



The PTA Audit

The purpose of an audit is to certify the accuracy of the financial records of the PTA. An audit should be completed at the end of the fiscal year. When a treasurer (or other account signatory) changes during the fiscal year, an audit should be completed to determine the accuracy of the financial records before the new officer is added to the bank's signature cards.

Audit Committee

Members of the audit committee are defined in the bylaws/standing rules of the PTA. Those who may not serve include the president and treasurer. It also is recommended that anyone who can sign checks or authorize the release of funds should not serve on the audit committee.

Procedure

The audit committee should:

- Compare all deposit vouchers and expense vouchers with the bank statements, ledgers and check register for accuracy.
- Determine the opening balance (as certified by the prior year's audit); determine gross receipts, expenditures and ending balance.
- Use these numbers to fill out the audit report form and present it to the membership. This report will form the basis of the budget to be presented.
- Sign the report form, ledger, and checkbook at completion of the audit.
- Present this report as the first order of business at the first general meeting of the PTA. Because it is made by recommendation of the audit committee it requires no second for adoption by the membership.

The audit report **must** be adopted before the budget may be presented and acted upon by the membership.

Audit Report

The Audit Report should contain the following information:

- Name of the PTA
- Fiscal year of the PTA
- Opening balance as certified by the prior year's audit
- Gross receipts for the fiscal year *
- Expenditures for the fiscal year
- Ending balance for the fiscal year
- Reconciliation to final bank statement
- Certification of the audit committee **

* Gross receipts include all funds that are deposited into the PTA bank account with the following exceptions:

- State and National portion of dues;
- re-deposits of PTA funds; and
- re-deposits of NSF checks.

** The audit committee must certify that the books of the PTA have been examined and have been found to be either:

- Correct;
- substantially correct with the following corrections;
- incomplete; or
- incorrect.

ANYTOWN PTA AUDIT REPORT
FISCAL YEAR _____ TO _____

Opening Balance per audit reported as of (date) \$ _____ (A)

Gross receipts for the fiscal year \$ _____ (+B)

Expenditures for the fiscal year \$ _____ (-C)

Ending Balance for fiscal year \$ _____ (D)*

Deposits in Transit \$ _____ (+E)

Outstanding Checks \$ _____ (-F)

(List each outstanding check)

Reconciled Bank Balance \$ _____

(agrees to final bank statement of year)

Certification:

The audit committee of the _____ PTA met on (insert date) and has found the financial records to be:

- _____ Correct
- _____ Substantially correct with the following adjustments
- _____ Incomplete
- _____ Incorrect

(Include lines for signatures of audit committee members)

* This is the number that should be used as the opening balance for the following fiscal year budget.