

Audit Report for Local PTAs



Name of PTA/PTSA: Churchill Road Elementary School PTA (CRS PTA)

EIN Number: 52-1288898 Date of Audit: August 28, 2018

Audit period from July 1, 2017 to June 30, 2018.

Presented to PTA executive board on: _____ (date) and adopted by your General Membership on: _____ (date).

Date of last audit: Aug 9, 2017. Last audit covered the period from July 1, 2016 to June 30, 2017.

PTA District: Northern Virginia PTA Council: Fairfax County

Signed: _____ Signed: _____
President **Treasurer**

Signatures should be current president and treasurer in office at time of executive board approval and general membership adoption. The following information is submitted to the Virginia PTA as the annual audit of this association.

AUDIT COMMITTEE or AUDITOR: (a committee of 3 people that are not authorized to sign checks for this PTA during this audit period OR an experienced auditor)

The financial records of this PTA are complete or incomplete. If incomplete, include comments detailing missing documentation and recommendations.

Audit Committee:	Auditor:
Signed: _____	Signed: _____
Print Name: <u>Catherine Paschkewitz</u>	Printed Name: _____
<i>Audit Committee Chair</i>	
Phone: <u>408-394-6653</u>	Organization: _____
Signed: _____	Address: _____
<i>Audit Committee Member</i>	_____
Signed: _____	Phone number: _____
<i>Audit Committee Member</i>	

Financial Management Checklist

The purpose of this checklist is to provide general guidance to PTA volunteer leaders in the management of their resources. Stewardship of other people's money is an important part of volunteer activity and requires systematic and ongoing attention.

This is a complete review of the financial management practices of the PTA, and assists the audit committee/auditor with their inspection of the books and records. **This checklist is kept as part of the adopted audit report and filed with the permanent financial records.**

Officer Information:

President during audit period: Christie Stute phone: 202-422-2200

Treasurer during audit period: Julie Millar phone: 908-812-7101

Secretary during audit period: Jenny Gillespie phone: 202-361-3316

<u>Treasurer's Records:</u>	<u>Treasurer</u>	<u>Audit Committee</u>
1. Do the treasurer records include:		
<ul style="list-style-type: none"> ● Contact information for the Executive Board? 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> ● Copy of previous audit? 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> ● Copy of the bylaws and standing rules <i>(if applicable)</i>? See notes below bullets. 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> ● Copy of membership roster? See notes below bullets. 	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> ● Copy of the adopted budget? See notes below bullets. 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> ● Copy of IRS 990 filing? 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> ● Copy of insurance policy? See notes below bullets. 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> ● A copy of the 501c(3) determination letter? See below. 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> ● A copy of the sales tax exempt certificate? See below. 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> ● A copy of bank signatory paperwork? 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> ● Minutes of all meetings? <i>(Board and general membership)</i> 	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> ● Treasurer reports with budget-to-date information for every meeting? 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> ● Bank statements? 	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> ● Documentation for every expense and all income? 	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> ● The annual year-end report? 	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>Comments: The bylaws are available on the CRS PTA website. The membership roster is maintained in our online database. A copy of the budget as of 11/17 was provided, however an updated budget reflecting the amendments from April, May, and June 2018 was not available. The Audit Committee used the general membership meeting minutes to update the budget by incorporating the additional amendments approved by the general membership. The Board maintains copies of the following critical files on our secure Board Team Drive on the</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Churchill Road Elementary G Suite: IRS 990 filing, insurance policy, 501c(3) determination letter, and sales tax exempt certificate.		
<p>2. Were the records turned over in a timely manner to the audit committee? If no, when were they turned over? _____ Comments: The initial materials were provided to the Audit Committee on August 9th, with the final materials provided on August 28. Recommendation: All PTA records are the property of the PTA and shall be available to the membership.</p>		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>3. Where are your treasurer records maintained? Location: __Treasurer's House – Julie Millar_____ Address: 1101 Sharon Court, Mclean, VA 22101____ If possible, your records should be kept at your school in a secure location. Your board needs to know where these books are kept.</p>		
<p>4. Are the current treasurer books held by the treasurer? The treasurer maintains all financial records.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

