

TIPS FOR TREASURERS



A. GENERAL INFORMATION

1. Be sure the financial records have been audited before beginning a new fiscal year and when there is a change in treasurers. You may want to consider doing an Audit any time there is a change in one of the signatories on the account.
2. Check over materials and details with outgoing treasurer. Read over the duties of the treasurer in the National PTA publications, the Illinois PTA Answer Book, and your local unit bylaws.
3. The unit's financial records should be kept in a business-like manner. Keep your financial records current. Accurate accounts of receipts (including membership dues) and disbursements are necessary. Use an accounting ledger or computerized programs following licensing agreements and recommended PTA procedure (see page 5).
4. Give a receipt for all monies received. Money should be counted by at least two people, who should verify the cash and checks received and sign the deposit voucher.
5. Make bank deposits immediately to avoid loss or theft.
6. Make all disbursements by PTA check, using an expense voucher system. Never use the cash receipts from an event to reimburse someone for their expenses. You lose documentation of the full income and expenses for that event.
7. Give a written report at every general membership meeting and executive board meeting.
8. The treasurer should be a member of the budget and finance committee.
9. All records are the property of the association. The treasurer is responsible for the safekeeping of records. A Records Retention Schedule may be found in the National PTA *Money Matters Quick Reference Guide*.

B. BANKING

1. The checking account must be in the name of the association. Two signatures are required on each check. President and treasurer should notify the bank of name changes and update signature cards as needed.
2. The unit's Federal Employer Identification Number (FEIN/EIN) should be recorded in the financial records and supplied to the bank for use on PTA accounts. This number is available by contacting the state office or district director. New regulations from the Patriot Act now require the signatories to provide their Social Security Number to the bank, but personal Social Security Numbers should **not** be used for the account.
3. A third signatory on the bank accounts is recommended in case either the president or the treasurer is unavailable. Procedure should be established in the local unit bylaws.

4. The bank statement should be reviewed by someone other than the signatories, preferably someone on the Executive Board who is familiar with how the PTA funds are to be spent. Watch for invalid transactions. Initial and return to the treasurer.
5. NEVER issue blank checks!
6. NEVER use a PTA credit card.
7. Guidelines have changed regarding Electronic Banking. Please refer to the National PTA website, www.pta.org, for more information.

C. ELECTRONICALLY KEPT RECORDS

1. Electronic PTA records should follow the licensing agreement of the manufacturer.
2. Any accounting software used for PTA record keeping should be registered to the PTA not an individual.
3. Information stored electronically on the computer of any individual member of the Executive Committee/Board must be removed from that computer at the conclusion of the term in office in the presence of two duly elected officers. Hard copies of the treasurer's reports should be kept as part of the secretary's minutes.

D. CHARTERS

1. Charter seals will be mailed after January 1 to those local units in Good Standing.
2. The Charter shall contain no more than eight (8) seals. When your Charter is filled, request a new one from the state office at no charge. Eligible units will receive one seal per year.
3. If your Charter has been lost, the state office will issue a replacement for \$5.00.

E. DUES

1. The treasurer should keep the official record of membership up-to-date. The membership chairman should provide member names at the same time dues are turned over to the treasurer. Receipt procedure stated in item A.4 above should be followed.
2. The first installment of the National (\$1.75) and state (\$2.00) portion of dues (a total of \$3.75 per member) shall be sent to the Illinois PTA office postmarked no later than **October 1** and monthly thereafter.
 - a. When collecting dues, only the local unit portion is shown as income to your unit. You are acting as an agent for the state and National PTA when you collect that portion of the dues. The state and National portion of dues is **not** considered gross receipts for your PTA and should not be included in your budget.
 - b. The National and State portion of dues not yet remitted is **not** part of your PTA's gross income and should not be included in the balance on hand when the treasurer's financial report is presented.

