



# UNIT TREASURER DUTIES

## GLENDALE COUNCIL PTA

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2011

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# Mission Statement



The mission of the California State PTA is to positively impact the lives of all children and families by representing our members and empowering and supporting them with skills in advocacy, leadership, and communication.

# Responsibilities of the Board

- Protect the assets of the organization.
- Ensure compliance with all laws.
- Ensure assets are used to serve the interest and needs of beneficiaries.
- Ensure continuity of the organization.
- Ensure the organization remains transparent.
- Ensure you are carrying out the purpose you have been given.
- The PTA program, budget, membership plan and fundraising plan must be approved by the association at the first meeting of the year and before any plans are implemented.

# Fiduciary Responsibilities

- PTAs must be fiscally responsible to the members and need to ensure all financial procedures are followed.
- This is the responsibility of ALL members of the executive board.

# Sources of Information

Source	Contact	Purpose
State PTA Toolkit-Finance Section	<a href="http://www.capta.org/sections/resources/downloads/toolkit-2011/toolkit-en.pdf">http://www.capta.org/sections/resources/downloads/toolkit-2011/toolkit-en.pdf</a> <b>Forms:</b> <a href="http://www.capta.org/sections/resources/downloads/toolkit-2011/toolkit-en-09.pdf">http://www.capta.org/sections/resources/downloads/toolkit-2011/toolkit-en-09.pdf</a>	<ul style="list-style-type: none"> <li>•Explains procedures, responsibilities for each person.</li> <li>•Forms</li> <li>•Sample reports</li> </ul>
Unit Treasurer Procedure Book	Outgoing unit treasurer	<ul style="list-style-type: none"> <li>•Explains unit's procedures, has examples of previous duties</li> </ul>
Unit's Bylaws	Unit parliamentarian or president	<ul style="list-style-type: none"> <li>•Fiscal year</li> <li>•Audit dates</li> <li>•States amounts that can be paid in between Association meetings.</li> <li>•States carryover amounts.</li> </ul>
Glendale Council PTA web site	<a href="http://www.glendalepta.org">www.glendalepta.org</a>	<ul style="list-style-type: none"> <li>•Forms</li> <li>•Procedures</li> <li>•Financial calendar</li> </ul>
First District PTA	<a href="http://www.pta1stdistrict.org">www.pta1stdistrict.org</a>	<ul style="list-style-type: none"> <li>•Forms</li> <li>•Tax info</li> <li>•District info</li> </ul>

# Duties & Responsibilities



- Follow proper procedures.
- Keep accurate records.
- Pay accounts promptly.
- Meet all deadlines/due dates given.
- Responsible for maintaining the financial records of the Association.
- Show up to your unit's meetings.
- Preparing and presenting reports.
- Maintain procedure book.
- Work with outgoing Treasurer to learn the ropes, accounting system.

# Immediately Upon Election

- Board members meet
- Board members survey the school's needs & sets goals
- 3-to-1 Rule (Programs-to-Fundraisers)
- Treasurer chairs budget committee
- All officers attend training
- Become familiar with the reports
- Review Toolkit and bylaws; they are the governing documents

# Treasurer's File

- Procedure book
  - ▣ Bylaws
  - ▣ Budgets
  - ▣ Annual reports
  - ▣ Toolkit – Finance section
  - ▣ Tax info.
  - ▣ Audit report
- Checks and register
- Deposit slips
- Historical Financial records
- Forms
  - ▣ Cash verification
  - ▣ Payment authorization
  - ▣ Warrant statements
  - ▣ Council remittance forms
  - ▣ Membership remittance forms
  - ▣ Unit Financial Summary Report
  - ▣ Project carry over substantiation
- Financial calendar
- Contacts

# Check Signers

- Change check-signing officers at the unit's bank.
  - ▣ New signature cards must be completed if officers are changing.
  - ▣ At the meeting prior to year-end, the Association must approve the new check-signing officers
  - ▣ These minutes must be presented to the bank as evidence of the change.
  - ▣ **NO BANK/ATM CARDS ALLOWED!**

# Unit Financial Calendar Due Dates

Due Date	Items
Spring	<ul style="list-style-type: none"><li>•Meet with Outgoing/Incoming President and Treasurer to work on budget</li><li>• Present proposed budget to Board</li><li>• Release funds to be spent over the summer before next Assoc meeting.</li></ul>
First Association Meeting of New Fiscal year	<ul style="list-style-type: none"><li>•Present financial reports</li><li>•Accept Annual Financial Report for the prior year</li><li>•Adopt year-end audit</li><li>•Authorize fundraisers and programs</li><li>•Adopt budget for the current year</li><li>•Present Treasurer's Report</li><li>•Ratify any checks written since last association meeting</li><li>•Authorize specific expenditures</li><li>•Release funds for fall programs</li></ul>