<u>Budget:</u>	<u>Treasurer</u>	<u>Audit Committee</u>
<p>1. Was the budget adopted by the general membership? When? If no, Comments: See Audit Committee column. Recommendation: The proposed budget is to be prepared by a budget committee, presented to the executive board and then to the general membership for adoption. We are a membership association and this money belongs to our members.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 8/31/17 & 11/8/17	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The budget was further amended on 4/11 and 5/9. Final amendments approved 6/13/2018.
<ul style="list-style-type: none"> ● Was the budget prepared by a budget committee? ● If no, who prepared the budget? ● Is the budget based on knowledge of last year's income/expenses, current financial conditions, expense needs etc.? ● Does the budget show all sources of income, totaled and balanced, against all total expense categories? ● Was the budget reviewed by the Board before general membership adoption? 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>2. Was a budget report presented at every PTA board/general membership meeting? If no,</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<p>Comments: Presented at several meetings.</p> <p>Recommendation: A budget report showing income and expenses in each budget line should be presented at every PTA Board/general membership meeting.</p>		
<p>3. Is a copy of the adopted audit report sent to the state office each year?</p>	<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p>	
<p>4. Are there any irregularities in the budgeted amounts to actual expenses/income?</p> <p>If yes, Comments: Expenses: Purchase of water for staff lounge (\$1,200) was not included in the amended budget approved by membership. Cost of website hosting and management exceeded the budget approved by membership - the budget should have been submitted again to the membership for approval once the correct cost for 2017-2018 was confirmed (delta of \$1,961.80). Miscellaneous PTA Operating and General Expenses exceeded budget due to the inclusion of credit card fees within this line item in 2017-2018. These costs were underestimated and a revised budget should have been proposed for approval to the membership (excluding a charged back bounced check to the PTA, total cost was approximately \$6K vs. an approved budget of \$1K). Additionally, the PTA had additional expense of \$1,271.43 to reimburse parents of prior year 6th grade students for expenses not paid in 2016-2017 (these should have been covered out of Class Funds, but as the account had utilized all funds already, the cost was paid from the CRS PTA general budget) - this expense should also have been included in the proposed amendments. Geo Bee expense of \$120.00 was reimbursed but not included in approved budget. Additional line items are 'over budget' due to some identified errors in the General Ledger (duplicate entries, voided checks to be removed, etc.; this will be corrected in 2018-2019), but after correcting for these issues the line items will be within the approved budget levels (note due to the manual adjustments required for corrections, there may be some additional line items that are confirmed as over approved budgets when the annual financial report is prepared).</p> <p>Income: Due to timing issues in electronic payment setup revenue expected for AmazonSmile for 2017-2018 will be received in 2018-2019. Funds expected for a program with Shutterfly were not received due to issues around account set-up (in process of resolution). One fundraising event (Barbeque) was short of expected net income due to combination of lower revenue (rainy week) and higher than expected expenses. Spirit Wear resulted in a net expense rather than net income due to 60th Anniversary t-shirts - this was offset by the performance of the 60th Anniversary</p>		<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p>

<p>Fundraiser. Net income from After School Activities was significantly underestimated.</p> <p>Recommendation: any budget amendment over \$300 must be approved by your general membership.</p>		
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<u>Treasurer's Reports:</u>	<u>Treasurer</u>	<u>Audit Committee</u>
<p>1. Was a detailed, written treasurer's report presented at every PTA board/general membership meeting?</p> <p>If no,</p> <p>Comments: A verbal update was provided at most general membership meetings. A written report with the CRS PTA budget vs. actuals was provided at some board meetings. These reports should be included with meeting minutes.</p> <p>Recommendation: A treasurer's report detailing income and expenses and reconciled to the bank statement must be presented at every PTA board/general membership meeting.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> • Were the reports clear, concise and easily understood? • Did the reports show, in detail, the source(s) of all income and expenses? <p>Comments: General membership meeting verbal reports generally covered overall income and expense (although some reports only income), and in some reports current bank balance covered. Treasurer reports provided in board meetings covered year to date actuals by budget line. Dues funds not belonging to CRS were not broken out separately. The information as presented was concise, but did not provide the full details recommended by the National PTA.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>2. Did the treasurer prepare an annual or year-end detailed, written report?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>3. Do the canceled checks and the entries in the checkbook and the treasurer's reports all agree?</p> <p>Comments: The check register in the Ledger needs to be updated - it does not include the cancellation/voiding of 5 checks, totaling \$6,030.78. See documentation in Audit Report Appendix regarding QuickBooks updates required.</p>		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>4. Do the deposit slips and the entries in the income ledger and the treasurer's reports all agree?</p> <p>Comments: 3 deposit receipts (and 2 deposit summaries) were not available. Of the three missing receipts, two are for outstanding deposits from 9/12/2017 (\$10.00) and 11/30/2017 (\$1,2540.00; see Audit Report Appendix for details) and hence deposits could not be validated by Audit Committee. One missing receipt was for a deposit on 9/5 for which the numbers between the Bank statement and Ledger could be validated and are confirmed to agree. Maintaining duplicate deposit slips is recommended by the National PTA. There were also 2 duplicated</p>		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