- c. Send the State and National dues, \$3.75 per member, to the Illinois PTA with a completed original DUES NOTICE. Check your dues remittance carefully. ***OUR POLICY IS TO ISSUE NO REFUNDS OR MAKE ADJUSTMENTS ON DUES PAYMENTS THAT HAVE BEEN PROCESSED.***
3. Local units failing to send any dues by **December 31** shall be considered **Delinquent**, and will be dropped from the mailing list.
4. Dues must be submitted by **February 1** for any local unit to be eligible to receive delegate credentials and convention registration information.
5. Final remittance of dues must be in the state office postmarked no later than **June 25**. According to the IRS Rules and Regulations, the Illinois PTA is required to notify the IRS of any unit whose dues are unpaid, and that PTA **must** be removed from the Illinois PTA non-profit tax-exempt group listing.
6. Verify the number of members for your PTA with your membership chairman. The record of the total number of members the Treasurer has for the PTA should be the same total that the Membership Chairman has! Your final membership total should equal the number of members for which you have paid.
7. **A service charge of \$35.00 will be assessed for checks returned to the Illinois PTA for any reason.**
8. All unused or damaged membership cards must be returned to the Illinois PTA office by **June 25** along with the final dues remittance. Explain any differences between the number of cards received less cards returned less dues submitted. Otherwise, we will think that you have not submitted dues for some members.
9. Membership cards given to local units in July or August are based on prior year's membership, plus 10%. Additional cards may be requested from the state office after dues have been remitted for at least half of the original membership cards.

F. ORDERING PTA ITEMS

1. When ordering items from the state office, please use the proper forms. Order forms are available by contacting the state office or on the Illinois PTA website (www.illinoispta.org). Any order forms may be duplicated. To prevent any delay in service, be sure to remit the exact amount to the proper account. All orders should include \$9.95 for shipping and handling. **NO C.O.D. OR TELEPHONE ORDERS WILL BE ACCEPTED. FAX ORDERS WILL BE ACCEPTED WITH APPROPRIATE CREDIT CARD INFORMATION.**
2. Make checks payable to ILLINOIS PTA for: (these funds are deposited in the General Fund)

- dues	- publications	- insurance
- Founders' Day gifts	- most jewelry (see forms)	- PTA Store items
3. Make checks payable to ILLINOIS PTA SCHOLARSHIP FUND for:

- Life Memberships	- Certificate of Recognition Cards
- Book of Recognition awards	- Educator of the Year
- Certificate of Achievement awards	- Scholarship Note Cards
- Distinguished Service Scrolls	- Scholarship Gift Cards
- In Memoriam Cards	- T.H.A.N.K.S. Cards

4. All checks should be mailed to:

ILLINOIS PTA
P.O. Box 907
SPRINGFIELD, IL 62705

5. Please include the name of the local unit, town, and PTA district, as well as the name and daytime phone number of a contact person who can answer questions regarding the order.
6. DO NOT SEND CASH. Your canceled check is your receipt. If your bank does not include canceled checks in your monthly statement, we will provide receipts upon request.

G. AUDITING

1. An audit is necessary to close the fiscal year and when there is a change in the treasurer. The committee should be chosen in accordance with the local unit bylaws.
2. The treasurer and other signatories are never members of the auditing committee. The treasurer should be available to answer any questions the auditing committee may have.
3. Upon completion of the audit, the outgoing treasurer should prepare the information for filing the appropriate 990 Form and any Schedules with the Internal Revenue Service. Do not leave this responsibility for the incoming treasurer who may be unfamiliar with the financial records. NEVER IGNORE ANY FORM OR CORRESPONDENCE YOU HAVE RECEIVED FROM THE IRS.
4. A semi-annual, informal audit may be advantageous not only to check on the status of the budget, but also to alert the unit to any possible discrepancies.
5. An audit must be done whenever a new treasurer assumes office during a fiscal year and is advisable when any of the signatories on the accounts change. We also recommend doing one any time a signature on the account changes, such as if a President resigns midterm.

H. COMMERCIAL CRIME & FIDELITY BOND (aka Bonding)

1. Most associations bond their treasurer and others responsible for collecting and handling funds.
2. The bonding policy requires that audits be regularly conducted and that checks have two signatures.
3. Bonding insurance is available through the Illinois PTA.