# Council Financial Reports Due Dates

Due Date	Items
End of August	<ul style="list-style-type: none"><li>•Unit Annual Financial Summary Report</li><li>•Annual Year-End Audit</li><li>•Annual Year-End Financial Report (Treasurer's Report)</li><li>•Adopted Budget</li><li>•Project Carryover Funds Substantiation Report</li><li>•Tax Returns-Federal 990, State 199</li></ul>
By September Council Meeting	<ul style="list-style-type: none"><li>•Council Operating Contribution</li><li>•Council Student Welfare Contribution</li><li>•Daily HS Contribution</li><li>•Council Administrators Lunch</li><li>•Early Bird Membership</li><li>•RRF</li></ul>
By October Council Meeting	<ul style="list-style-type: none"><li>•Insurance Premium</li><li>•Workers Comp Annual Payroll Report</li></ul>
By December Council Meeting	<ul style="list-style-type: none"><li>•Mid-Year Audit Report (FY ending 5/31)</li></ul>
By February Council Meeting	<ul style="list-style-type: none"><li>•Mid-Year Audit Report (FY ending 6/30)</li></ul>

# Reports-Annual

## □ **Annual Financial Report/Treasurer's Report**

- Recaps all gross income spent and expenses incurred compared to budgeted amounts by category for the fiscal year just completed.
- The top header should include: fiscal year (dates covered), unit name and city, IRS EIN #, Glendale Council, First District.
- Form Sample: see link on page 6 for all forms
- Due by August 31
  - Outgoing treasurer responsible to complete.

# Reports-Annual

## □ **Unit Financial Summary Report**

- This summarizes your bank balance and the signers and secretary of your unit.
- Form available on Glendale PTA web site.
- Due August 31
  - Outgoing treasurer responsible to complete.
- Sample:  
<http://glendalepta.org/pdf/FDUnitFinSummFormGlendaleCouncilpdf.pdf>

# Reports-Annual

## □ Taxes-Federal

- Form 990 Federal Tax Return
- Glendale/First District PTA web sites have assistance and links.
  - \$50,000 or less in gross receipts – Form 990N ('e-postcard').
  - \$50k-\$200k in gross receipts, Form 990EZ.
    - With assets less than \$500k.
    - Gross receipts do not include dues passed onto council.
  - \$200k+ gross receipts – Form 990
- Returns due 4 ½ months after close of fiscal year.
- ***If you get any notices at all from the IRS or any California agency, notify Council immediately! Do not try to solve yourself!!***

# Reports-Annual

## □ Taxes-Federal (continued)

- Consider hiring a tax preparer if receipts are \$50k+
- Fines may apply for late filings!
- Send 2 copies to Council Treasurer.
  - epostcard – forward email confirmation to Council Treasurer.
- Due August 31
  - Outgoing treasurer responsible to complete.
- Information at: <http://glendalepta.org/pdf/Taxes.pdf>
- Form 990N E-postcard info:  
<http://glendalepta.org/pdf/990NInstructions.pdf>

# Federal Forms

- Form 990 tax returns are required annually
- Form 8868 is required for an extension
- Due 4 months and 15 days after fiscal year ends (June 30 is due November 15)
- Schedule B is required if PTA receives a donation of \$5,000 or more from a single donor
- Form 990EZ and Form 990 have additional schedules

# Reports - Annual

## □ Taxes-State

### □ **\*\*NEW\*\***

□ State of California new requirements for tax year beginning in 2010, ending in 2011

□ Form 199 or 199N

■ Gross receipts less than \$25,000 – 199N

■ Not including pass through to Council

■ Gross receipts \$25,000+ = 199

■ \$10 fee

□ All units must file, no exceptions!

□ Tax returns due 4 ½ months after close of fiscal year.

# Reports - Annual

## □ Taxes-State (continued)

□ **\*\*NEW\*\***

□ Franchise Tax Board (FTB) is issuing Entity ID Numbers (aka Org number).

