Utah PTA Basic Fiscal Management Procedures

Information

PTA Funds

PTA funds are used to help fulfill the three Utah PTA goals:

- Advocate for children
- Involve parents in the schools
- Develop leadership and parenting skills

Do You Have These Basic Controls In Place?

- ☐ The treasurer maintains custody of the checkbook at all times.
- ☐ Supporting documentation is required for every disbursement made.
- ☐ Payments are made from original invoices whenever feasible.
- ☐ Checks are issued in number sequence order.
- ☐ All checks have two signatures, the treasurer and the president, except in emergencies, when any two (2) of the following may sign: president, president-elect, secretary, or treasurer (None of these officers may be related by blood or marriage or reside in the same household.);
- ☐ There are no blank checks with a signature(s)!
- ☐ Checks are never made out to "cash."
- ☐ Detailed supporting documentation is maintained for every deposit made.
- ☐ Three people are present for all counting of cash (membership drive, book fair, fundraiser, etc.).
- ☐ All money received is deposited the same day, using the bank's night depository for events concluded after banking hours.
- ☐ The monthly bank statement should be mailed to the PTA at the school address. When the bank statement arrives, a designated Board member (not the President, Treasurer or Secretary) should immediately review it, initial it and then give it to the President to review and initial. Then it will be given to the Treasurer to reconcile.
- ☐ Bank statements are reconciled to check registers in a timely manner.
- ☐ There are no ATM, debit cards, or credit cards in connection with PTA accounts.
- ☐ The treasurer prepares and presents a treasurer's report at each general membership meeting and at executive committee and board meetings as deemed appropriate.

PTAs must have money to operate. They do not exist to raise money but rather raise money to exist. Without realizing the problems inherent in the management of an organization's finances, some PTA members or officers have found themselves in difficult situations. These situations can be avoided by following the above-mentioned basic fiscal management procedures.

Each PTA should recognize that the treasurer is the legally responsible, authorized custodian, elected by the members to have charge of the funds of the PTA unit. He or she should receive and disburse all moneys as prescribed in the local bylaws or as authorized by action of the PTA's Board of Directors. He or she should keep a full account of receipts and expenditures.

It is essential that the president, who bears full responsibility for the total affairs of the PTA unit, work closely with the treasurer at all times and have a complete understanding of all financial matters. All persons signing on a PTA checking account are liable for the use or misuse of those funds.

Other officers or members may be required to occasionally handle PTA money (for example, dues from membership enrollment or revenue from a fundraising project). In these cases, great care should be taken in counting and recording moneys received in accordance with established procedures. Money thus collected should be turned over to the treasurer without delay, and the treasurer should bank that money immediately. PTA money should never be stored in the school or in the homes of PTA officers or members. If large sums are handled by the treasurer, it is advisable to bond him or her as a protection both to the treasurer and to the PTA.

If any volunteer involved in a Local/Council PTA has been included in/or part of fraudulent charges or mishandling of funds, he or she will not be allowed to serve in any position on your Board that deals with handling money.

Local PTAs should maintain one checking account with one checkbook. Two signatures should be required for all checks. None of those authorized to sign checks may be related by blood or marriage nor reside in the same household. The checking account should be maintained in a bank approved by the Board of Directors. PTA monies should not be deposited in the personal account of any officer nor comingled with school accounts.

It is an unfortunate fact that non-profit organizations are susceptible to fraud. PTAs are run by volunteers who want to trust one another, but the trusting environment of the PTA is exactly what a dishonest individual exploits.

PTA cannot reimburse anyone who has purchased PTA supplies with government issued or non-personal funds. It is against the law.

One of the most important things that you can do for the well-being of your PTA is to implement and follow a system of internal controls. Good internal controls are reasonable rules that are consistently applied. They guard against both errors—unintentional mistakes—and irregularities—deliberate attempts to misuse or misappropriate the assets of the PTA.

Guidelines to Follow When Money Has Been Mismanaged or Embezzled

1. When mismanagement or embezzlement of funds is suspected, the PTA line of communication should be followed in informing and receiving direction and assistance. The local PTA should contact the council (region if no council). The council in turn will contact the region, and the region will make contact with the Utah PTA treasurer. If for some reason assistance cannot be obtained through the line of communication, contact the Utah PTA treasurer directly.
2. When any wrongdoing is suspected, the person involved should have a meeting with the local executive committee and make an explanation of what has happened. If the meeting is unsatisfactory for either party, the decision may be appealed up the line of communication. If the issue involves a president or president-elect, council/region leadership must facilitate the meeting. Once wrongdoing is suspected, meetings should take place in a timely manner. If an outside investigation is warranted, authorities may become involved.

3. The PTA officers have a responsibility to the membership for all PTA monies. The PTA also has the responsibility to be a professional organization. The PTA officers are highly encouraged to try to protect the person's reputation by using discretion in what is said and done, especially in the preliminary stages of an investigation. It is not responsible, however, to disregard the incident.
4. If the results of the meeting warrant further action, the executive committee should request that an AFR be done, if appropriate, and documentation gathered. They should also carefully consider whether it might be appropriate to file a police report and/or to close the bank account. If an outside investigation is warranted, the police will become involved.
5. Theft of money is breaking the law and should be handled as a serious offense. Embezzlement is the same as ordinary theft. The charges are criminal and, if deemed appropriate, are filed at the police department. Depending on the amount it could be a misdemeanor up to a felony.
6. According to the local PTA bylaws (Article VI, Section 7b), a person who fails to perform the duties of his office should be removed from office. It is the responsibility of the local executive committee to meet and declare the office or position vacant. All resignations must be made in writing to the president. The local executive committee is to elect a replacement to fill any vacancy, except the President-elect (local PTA bylaws Article 6, section 7a).

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Signature Page

We have read, understand, and agree to abide by the Basic PTA Fiscal Management Procedures.

Region 5 Council (if applicable) GRANGER COUNCIL

Local PTA GRANGER ELEMENTARY PTA

President	Lauren Kay Weber	Lauren Kay Weber	01/08/19
	(Print Name)	*(Signature)*	*(Date)*
Treasurer	Timothy H. Donaldson		1/8/2019
	(Print Name)	*(Signature)*	*(Date)*

All other elected PTA officers' signatures:

Isamar Chavarria	President-Elect		1/8/19
(Print Name)	*(Position)*	*(Signature)*	*(Date)*
Brittany Donaldson	teacher representative		1-8-19
(Print Name)	*(Position)*	*(Signature)*	*(Date)*
Amber Clayton	Principal		1/8/19
(Print Name)	*(Position)*	*(Signature)*	*(Date)*
Kaylyn Alatini	VP		1/8/19
(Print Name)	*(Position)*	*(Signature)*	*(Date)*
(Print Name)	*(Position)*	*(Signature)*	*(Date)*
(Print Name)	*(Position)*	*(Signature)*	*(Date)*
(Print Name)	*(Position)*	*(Signature)*	*(Date)*

Membership chair's signature:

(Print Name)	*(Signature)*	*(Date)*

Fundraising chairs' signatures:

(Print Name)	*(Signature)*	*(Date)*
(Print Name)	*(Signature)*	*(Date)*

Each local PTA shall obtain the appropriate signatures on this form, make a copy of the form for all signers, and submit the signed original to the Council President/Treasurer (region if no council) by September 1. Completion of the form is reported to the Region Director/Treasurer and to Utah PTA via the Council Money Handling Form.

When submitting, only send this page - You do not need to include the Information pages.