deposits totalling \$1,868.00 from May 2018 that are to be removed (see Audit Report Appendix).		
5. Have all financial obligations of the PTA been paid in full? Comments: Please see Audit Report Appendix for identified outstanding items totaling \$21,972.72 approved within the 2017-2018 budget that will be reimbursed during the 2018-2019 fiscal year.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<u>Bank Reconciliation:</u>	<u>Treasurer</u>	<u>Audit Committee</u>
1. Were the bank statements reconciled every month? If no, when were they reconciled? Comments: Completed reconciliation reports were provided for each month except September and April. While no report was seen for September and April, bank statements had evidence of a reconciliation being completed. Audit Committee recommendation is to ensure a reconciliation report is submitted and reviewed every month. Recommendation: Bank statements must be reconciled every month.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2. Are bank reconciliations verified each month by individuals that are not authorized to sign checks? If no, were they verified in any months? Comments: The Treasurer, who has signature authority, completed the reconciliations. The Audit Committee completed a full reconciliation of fiscal year 2017-2018 during the Audit. Recommendation: Bank statements must be opened by a non-signer and must be verified against the treasurer's report every month.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3. Did the year-end financial report reconcile with the final bank statement? Comments: The General Ledger from the end of the fiscal year was reconciled with the final Bank statement. See note under Auditor Additional Comments and Recommendations regarding issue with an expenditure (from 2016-2017) classification that impacted the Ledger balance.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<u>Financial Procedures and Controls:</u>	<u>Treasurer</u>	<u>Audit Committee</u>
1. Are all PTA monies kept separate from school, personal or other organization's funds?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
2. Are the state and national portions of membership dues sent to the Virginia PTA state office before December 1st? If no, Comments: Payment was made after December 1st, 2017. Dates are noted further below.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<p>Recommendation: Membership funds belonging to Virginia and National PTA are transfer funds and should be remitted to Virginia PTA.</p>		
<ul style="list-style-type: none"> Do the deposit records for membership match the membership numbers? <p>If no, Comments: N/A</p> <p>Recommendation: membership funds belonging to Virginia and National PTA should be remitted to Virginia PTA and are not included in your PTA budget.</p>		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>What was the PTA's total membership count for the year?</p>	<p>___512___</p>	
<p>PTA membership dues are \$ <u>20</u> per member for the <u>2017-18</u> school year.</p>	<p>complete section</p>	
<p>What was the date and dollar amount of dues sent to Virginia PTA?</p> <ul style="list-style-type: none"> Date: <u>6/28/2018</u> Amount: <u>\$1,920.00</u> Date: _____ Amount: _____ Date: _____ Amount: _____ 	<p>complete section</p>	
<p>What was the amount of dues paid to Council, if applicable?</p> <ul style="list-style-type: none"> Date: <u>5/1/2018</u> Amount: <u>\$128.00</u> 	<p>complete section</p>	