■ Not the same as IRS Federal Employer Identification Number (FEIN)

■ Different from CT #

■ Notify Council of your SEIN

□ [http://www.ftb.ca.gov/professionals/taxnews/2010/July/Article\\_8.shtml](http://www.ftb.ca.gov/professionals/taxnews/2010/July/Article_8.shtml)

□ ***If you get any notices at all from the IRS or any California agency, notify Council immediately! Do not try to solve yourself!!***

# Reports-Annual

- **California State Statement of Domestic Non-Profit (SI-100).**
  - For incorporated units only.
  - Current fee is \$20 (make sure to budget annually)
  - Due bi-annually.
  - [http://www.sos.ca.gov/business/corp/pdf/so/corp\\_so100.pdf](http://www.sos.ca.gov/business/corp/pdf/so/corp_so100.pdf)

# Reports-Annual

- **The last word on taxes:**
- You should present the various returns to the Board
  - ▣ They must have an understanding of the financials of the unit and should vote to authorize the Treasurer to submit the tax return.
  - ▣ Give them 10 days to review prior to vote.

# Reports-Annual

- **NEW\*\***
- **New State Requirement for 2012 for all units**
  - Charitable Trust Numbers (aka CT Number) - All units have to apply for one.
  - Registration Renewal Form (RRF-1) aka Charitable Trust Number renewal fee.
    - State's Attorney General disclosure form.
    - Stated receipts should match tax returns.
    - Annual within 4 1/2 months after end of fiscal year.
    - Don't file RRF until you get a CT #!
    - [http://ag.ca.gov/charities/forms/charitable/rrf1\\_form.pdf](http://ag.ca.gov/charities/forms/charitable/rrf1_form.pdf)

# Reports-Annual

## □ Budget

- Outlines estimated income and expenses for fiscal year.
- Do not assume any financial obligation can be carried over into another term of office.
- Treasurer chairs budget committee, include ingoing/outgoing president.
- Needs to be voted/adopted on at association meeting.
- 2 copies of proposed budget to Council Treasurer.
  - If adopted without changes just let the Council Treasurer know the date of adoption
  - If adopted with changes, send the final approved budget.
- Form Sample: see link on page 6 for all forms
- Due August 31.

# Budget

- Monitor monthly.
- Notify Chairs of budgeted amounts
  - ▣ Budgeted amount does not equal amount that can be spent, especially if income is lower than expected.
- Can be revised by Association.
  - ▣ Exec Board reviews first.

# Reports-Annual

- **Project Carry-Over Substantiation form**
  - ▣ Carry over what standing rules (attached to bylaws) indicate.
    - If none, carry over amount sufficient to get through expenses for the first month or so of new fiscal year (typically \$2,500 - \$5,000).
  - ▣ Whatever funds raised should be spent in that fiscal year.
    - A Board can't encumber a future board for an expenditure.
  - ▣ Amounts carried over for specific project(s)
    - If not spent in that fiscal year, use Project Carry-Over Substantiation Form
    - Two copies to Council Treasurer.
  - ▣ Form: <http://glendalepta.org/pdf/ProjectFundsCarryOver.pdf>
  - ▣ Due August 31.

# Reports-Annual

## □ Conflict/Whistleblower Form

- Annual questionnaire
- Required to be signed by all board members annually.
- Unit Treasurer to keep on file.

### □ Form:

<http://www.capta.org/sections/resources/downloads/forms/ConflictWhistleblowerForm.pdf>

# Reports-Monthly

## □ **Treasurer Reports**

- Complete separate report for every Exec Board and Assoc Meeting.
  - Report to Assoc should show all months between meetings.
- Report period should be close to Meeting, one week before is recommended.
- Show income and expense categories, budgeted amount for each category, and difference between actual received/spent and budgeted amount.
- Present bills to be paid.
- Display beginning and ending bank balance with total income and disbursements shown for period.
  - Beginning bank balance of report should match exactly as ending bank balance of previous report.

# Reports-Monthly

## □ **Treasurer Reports**

- Do not include spending not yet been approved by the association.
- Annual report shows all of the above but for the entire fiscal year.
- Summer: prepare at least one report for the summer months.
  - EG, if you have an Association meeting in June and then the next one is in September, your report should be June 1 through August 31.
- Form Sample: see link on page 6 for all forms

# Treasurer's Report Categories

- Income not belonging to Unit: Membership
- Unit Income: Fundraising, Membership, Carnival, etc.
- Disbursements not belonging to Unit: Membership
- Unit Expenses: Matching income categories, Assemblies, Classroom grant, etc.
- Miscellaneous category is for incidentals
  - ▣ If you are putting larger amounts into this category, create a new line item for that event.

