

Budget & Checks & Reports, oh my

Kimberly Campana

Pinellas County PTA TREASURER

Workshop September 2013

Budget Process

- Tentative budget by committee, present to board
- Budget presented to general membership (usually August or September) for approval
- Budget adopted is now in place (can actively function/write checks, etc)

If changes to budget are required, repeat process and you now have an amended budget (keep records of both budgets for files)

Purpose of Budget

- Required by
 - PTA bylaws
 - both federal and state regulations
- Does not show what you must do just what your unit intends or plans to do
- Funds belong to the PTA, not the board not the school (budget must be approved)

- Accounting Period = July 1st –June 30th

Naming Line Items

- No requirement for naming line items
- Examples of “Who” line items
 - Student/Classroom = direct benefit students
 - Teacher/staff = direct benefit to them, not to students
 - School grounds = direct to school
 - Family/Community Program = all cost, printing & hospitality items
- Examples of “What” line items
 - Hospitality = all no matter the reason teacher welcome back, orientation day, general meeting, etc
 - Training/Education = could be PTA leaders, teachers or students, parents, community

Membership Dues

- Membership dues can be reflected several different ways in budget; exception for State/National Dues portion (\$3.50)
 - Required to remit as collected (restricted)
 - When reporting gross revenue to federal or state agency can or should be excluded

Carryover

- Base amount intended to have remaining with no intent to spend (cushion)
- Not required to have a balanced budget, especially when you want to reduce or increase next years carryover
- No set or required carryover amount (some prefer a years budget expenditures others want enough to cover core items only)
- Document intended carryover amount (somewhere does not have to be a line item)

Restricted Funds

- Funds collected for a specific purpose, cannot be spent for any other purpose
- Board cannot obligate the next years budget or a future purchase/contract, except if restricted funds
- Except for restricted funds, should have intent to spend funds raised in the school year collected
- Traditionally would show restricted items as their own line (revenue and expense) not lumped with general donations

Interim Funds

- Funds allocated to be spent for between budget years until the new budget is approved
- Usually small amount (expenses for July or August before budget approved)
- Must have funds already (can borrow from carryover or use net income amount)
- Regardless, should be flushed into actual line item when new budget approved

Sponsor, Support or Endorse

- Caution: Based on what you provide in return can jeopardize tax-exempt
- Endorsing “please patronize our sponsors” could jeopardize the tax-exempt nature of the sponsors support
- Laws permit a non profit to receive corporate sponsorship income tax-free if what is given to the corporate sponsor in return is an acknowledgement of thanks, nothing more
- Refer to *Money Matters Quick Reference Guide* or contact Florida PTA Office if additional information needed

Funds to Fulfill PTA Purpose:

- Promote welfare of children & youth in home, school, community and place of worship, raise standards
- Raise the standards of home life
- Secure adequate laws for the care and protection of children and youth
- Bring into closer relation the home and the school, that parents and teachers may cooperate intelligently in the education of children and youth
- Develop between educators and the general public such united efforts as will secure for all children and youth the highest advantages in physical, mental, social and spiritual education.

Objectives

Basic standard day to day PTA related financial functions including general controls and best practices for

- Deposits, a transaction ledger and bank statements
- Reimbursement requests and writing checks
- Organization and maintaining books & records
- Treasurers Monthly and Annual Reports

Budget

- A plan for obtaining and spending funds
- Must be approved by general membership
- Format & naming of line items is at Treasurers/board discretion (samples in Dollars & \$en\$e)
- May use financial software, Excel or other
- Budget amendments must be approved by general membership

Books, Files & Records

■ Agendas and Minutes

- For all general, board and executive committee meetings
- Also include Treasurers report, budget or other financial data distributed at meeting

■ Accounting Records

- Record the flow of money (transaction log/ledger)
- If paper use ink, if computer back it up!
- Verify and confirm records with bank statements

Deposits

- Make regular deposits, do not hold funds
- Keep deposits separate (to each line item)
- *PTA Deposit Form* and/or *Cash Verification Sheet* signed by two people
- Attach additional documentation if available (receipts, order tally sheet, etc)
- Committee Chair should record amount for their records (dual accountability of records)

Cash Count Worksheet

Date: _____

Committee: _____ Event: _____

Counter 1 Name: _____ Counter 1 Name: _____

COINS
 Pennies _____ @ 0.01 = _____
 Nickles _____ @ 0.05 = _____
 Dimes _____ @ 0.10 = _____
 Quarters _____ @ 0.25 = _____
 .50 Piece _____ @ 0.50 = _____
 1.00 Piece _____ @ 1.00 = _____

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 TOTAL COINS \$ _____

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Currency
 Ones \$ 1.00 = _____
 Twos \$ 2.00 = _____
 Fives \$ 5.00 = _____
 Tens \$ 10.00 = _____
 Twenties \$ 20.00 = _____
 Fifties \$ 50.00 = _____
 Hundreds \$ 100.00 = _____

