

# Audit Report for Local PTAs



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

EIN Number: 52-1288898 Date of Audit: October 1, 2018

Audit period from July 1, 2018 to September 30, 2018.

Presented to PTA executive board on: 10/3/2018 (date) and adopted by your General Membership on: 10/10/2018 (date).

Date of last audit: Aug 28, 2018. Last audit covered the period from July 1, 2017 to June 30, 2018.

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.

<b>Audit Committee:</b>	<b>Auditor:</b>
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: Kristi West phone: 703-609-3200

Treasurer during audit period:

Julie Millar until 9/12/2018 phone: 703-448-0451;

Nick Kilpatrick from 9/12/2018 phone: 610-306-9951

Secretary during audit period: Kelly Marino phone: 917-414-3884

<b><u>Treasurer’s Records:</u></b>	<b><u>Treasurer</u></b>	<b><u>Audit Committee</u></b>
1. Do the treasurer records include:		
• Contact information for the Executive Board?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of previous audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of the bylaws and standing rules ( <i>if applicable</i> )? <b>See notes below bullets.</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of membership roster? <b>See notes below bullets.</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of the adopted budget? <b>See notes below bullets.</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of IRS 990 filing?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• Copy of insurance policy? <b>See notes below bullets.</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• A copy of the 501c(3) determination letter? <b>See below.</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• A copy of the sales tax exempt certificate? <b>See below.</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• A copy of bank signatory paperwork?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• Minutes of all meetings? ( <i>Board and general membership</i> )	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• Treasurer reports with budget-to-date information for <b>every</b> meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• Bank statements?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
• Documentation for <b>every</b> expense and <b>all</b> income?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
• The annual year-end report? <b>N/A - partial year</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Comments:</b> Bylaws, budget, minutes, IRS 990 filing, insurance policy, 501c(3) determination letter, and sales tax exempt certificate are all maintained within the CRS PTA’s secure G Suite.	<b>N/A</b>	<b>N/A</b>
2. Were the records turned over in a timely manner to the audit committee?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<p><b>If no, when were they turned over?</b> _____</p> <p><b>Comments:</b></p> <p><b>Recommendation:</b> All PTA records are the property of the PTA and shall be available to the membership.</p>		
<p>3. Where are your treasurer records maintained?          Nick Kilpatrick's Classroom File Cabinet          7100 Churchill Road          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	

<b>Budget:</b>	<b>Treasurer</b>	<b>Audit Committee</b>
<p>1. Was the budget adopted by the general membership?            When?  <b>If no,</b>  <b>Comments:</b> Yes, the 2018-2019 budget was adopted at the Back to School Nights on August 29-30.  <b>Recommendation:</b> 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	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> <li>● Was the budget prepared by a budget committee?</li> <li>● <b>If no,</b> who prepared the budget? _____</li> <li>● Is the budget based on knowledge of last year's income/expenses, current financial conditions, expense needs etc.?</li> <li>● Does the budget show all sources of income, totaled and balanced, against all total expense categories?</li> <li>● Was the budget reviewed by the Board before general membership adoption?</li> </ul>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	<input 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?  <b>If no,</b>  <b>Comments:</b> A verbal update was provided. No written reports or bank statements were shared.  <b>Recommendation:</b> A budget report showing income and expenses in each budget line should be presented at every PTA Board/general membership meeting.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>3. Is a copy of the adopted audit report sent to the state office each year?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>4. Are there any irregularities in the budgeted amounts to actual expenses/income?</p>		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<p><b>If yes,</b>  <b>Comments:</b> Yes, one item from 2017-2018 was paid twice to CRS, which is causing a \$5,772.52 issue. An expense for \$233.73 was paid via check 12935 (and again as part of the above issue) and check 13004. These will be offset against pending reimbursement requests for 2018-2019.  <b>Recommendation:</b> any budget amendment over \$300 must be approved by your general membership.</p>		
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<b>Treasurer's Reports:</b>	<b>Treasurer</b>	<b>Audit Committee</b>
<p>1. Was a detailed, written treasurer's report presented at <b>every</b> PTA board/general membership meeting?  <b>If no,</b>  <b>Comments:</b> A verbal report noting income and expenses was provided at the September board and general membership meetings. (Only meetings for this Audit period.)  <b>Recommendation:</b> 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> <li>• Were the reports clear, concise and easily understood?</li> <li>• Did the reports show, in detail, the source(s) of all income and expenses?</li> </ul> <p><b>Comments:</b></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?  <b>Comments:</b> N/A as this audit is being completed 3 months into the year.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No  <p style="text-align: center;"><b>N/A</b></p>	<input type="checkbox"/> Yes <input type="checkbox"/> No  <p style="text-align: center;"><b>N/A</b></p>
<p>3. Do the canceled checks <b>and</b> the entries in the checkbook <b>and</b> the treasurer's reports <b>all agree?</b>  <b>Comments:</b> Check 12935 was not entered into the ledger for 2017-2018. Checks 12935 and 12965 were duplicate payments for \$5,772.52 each to CRS. This will be resolved by utilizing the funds paid to offset approved reimbursement requests against 2018-2019 budget lines.  2018-2019 entries from July to September are up to date.</p>		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>4. Do the deposit slips <b>and</b> the entries in the income ledger <b>and</b> the treasurer's reports <b>all agree?</b>  <b>Comments:</b> For the deposit slips available, the slips, ledger and bank statements all agree. Deposit paperwork has been misplaced in the treasurer transition &amp; paperwork for 4 deposits (previously reviewed &amp; approved) are not available (summer camps - \$6,700).</p>		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>5. Have all financial obligations of the PTA been paid in full?  <b>Comments:</b> There are outstanding items remaining from 2017-2018: Spring ASA payments to FCPS of \$4,570.81, one outstanding items for investigation (FCPS ASA of \$1,568.96), Summer Camp 2018 expenses (\$3,834.54), and other</p>		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