# Audit Report

- Verification of the financials/banking records to ensure there is no fraud or mistakes in the accounting of the unit.
- Conducted by unit auditor (Council Auditor if no unit auditor).
  - Auditor should not be related by blood/marriage or reside in the same household as the President, treasurer or financial secretary.
- Conducted twice per fiscal year
  - At close of fiscal year and mid-point of year.
  - Bylaws state when audits are to be conducted and due dates.

# Audit Report

- Unit Treasurer must give all necessary paperwork to auditor, including:
  - Checkbook & canceled checks
  - Bank statements and deposit receipts, including cash verification forms
  - Check ledger or register
  - Check requests with itemized statements and receipts for bills paid
  - Copies of all minutes and adopted budget.
  - Bylaws
  - Tax Return

# Audit Report

- Send 2 copies of audit to Council Treasurer.
  - ▣ Audit report
  - ▣ Audit Checklist
- Due August 31 and December 31 / January 31.
  - ▣ Outgoing treasurer responsible to get books ready for YE audit.
  - ▣ Form and checklist sample: see link on page 6 for all forms

# Income-Deposits

- Only PTA funds should be deposited into PTA accounts and never deposit PTA funds into a person's account(s).
- Event chair plus second person must count money before submitting.
- Use Cash Verification Form (online at [capta.org](http://capta.org)).
- Attach adding machine tape or spreadsheet for checks.
- Maintain paper trail: copies of deposit slips and cash verification form.
- Deposit money immediately after event or leave in school safe.
  - Do not hold onto money!!
  - Do not take it home!!
  - Huge liability for Chair, Board and unit.

# Non-Sufficient Funds

- Non Sufficient Funds – returned checks
- Deal with NSF checks immediately
- Collect total of NSF check and any bank fees
- Enter amount of NSF check as a negative amount in income account.
- When collected – enter as a positive amount to same income account.

# Writing Checks

- All checks must have 2 signatures
  - ▣ Don't sign blank checks.
  - ▣ No checks written to cash.
- Use Payment Authorization/Reimbursement form with receipts attached.
- **Expenses must be preapproved by the association prior to money being spent.**
  - ▣ Event chairs must plan ahead to request preapproval for Association approval before event.
  - ▣ Association can deny payment.
  - ▣ Any expenses spent above preapproved amount must be approved by Assoc prior to being paid out.
- Categorize appropriately.

# Writing Checks

## Warrant Statement

- Listing of checks to ratify and bills to pay.
- Read at Association meeting for approval.
- Create separate warrant statements for checks to ratify and bills to pay.
  - ▣ Include date, meeting title, list of checks (numbers, payee, budget category and amount).
- Checks to ratify are bills approved by Exec board between assoc mtgs
  - ▣ Checks can be released but must still be ratified by Association.
- Bills to pay are those checks to be approved at Association meeting
  - ▣ Those checks/bills in between Exec Board meeting and Assoc meeting.
- Warrant stmt should be signed by president and secretary.

# Writing Checks

- Paying Expenses to Council
  - ▣ Use Council Remittance slip for payments to council (except membership).
    - Membership – use separate remittance slip.
    - Payable to Glendale Council PTA.
    - Pay **before** due dates.
  - ▣ Send to Council Financial Secretary.
- Membership Payments
  - ▣ Use pink form.
  - ▣ Send to Council 1<sup>st</sup> VP-Membership.
  - ▣ Council, State, National dues = \$4.75 per member.
  - ▣ Use category titled “Income not belonging to Unit” for receipts and “Disbursements Not belonging to Unit” for payments to Council.

# Bank Reconciliation

- Have officer other than check signer review bank statement, sign and date it, then forward to treasurer.
- Need deposit slips, receipts and check register.
- Reconcile as soon as possible.

# Hiring People/Vendors

- Unit PTA's should not be in the business of hiring people.
- If units pay an individual more than \$600 per tax year, unit must file a 1099 or W2 for that person and possibly pay taxes for them.
- If unit pay over \$1,000 to all individuals hired in a calendar year, unit must pay additional workers comp.
  - ▣ This includes babysitting services at Association meetings.
- Check Insurance/Loss Prevention Guide for acceptable activities.

# Workers Comp

- Always complete this form, whether you paid someone or not during the year.
- List anyone who your unit paid (babysitters, assembly vendors, independent contractors, etc), who do not have their own WC insurance.
  - If vendor has its own WC insurance, do not list on PTA WC form, but attach copy of vendor's WC insurance.
- List name of worker, type of work, dates worked, payroll amount.
- If no one paid write, "no one paid". Every unit must submit a form.
- Due November each year
  - 2 copies to Council Treasurer.
  - Project for full calendar year.
- Form: <http://glendalepta.org/pdf/09-WorkCompAnnualPayroll.pdf>

# Vendors

- Contracts must be voted on at Association meeting and signed by 2 elected officers
  - ▣ One signer must be the president.
  - ▣ Read contracts carefully.
- Never sign a hold harmless agreement. Use CA PTA's Loss Prevention Guide for guidance.