Currency
 Ones \$ 1.00 = _____
 Twos \$ 2.00 = _____
 Fives \$ 5.00 = _____
 Tens \$ 10.00 = _____
 Twenties \$ 20.00 = _____
 Fifties \$ 50.00 = _____
 Hundreds \$ 100.00 = _____

 TOTAL CURRENCY \$ _____

 TOTAL CURRENCY \$ _____

Rolled Change
 Pennies _____ @ 0.50 = _____
 Nickels _____ @ 2.00 = _____
 Dimes _____ @ 5.00 = _____
 Quarters _____ @ 10.00 = _____

Rolled Change
 Pennies _____ @ 0.50 = _____
 Nickels _____ @ 2.00 = _____
 Dimes _____ @ 5.00 = _____
 Quarters _____ @ 10.00 = _____

 TOTAL ROLLED \$ _____

 TOTAL ROLLED \$ _____

Total Cash (from above) \$ _____

Total Cash (from above) \$ _____

Total Checks (attach tape) \$ _____

Total Checks (attach tape) \$ _____

GRAND TOTAL \$ _____

GRAND TOTAL \$ _____

Signature _____

Signature _____

Cash Count Workseet

PTA Deposit Form

PTA Deposit Form

Committee/Event: _____ Date: _____
 Deposit Verified: _____
 (2 signers please) _____

- Submit item(s) to be deposited and this completed form along with any accompanying documentation if any (such as check stub, letter of payment, etc) to the Treasurer.
- A copy of this form and any accompanying documentation must be filed in the appropriate committee section in the Treasurers records.

| Item | Quantity | Total Amount |
|---------------------|----------|--------------|
| Rolled coins: | | |
| One's: | | |
| Five's | | |
| Ten's | | |
| Twenty's | | |
| Fifty's/Hundred's | | |
| TOTAL CASH: | | |
| TOTAL CHECKS | | |
| GRAND TOTAL DEPOSIT | | |

Treasurer's Use Only

Deposit date _____ Trans. ID _____

Amount \$ _____

Mthly Statement/Check Cleared: _____

Budget updated: _____

Check Request

- Before writing check confirm
 - authorized receipts/invoice
 - funds are within budget
 - funds are available and in the bank

Writing Check

- Payable to person or business, never to cash!
- Use checks memo field to list reason or purpose
- Record information
 - on check stub (unless carbonless copy)
 - in check register
 - Check Request Form
- Have check co-signed (three authorized on account)
- Hold *PTA Check Request Form* until bank statement verification

Cash Box Funds Request

- Never comingle funds!
- Must have documentation for change or setup Committee Chair (or designated person) either
 - complete a check request (check payable to person, they get their own change)
 - complete a Cash Box Funds Request (Treasurer makes withdrawal from bank)
- To ease accounting, an equal deposit amount should be made for returning funds

Cash Box/Change Request Form

Committee: _____ Today's Date: _____

Event/Reason Needed: _____

Date Needed: _____

Anticipated date deposit to replace will be made: _____

- There are events and circumstances where change or a cash box is needed with startup monies. You can buy change with funds on hand, but never borrow from another event or have a person "front the funds".
- So funds are need for a few days or a week, such as with a book fair and at others times a cash box is needed for several months or for most of the year, as with a uniform shop or school store.
- At the beginning request change, and end make a matching deposit amount (returning cash box funds) but never cross over a financial year (summer).

| Item | Quantity | Amount | Total Amount |
|----------------------------|----------|---------|--------------|
| Pennies | | X .50 | |
| Nickels | | X 2.00 | |
| Dimes | | X 5.00 | |
| Quarters | | X 10.00 | |
| Ones | | X 1.00 | |
| Fives | | X 5.00 | |
| Tens | | X 10.00 | |
| Twenties | | X 20.00 | |
| GRAND TOTAL REQUEST | | | \$ |

Treasurer's Use Only

Withdraw date _____ Trans. ID _____ Amount \$ _____

Mthly Statement/Appeared: _____ Budget updated: _____

Funds Replenished/Deposit Returned Date: _____

Cash Box Change Request Form

Bank Statements

- Bank mails to non-check signer to review
 - dual signatures, payees recognized, fees not excessive
 - request documentation forms and receipts (at least periodically)
 - good practice to announce at board meeting
- Hard copy original statement should be initialed, then maintained in Treasurer's records

Reconciling Statement

- Compare beginning balance to previous ending balance
- For each deposit and check listed:
 - compare amount to documentation (form & bank receipt)
 - check off item in bank transaction log
 - if applicable, update in check log list, stub etc.
 - update monthly report
- File paperwork

Treasurer's Monthly Report

- Required by your bylaws (copies to President, Secretary for their records)
- Board Meetings (copies to all)
- General Meetings (PowerPoint/transparency)
copy count may vary
- Format flexible (unless in your bylaws, Standing Rules or a district requirement)
 - Ledger, Budget, Budget detail Report

Treasurer's Annual Report

- Year to date (budget to actual)
- Include any amendments adopted
- Small deviations are expected
- Board should help explain any larger differences
- Identify any outstanding items (books close June 30th)