I. FUND-RAISING

1. Fund-raising is NOT a primary purpose of the PTA. Only those funds necessary to meet the needs of the year's activities and programs, as outlined in your budget to advance PTA work, should be raised.
2. Local unit dues are technically a fund-raiser, but sales tax is not applicable.
3. Please see "Illinois Sales Tax – Compliance" for further information which is included on this Local Unit Packet CD.

TREASURER'S FINANCIAL REPORT

The treasurer should give a written report at every executive board and general membership meeting and provide an annual report at the final general membership meeting of the year. The treasurer may be requested to present financial reports to the executive committee at other times.

Financial reports should include receipts and disbursements for a specific period of time, i.e. monthly, quarterly, or annually. Remember the National and state portion of dues received is not part of the gross income.

The treasurer reads the report, and the president asks for questions. After questions are answered either by the treasurer or the president, the report is filed for audit.

Only an audit can verify the accuracy of the financial reports, therefore, the reports are never approved at the meeting.

SAMPLE MONTHLY FINANCIAL REPORT ANYTOWN, PTA

Date

Balance on Hand as of <date> \$ 410.00

Receipts:

Local unit portion of dues, 26 members @ 1.00	\$ 26.00	
Ways & Means project	560.00	
		<u>586.00</u>
		\$ 996.00

Disbursements:

Administrative (officer exp.)	\$ 5.00	
Postage	10.00	
Cultural Arts (Reflections)	5.00	
Hospitality	10.00	
Newsletter	10.00	
Leadership (SOI)	15.00	
Council Dues	30.00	
Illinois PTA Scholarship	25.00	<u>\$ 110.00</u>

Balance on Hand as of <date> \$ 886.00

State and National dues 26 @ \$3.75 \$97.50

Jane Doe, Treasurer

Filed for Audit (insert date)

Copies to: President, secretary, budget & finance

PTA EXPENSE VOUCHERS

An expense voucher system provides your local unit with a simple financial record-keeping procedure for disbursements that is easy to follow and understand. Using an expense voucher is a simple method of authorizing the treasurer to issue payment within the adopted budget. Just as there is a receipt for all monies received, there should be an expense voucher for each check written.

The audit committee will find it advantageous to have expense vouchers, as well as all receipts, to verify disbursements and income.

Below is a sample EXPENSE VOUCHER you can adapt for your local unit's use.

SAMPLE EXPENSE VOUCHER

Date _____ Amount _____

Payable to _____

Budgeted Line Items

Itemized Expenditures

Signature of Person Requesting Reimbursement

Approved by
(appropriate board member)

Return check to: _____
(If check is to be mailed, include mailing address.)

Attach all receipts and invoices

For Treasurer's use only

Check # _____ Date _____

DEPOSIT VOUCHER

DATE _____

COMMITTEE/EVENT _____

AMOUNT OF DEPOSIT \$ _____

Coin _____

Cash _____

Checks _____

COUNTED BY _____

Two Signatures

DEPOSIT VOUCHER

DATE _____

COMMITTEE/EVENT _____

AMOUNT OF DEPOSIT \$ _____

Coin _____

Cash _____

Checks _____

COUNTED BY _____

Two Signatures

ANYTOWN PTA

DEPOSIT TALLY SHEET

Date Counted _____

Budget Line Item _____

COIN

_____	.50	\$ _____
_____	.25	\$ _____
_____	.10	\$ _____
_____	.05	\$ _____
_____	.01	\$ _____
Subtotal		\$ _____

CURRENCY

_____	\$50.00	\$ _____
_____	20.00	\$ _____
_____	10.00	\$ _____
_____	5.00	\$ _____
_____	1.00	\$ _____
Subtotal		\$ _____

CASH SUBTOTAL: _____ \$ _____

CHECKS: _____ \$ _____

TOTAL RECEIVED _____ \$ _____

Money counted by _____