# Gifts

- PTA cannot give gifts to individuals!
  - ▣ Donations are acceptable
    - Freewill Donation collected at Founder's Day
    - Donations to Boys Camps in December
  - ▣ Teacher appreciation – anything given should be nominal or not collected or distributed through PTA.
  - ▣ Classroom 'grant' – need to be reimbursement of actually expenditure with a receipt etc. just like any other PTA expense.

# Gifts

- Gift of money to the school or district to buy a specific item is acceptable.
  - ▣ Should benefit the largest number of students possible.
  - ▣ Make sure school/district approves of your purchase.
  - ▣ Association must approve gift.
  - ▣ Prepare Fiduciary Form and letter to go with the check.
  - ▣ District will send a letter accepting the gift.
  - ▣ Keep documents/letters with treasurers files
  - ▣ Form Sample: see link on page 6 for all forms
- Honorariums
  - ▣ Are acceptable in certain circumstances
  - ▣ Used to provide funds to individuals who donate their services to unit.

# Commingling Funds

- All money in PTA accounts belongs to PTA. Association can vote at any time to spend it however they wish.
- Do not hold money for other groups – 6<sup>th</sup> grade etc. These should run through ASB or Foundation.

# Fundraising

- Fundraising must support the goals of the PTA
- Related to the educational, charitable, philanthropic purpose of a tax-exempt organization.
- 3 to 1 rule
  - ▣ For every 1 fundraiser, you must have 3 events you are supporting.

# Raffles

- 90% of gross proceeds must go to non-profit
  - ▣ 50/50 drawings are 90/10!
- Must register with the State Attorney General's Registry of Charitable Trusts prior to conducting the raffle
  - ▣ File financial disclosure reports on each raffle.
  - ▣ Online registration: <https://rct.doj.ca.gov/Login.aspx>

# Other Things to know

- Keep historical records in a secure place.
  - Typically will be at the school site.
- Consider using financial accounting software
  - Quicken or Quickbooks
  - PTAEZ
  - Excel okay but more work in the long run.
  - Back up your files monthly!

# Records Retention – Part I

## □ **PERMANENT STORAGE**

- Annual audit reports
- Articles of Incorporation
- Canceled checks, for important transactions (e.g., taxes, contracts)
- Checks should be filed with papers pertaining to the transaction
- Corporation reports filed with the Secretary of State
- Legal correspondence
- Group exemption documents
- Insurance records:
  - • Accident reports
  - • Claims
  - • Policies
- Ledgers
- Minutes of executive board, association and committees (bound)
- PTA Charter
- Tax documents:
  - • Exempt status
  - • Group exemption
  - • Letter assigning IRS Employer Identification Number (EIN)
  - • State and federal tax forms, as filed
- Correspondence with state or federal agencies
- Trademark registrations

# Records Retention-Part II

## □ **10 YEARS**

- Financial statements (year-end) and budgets

- Grant award letters of agreement

## □ **7 YEARS**

- Payment authorization and expense forms (receipts attached) for payments to vendors or reimbursement to officers

- Cash receipt records

- Checks (other than those listed for permanent retention)

- Expired contracts and leases

- Insurance incident reports

- Invoices

- Purchase orders

- Sales records

## □ **3 YEARS**

- General correspondence

- Employee records (post-termination)

- Employment applications

- Petty cash vouchers

## □ **1 YEAR**

- Bank reconciliations

- Correspondence with customers or vendors if non-contested

- Duplicate deposit slips

- Current Bylaws, approved by state parliamentarian

- Standing Rules

- Certificates of Insurance

- Inventories of products and materials, updated yearly

# Contacts

Name	Email	Mailing	Phone
Usha Archer Council Treasurer	usha.archer@sbcglobal.net	GUSD-Glendale Council PTA	(818) 957-2710 (h) (818) 395-6139 (c)
Andrea Crissman Council Financial Secretary	acrissman@aol.com	RD White ES	(818) 242-1525 (h) (818) 512-1376 (c)
Monna Johnson Council Auditor	monna.johnson@yahoo.com	GUSD-Glendale Council PTA	(818) 249-1373 (h) (818) 298-1400 (c)