPY OF IRS FILING TO THE MOPTA OFFICE
 - ✓ COPY TO PRESIDENT, SECRETARY AND COPY FOR TREASURER RECORD
 - ✓ FILE MISSOURI DEPARTMENT OF REVENUE REGISTRATION OR EXEMPTION CHANGE REQUEST FORM 126

SUPPLEMENTAL INFORMATION

- CHECK NATIONAL & STATE PTA WEBSITES REGULARLY...
 - WWW.PTA.ORG & WWW.MOPTA.ORG
 - READ YOUR BYLAWS AND STANDING RULES
 - FIND TRAININGS TO ATTEND
 - HAVE REGULAR CORRESPONDENCE WITH YOUR PRESIDENT
 - BE INFORMED AND ASK QUESTIONS
 - ASK STATE PTA FOR HELP WHEN NEEDED, DON'T WAIT UNTIL A SMALL PROBLEM BECOMES A BIG PROBLEM