Arizona PTA/PTSA Local Units and Councils
Annual Financial Review Packet

A financial review/professional audit should be completed at the end of the fiscal year for the fiscal period of July 1st thru June 30th. A financial review/professional audit should also take place upon the departure of a treasurer and or check signer at any time during the school year. For guidance on how to complete a financial review refer to PTA Money Matters. If you need assistance at any time during the process, please contact your Regional Director or Arizona PTA Treasurer.

Upon completion of the annual financial review/professional audit, provide copies to the President, Vice President, Secretary and Treasurer of your local unit. A copy of the financial review/professional audit should be part of the permanent records of the PTA/PTSA. Once it has been presented and adopted by the general membership, units should submit completed pages 2-7 to Arizona PTA. A copy of page 1 of your last bank statement showing your ending balance should be attached and submitted. Due date for Arizona PTA to receive these documents is September 30th. A copy of meeting minutes expressing membership approval of the financial review/professional audit also need to be submitted to the Arizona PTA.

Checklist of items to be submitted to the Arizona PTA to complete Financial Review/Professional Audit Report requirements:

- Completed Financial Review Checklist (pages 2 thru 4)
- Completed and Signed Annual Financial Review Report (pages 5 thru 7)
- General membership Meeting Minutes approving Financial Review/Professional Audit
- Bank Statement showing ending balance on June 30th or date of financial review/professional audit when a check signer resigns from Executive Board
Financial Review/Audit Objective: The purpose of an audit is to certify the accuracy of the books and records of the PTA/PTSA. To assure the membership that the association’s resources/funds are being managed in a business-like manner within the procedures established. Stewardship of other people’s money is an important part of volunteer activity and requires systematic and ongoing attention.

This checklist should be completed by a professional auditor or an audit committee as outlined in the Arizona PTA Unified Local Unit Bylaws. Arizona PTA recommends a qualified financial professional conduct the unit’s annual financial review or audit if the gross income exceeds $75,000. The adopted audit report and checklist should be filed with the permanent financial records.

Preparing for the Financial Review/Professional Audit: The treasurer is responsible for putting the financial records in order for the committee. The treasurer should turn over all financial documents to the financial review/audit committee or qualified financial professional by the end of the fiscal year. The treasurer shall not serve on the auditing committee but may meet with the committee to assist with the examination. No current term officers who are check signers may participate on the financial review/audit committee. Once the records are turned over to the committee the outgoing treasurer can no longer write checks. The required officer(s) should go to the bank with the incoming officer(s) to change signature cards. Please become familiar with your PTA’s bank policies regarding transition of officers on bank signature cards.

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>YES</th>
<th>NO</th>
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<tbody>
<tr>
<td>Check all items reviewed in this financial review/professional audit as applicable:</td>
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<tr>
<td>□ Bylaws</td>
<td>□ Budget(s)</td>
<td>□ Last Financial Review/Professional Audit</td>
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<tr>
<td>□ Standing Rules</td>
<td>□ Checkbook</td>
<td>□ Cancelled Checks</td>
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<tr>
<td>□ Treasurer’s Ledger</td>
<td>□ Register/Stubs</td>
<td>□ Receipts/Bills</td>
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<tr>
<td>□ Cash Receipts</td>
<td>□ Cash Verification Forms</td>
<td>□ General Meeting Minutes</td>
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<td>□ Committee Reports</td>
<td>□ Executive Board Minutes</td>
<td>□ Current Membership Roster</td>
<td></td>
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<tr>
<td>□ Previous Year Annual Financial Review</td>
<td>□ Monthly Treasurer Reports</td>
<td>□ Nonsigner Monthly Review</td>
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<tr>
<td>□ Previous Year Annual Financial Audit</td>
<td>□ Monthly Bank Statements, Bank Books and Deposit slips</td>
<td>□ Voids</td>
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<tr>
<td>□ IRS Forms 990N/990EZ/990</td>
<td>□ Executive Board Minutes</td>
<td>□ Ledger</td>
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Financial records provided: (Originals)