<p>3. Was there a proper invoice or receipt for each expenditure?</p> <p>If no, Comments: Documentation for several reimbursement requests were missing from the records (checks 12723, 12729, 12967, 12993). These expenses were reviewed by the Audit Committee and were correctly reimbursed; however, the invoice/receipt documentation for these items should be located and added to the CRS PTA records as these would be required if an IRS review (retention record requirement is 7 years).</p> <p>Recommendation: There must be a receipt or invoice for every check written. If there is no receipt, no check should be written.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> Was every expense checked against the budget before authorization? Were receipts and invoices matched against the request before payment? Is there a time limit for reimbursements? 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<p>4. Is there a policy that prohibits the signing of blank checks? Are all checks signed by at least two authorized people?</p> <p>If no, how often were they only signed by one person?</p> <p>Comments: Eleven checks were signed by only one person (12727, 12750, 12773, 12844, 12850, 12876, 12877, 12907, 12935, 12939, and 12963). Check 12877 had same name for payee and signature. It is advised that the payee for a check should not be one of the signatories.</p> <p>Recommendation: All checks must be signed by 2 people.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> Was the check register kept current? Are all checks used in sequential order? Are all checks accounted for, including voided checks? 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<p>Comments: The review and reconciliation of the General Ledger and Bank statements resulted in the identification of check line items that need to be updated (11 incorrect check number, 7 duplications, 5 cancelled/voided checks not updated); details noted in Audit Report Appendix for corrections required. There was a set of check numbers not used in sequential order (12886-12895; status confirmed as unused by Audit Committee) when printing checks. There are 17 checks that per Treasurer were most likely voided. These 17 checks were not entered into the General Ledger and paper versions or copies were not available for validation (12694, 12700, 12833, 12834, 12835, 12839, 12840, 12841, 12842, 12878, 12879, 12880, 12881, 12882, 12884, 12885, and 12948).</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>Were there any checks written to “cash” or cash withdrawals? If yes, list:</p> <p>Amount: _____ Date: _____ Check #: _____ Amount: _____ Date: _____ Check #: _____ Amount: _____ Date: _____ Check #: _____</p> <p>Comments: N/A</p> <p>Recommendation: NEVER write a check to “cash”. There is no record of how your PTAs funds were spent.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>5. Is signatory paperwork up-to-date with at least three (3) signatures?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>Does the PTA/PTSA have checking account? With which bank? __Chain Bridge Bank_____ Does the PTA/PTSA have a savings account? With which bank? _____ Does the PTA/PTSA have any certificates of deposit? With which bank? _____</p> <p>Does the PTA/PTSA have a debit card? If yes, Comments: Recommendation: Virginia PTA strongly advises units not to hold debit cards as they can be easily misused.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>6. Are at least two people involved in the processes of depositing funds and handling cash? If no, how often did only one person count? Comments: Typically cash was counted by 1 event coordinator and provided to the Treasurer for deposit, or the Treasurer would count and deposit. Copies of the cash worksheet (and/or receipt) should be retained by an individual not completing the deposit. Recommendation: A deposit reconciliation form must be used for every cash deposit, with two people counting the funds every</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

time. A “cash counting sheet for event” may also be used (National PTA).		
<p>Were all funds deposited promptly? (within the next business day)</p> <p>If no, how much time lapsed?</p> <p>Comments: The average time lapse between CRS PTA event and cash deposit was 40 days. The majority of the funds received by the CRS PTA are received electronically.</p> <p>Recommendation: PTA funds should never be taken home with you and should be deposited the same day they are received or the next business day.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Was all income properly allocated into the appropriate budget line?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

<u>Insurance:</u>	<u>Treasurer</u>	<u>Audit Committee</u>
1. Are insurance policies in force to protect the PTA against loss of property by reason of fire, theft or other casualty?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2. Are liability policies in effect to protect PTA officers and members, schoolchildren or other third parties where PTA projects or activities may result in an accident?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>3. Are the treasurer and all others authorized to handle PTA funds covered by a fidelity bond in the amount determined by the board?</p> <p>Comment: The CRS PTA has purchased this coverage but is not following accounting procedures required by the provider in order for coverage to be provided. See Additional Comments and Recommendations.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<u>Internal Revenue Service (IRS) and Tax Forms:</u>	<u>Treasurer</u>	<u>Audit Committee</u>
1. What is the PTA/PTSA’s Employer Identification Number (EIN)? ___52-1288898_____		
2. A copy of the letter from Virginia PTA verifying your PTA as a subordinate of the Virginia PTA with our 501c(3) Determination Letter and your Sales Tax Exemption Certificate are in your permanent files.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3. Has the IRS form 990, 990-EZ or E-Postcard been filed with the IRS?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has it been forwarded to Virginia PTA? (the e-mail confirmation may be forwarded for the E-Postcard)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
4. Is the PTA/PTSA incorporated?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<ul style="list-style-type: none"> ● If "YES", has an annual corporate report been filed with the state government, as required? ● Does the annual report reflect current officers and/or a registered corporate agent? 	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Fundraising, Corporate Sponsorship and Grants:	Treasurer
1. Did the PTA follow the 3 to 1 rule for fundraising (<i>reference "Standards for PTA Fundraising" at www.ptakit.org</i>)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2. Did the PTA ensure fundraisers did not exploit children?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3. Were all fundraisers approved by the general membership?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4. Was care taken to see that no laws were violated during fundraisers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5. Were all school system policies for fundraisers followed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6. Did the President sign all fundraising contracts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7. Were sufficient procedures in place to ensure the safe handling of funds?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8. Did the PTA receive any money from grants? If "YES" list: Grant Source Amount _____ _____ _____ _____	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were monies expended in accordance with grant application?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Did the PTA receive any money or goods from corporate sponsorships? Was the money or goods used according to the request?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No

Leadership Training	Treasurer
1. Were officers sent to Leadership Training and Annual Conference?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Did officers participate in District or Council training?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3. Did officers complete National PTA E-learning courses?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Auditors Additional Comments and Recommendations: *(use additional space as needed)*

Additional Comments:

An error was introduced to the CRS PTA General Ledger when transitioning between 2016-2017 and 2017-2018. An expenditure (directly paid via Bank) of \$102.62 on May 2, 2016, is classified in the 2017-2018 Ledger as an "Outstanding Check" - however, this is a paid expense and was not in the 2016-2017 Audit as an Outstanding Check/Payment. This is causing a discrepancy of \$102.62 between the check register in QuickBooks and the Ending Balance. This issue will be resolved for 2018-2019.

Based upon the review of the Bank statements and General Ledger of the CRS PTA, a number of errors and items requiring updates have been identified in the Ledger, as detailed in the Audit Report Appendix. These items should be corrected at the start of the 2018-2019 fiscal year in the Ledger.

The CRS PTA is carrying a significant balance (\$8,096.63) of outstanding checks aged more than twelve months, and it is recommended that the CRS PTA review and investigate these items. The Audit Committee and Treasurer were able to identify that several of the outstanding checks have already cleared, and this will be updated in 2018-2019. See the Audit Report Appendix for detail on identified corrections required.

The outstanding deposits included in the supporting documentation are also materially aged (6/19/2016, 9/12/2017, and 11/30/2017) and require investigation (which is in process).

Additional Recommendations:

It is recommended that the CRS PTA follow the practices for handling money that have been outlined by the National PTA to ensure an effective system of financial management. Among the National PTA recommendations are segregating duties, for example, separating payment approval and check signing authority. Detailed information can be found in the National PTA Local Leader Kit (ptakit.org), [Finance Quick Reference Guide](#), and [Finance E-Banking Best Practices Guide](#).

The CRS PTA Board should immediately update the monthly reconciliation process. It is the Audit Committee's recommendation that Bank statements and reconciliations must be completed every month (recommendation is within 10 days of receiving Bank statement) by someone who does not have access to the Bank account or authority to sign checks. This is required not only per the PTA Financial Management Checklist but to meet the requirements for coverage of the CRS PTA insurance bonding policy terms - "there will be a monthly bank reconciliation (rebalancing of the checkbook) performed by an organization officer other than that officer (usually the Treasurer) normally responsible for banking functions."

Expenditures must be confirmed to be within the approved budget before money is dispersed (checks written). To do this all officers responsible for signing checks must understand and have access to the budget and up to date expenditures in order to determine if the check they are writing/signing is indeed part of the budget and to make sure the line item does not go over budget with the check they are signing. It is recommended that all individuals with signature authority have viewable access to the online Ledger. Additionally, there should be a backup account with edit access.