BEGINNING BALANCE RECORDS

1. Check to see if amount shown on first bank statement (adjusted for outstanding checks and deposits) corresponds to the starting balance recorded in checkbook register, ledger, treasurer’s report and ending balance of last audit

BANK RECONCILIATION

1. All bank statements reconciled since last audit by treasurer.
2. All bank statements are reviewed and signed monthly by non-check signer
3. Ending balances (checkbook register, ledger and treasurer report) agree with last bank statement (adjusted for outstanding checks and deposits not posted to bank statement). **ATTACH LAST BANK STATEMENT TO THIS FINANCIAL REVIEW**
### BANK RECONCILIATION (cont’d)

4. Deposits and checks written:
   - a) Recorded in checkbook register
   - b) Recorded in an accounting program
   - c) Agree with treasurer reports
   - d) All checks are signed by two authorized signers

5. Bank fees and interest recorded in checkbook register, ledger and treasurer reports.

### FINANCIAL PROCEDURES/CONTROLS

1. Were PTA funds deposited promptly into the PTA bank account?
2. Did two or more people always count the funds?
3. Was there a proper invoice or receipt for each expenditure?
4. Was income and expenditures properly allocated and categorized into the appropriate budget line?
5. Was every expenditure part of the approved budget or properly approved at a general membership or a board meeting?
6. Are all PTA monies kept separate from school, personal or other organization’s funds?

### MEMBERSHIP

1. Amount recorded and deposited equals total number of memberships
   # _____ members @ $______ (Membership dues listed in Standing Rules)
2. Amount paid to Arizona State PTA equals total amount of memberships recorded on current/year end membership list.
   # _____ members @ $______ (Dues amount listed in Bylaws)

### INSURANCE

1. Premium paid by due date

### MINUTES

1. All expenditures approved and recorded in executive board minutes (List those expenditures not approved on recommendation report)
2. All expenditures approved/ratified in General minutes (List those expenditures not approved on recommendation report)
3. Committee minutes record plans, proposed expenditures, and total of monies earned

### EXPENSE AUTHORIZATIONS

1. All expense requests are written for approved amounts (List missing authorizations on recommendation report)
2. All expense requests have receipt/bill attached (List missing receipts/bills on recommendation report)
3. Approved expense requests form amount matches checks written

### INCOME

1. Deposits properly supported (deposit slips match cash verification forms)
2. Cash Counting Forms used, includes name and signatures of two people counting the money
3. Income received matches deposits recorded in checkbook register, ledger and treasurer reports
4. Restricted income spent as specified (Restricted contributions are donations received in which the DONOR restricts the use to a particular purpose.)

### TRAINING/LEADERSHIP DEVELOPMENT

1. Was money budgeted and spent for Leadership Training?
2. Was money budgeted and spent for State Convention?

### TREASURER REPORTS

1. Was a treasurer’s report presented at all Executive and General Membership meetings?
2. Does treasurer report agree with ledger, checkbook register and/or financial records
3. Did Treasurer prepare reconciliation report for current fiscal year?
<table>
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<tr>
<th>COMMITTEE REPORTS</th>
<th>YES</th>
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<tr>
<td>1. Committee reports for all fundraisers submitted or recorded in minutes</td>
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<thead>
<tr>
<th>INTERNAL REVENUE SERVICE</th>
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<th>1. Please choose one:</th>
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<tr>
<td>□ Form 990N was filed electronically (units gross less than $50,000)</td>
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<tr>
<td>□ Form 990EZ was filed (units gross $200,000 or less and total assets are less than $500,000)</td>
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<tr>
<td>□ Form 990 was filed (units gross more than $200,000 and total assets are more than $500,000)</td>
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| 2. A confirmed copy of IRS filing has been forwarded to the Arizona PTA State Office |     |    |     |

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<thead>
<tr>
<th>FINANCIAL REVIEW/PROFESSIONAL AUDIT REPORT</th>
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| 1. Prepare and present written report with recommendations to the Executive Board |     |    |     |


| 3. Forward Financial Review/Professional Audit Report to Arizona State PTA (include checklist, annual financial review report/professional audit report and meeting minutes approving report) |     |    |     |

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<thead>
<tr>
<th>FINANCIAL REVIEW/PROFESSIONAL AUDIT RECOMMENDATIONS</th>
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All “No” answers should be included in the report as recommendations and explained as needed. Indicate what changes will be made to address financial procedure issues. At the completion of the audit, meet with president and financial officers to discuss recommendations and any corrections as needed.

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<tr>
<th>MISMANAGEMENT</th>
<th>YES</th>
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If mismanagement is suspected please contact the Arizona State PTA Office

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**QUESTIONS COMMENTS OR CONCERNS**

**PLEASE CONTACT THE ARIZONA STATE PTA OFFICE**
## ANNUAL FINANCIAL REVIEW/PROFESSIONAL AUDIT REPORT

Fiscal Year: July 1, ________ thru June 30, ________  
EIN#: ________________________________________

Dates covered by this Financial Review/professional audit. If different dates than fiscal year (upon departure of treasurer or other check signing person)

From: ________________________________ to ________________________________  
(Start Date)                                                                    (End Date)

Bookkeeping system used (Money Minder, Quickbooks, Excel, etc.) ____________________________

### Amounts per Treasurer’s Books/Accounting Program

1. Balance on hand at time of last financial review/professional audit) $ ________________
2. Receipts/Deposits/Income since last financial review/professional audit $ ________________
3. Total cash (add line 1 and line 2) $ ________________
4. Disbursements/Debits/Expenses since last financial review/professional audit $ ________________
5. Balance on hand (subtract line 4 from line 3) $ ________________

### Bank Reconciliation

6. Ending Bank Statement balance ________________ date $ ________________
7. Deposits not yet credited (add to balance) $ ________________ $ ________________ $ ________________ $ ________________
8. Total cash (add line 6 and line 7) $ ________________
9. Checks outstanding (list check number and amount)

# ______ $ __________ # ______ $ __________ # ______ $ __________
# ______ $ __________ # ______ $ __________ # ______ $ __________

10. Total outstanding checks $ ________________
11. Balance in checking account (subtract line 10 from line 8) $ ________________

(ATTACH COPY OF BANK STATEMENT SHOWING ENDING BALANCE)

**NOTE:** Amounts on line 5 and line 11 should be the same.

If the auditing committee finds there are not adequate records or inappropriate procedures used, this information should be noted in the audit recommendations. Provide complete copies to the local unit Elected Board and permanent file.
Date financial review/professional audit completed: _____________________________________________

Date financial review/professional audit presented to General Membership: _______________________

Financial Review/Professional Audit Recommendations:
_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________

Please have each member of the Financial Review Committee initial and sign below:

I, ___________________________________ on ______________________________ have examined the
financial records of the treasurer of __________________________________ PTA/PTSA and find them:

_____ correct
_____ substantially correct with the above recommendations
_____ partially correct and more adequate accounting procedures need to be followed so that a more
thorough financial review can be given.
_____ to have significant problems that must be reported to the Arizona PTA State office immediately for
assistance.

_______________________________________________________ Signature

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_____  to have significant problems that must be reported to the Arizona PTA State office immediately for
assistance.

_______________________________________________________ Signature

Professional Auditor Information (if applicable):

Name:  _______________________________________________________________________________
Business Name:  _________________________________________________________________________
Address:  ______________________________________________________________________________
Phone Number:  _________________________________________________________________________
Email:  ________________________________________________________________________________
Signature:  _____________________________________________________________________________