All CRS PTA officers have a fiduciary responsibility to ensure the CRS PTA is operating in a fiscally sound manner. Best practices from the National PTA suggest providing officers viewable access (not editing access) and/or automated reporting to review financial information in detail for their respective areas of oversight, as well as overall CRS PTA financial results. All officers have responsibility for ensuring spend is within approved budgets and providing financial oversight support.

CRS PTA financial policies and procedures should be put in writing and published. The National PTA advises an annual review of financial management practices & provides a [checklist](#) for local leader use. All CRS PTA board members should be trained on these policies and ensure that all procedures are followed (these policies and procedures could potentially be established as Standing Rules). Financial forms utilized by the CRS PTA should be updated and added to as required to provide the necessary supporting documentation for all requests (for example, advance for event cash box, cash counting worksheet, etc.). CRS PTA Committee Chairs & Coordinators handling any money, deposit, or reimbursement requests should also be trained on policies and procedures.

Per the National PTA, monthly reporting should include a detailed Balance Sheet, detailed year-to-date Income Statement, monthly Bank reconciliation & related Bank statement, and the dues received for state, national & county PTAs. These reports should be kept on file with the minutes of the respective meeting. An annual report should be completed after the close of each year - the 2017-2018 Annual Financial Report should be completed as soon as possible. Per PTA records retention policy this report must be retained for 10 years.

The National PTA advises that county, state and National dues collected should be recorded in a liability account (such as "Membership Dues Payable"), and sent monthly.

Audit Report for: Churchill Road PTA.

EIN: 52-1288898.

Date of audit: August 28, 2018.

Audit period from July 1, 2017 to June 30, 2018.

Last audit period from July 1, 2016_ to _June 30, 2017. Ending balance: \$ 190,719.01.

1. Beginning Balance (Should match prior audit "Ending Balance")	\$ 175,671.91
2. Receipts (<i>Total of all deposits and credits</i>)	\$ 280,535.47
3. Add line 1 and line 2:	\$ 456,207.38
4. Expenses (<i>Total of all checks written and debits</i>)	\$ 323,394.38
5. Subtract line 4 from line 3 for "ENDING BALANCE" (<i>Should match check register</i>)	\$132,813.00

OUTSTANDING CHECKS AND DEPOSITS:

6. Balance on Last Bank Statement:	\$ 200,519.79									
<table border="1"> <thead> <tr> <th>Check #</th> <th>Payable to:</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td></td> <td>See attached Audit Report Appendix for 87 uncleared checks & payments</td> <td></td> </tr> <tr> <td></td> <td>Total outstanding checks:</td> <td>\$ 70,830.29</td> </tr> </tbody> </table> <p>Outstanding Checks:</p>	Check #	Payable to:	Amount		See attached Audit Report Appendix for 87 uncleared checks & payments			Total outstanding checks:	\$ 70,830.29	
Check #	Payable to:	Amount								
	See attached Audit Report Appendix for 87 uncleared checks & payments									
	Total outstanding checks:	\$ 70,830.29								
7. Subtract total for Outstanding Checks from Line 6.	\$ 129,689.50									
<p>Outstanding Deposits</p> <table border="1"> <thead> <tr> <th>Source of Deposit</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>See Audit Report Appendix for 5 uncleared deposits</td> <td></td> </tr> <tr> <td>TOTAL OUTSTANDING DEPOSITS:</td> <td>\$ 3,187.00</td> </tr> </tbody> </table>	Source of Deposit	Amount	See Audit Report Appendix for 5 uncleared deposits		TOTAL OUTSTANDING DEPOSITS:	\$ 3,187.00				
Source of Deposit	Amount									
See Audit Report Appendix for 5 uncleared deposits										
TOTAL OUTSTANDING DEPOSITS:	\$ 3,187.00									
8. Add total Outstanding Deposits to Line 7.	\$ 132,813.00									
9. Enter amount in line 8 to verify "ENDING BALANCE" <i>Should match check register and amount in Line 5.</i>	\$ 132,813.00									