reimbursements to CRS totaling \$5,476.08 (these will be offset by the duplicate payment).		
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<b>Bank Reconciliation:</b>	<b>Treasurer</b>	<b>Audit Committee</b>
<p>1. Were the bank statements reconciled every month?  <b>If no, when were they reconciled?</b>  <b>Comments:</b> The July statement was reviewed in August. A full reconciliation of July &amp; August was completed in September. The September statement was reconciled in October.  <b>Recommendation:</b> Bank statements must be reconciled every month.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>2. Are bank reconciliations verified each month by individuals that are not authorized to sign checks?  <b>If no, were they verified in any months?</b>  <b>Comments:</b>  <b>Recommendation:</b> Bank statements must be opened by a non-signer and must be verified against the treasurer's report every month.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>3. Did the year-end financial report reconcile with the final bank statement?  <b>Comments:</b> N/A as not at end of fiscal year.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <b>N/A</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <b>N/A</b>

<b>Financial Procedures and Controls:</b>	<b>Treasurer</b>	<b>Audit Committee</b>
<p>1. Are all PTA monies kept separate from school, personal or other organization's funds?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>2. Are the state and national portions of membership dues sent to the Virginia PTA state office before December 1st?  <b>If no,</b>  <b>Comments:</b> First payment will be in October.  <b>Recommendation:</b> Membership funds belonging to Virginia and National PTA are transfer funds and should be remitted to Virginia PTA.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <b>N/A</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <b>N/A</b>
<p>• Do the deposit records for membership match the membership numbers?  <b>If no,</b>  <b>Comments:</b>  <b>Recommendation:</b> 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>	<u>438</u> <i>(to date for 2018-2019)</i>	
<p>PTA membership dues are \$ <u>20</u> per member for the <u>2018-19</u> school year.</p>	<i>complete section</i>	
<p>What was the date and dollar amount of dues sent to Virginia PTA? First payment will be in October.</p>	<i>complete section</i>	

<ul style="list-style-type: none"> <li>○ Date: <u>  n/a  </u> Amount: <u>  n/a  </u></li> <li>○ Date: _____ Amount: _____</li> <li>○ Date: _____ Amount: _____</li> </ul>		
<p>What was the amount of dues paid to Council, if applicable?</p> <ul style="list-style-type: none"> <li>○ Date: <u>  n/a  </u> Amount: <u>  n/a  </u> First payment will be in October.</li> </ul>	<i>n/a - first payment in October</i>	
<p>3. Was there a proper invoice or receipt for each expenditure? <b>If no,</b> <b>Comments:</b> Check 13006 did not have a proper invoice or receipt, was not part of an approved budget, and should not have been paid. The documentation for the following items was misplaced in the Treasurer transition: 12878, 12884, 12881, 12882, 12880, 12883. The documentation for these items was reviewed and approved before payments were issued. <b>Recommendation:</b> There <b>must</b> be a receipt or invoice for every check written. If there is no receipt, no check should be written.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<ul style="list-style-type: none"> <li>● Was every expense checked against the budget before authorization? <ul style="list-style-type: none"> <li>● Were receipts and invoices matched against the request before payment?</li> <li>● Is there a time limit for reimbursements?</li> </ul> </li> </ul>	<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? <b>If no,</b> how often were they only signed by one person? <b>Comments:</b> 28 checks were signed by only one person (12878, 12964, 12966, 12967, 12968, 12969, 12970, 12971, 12972, 12973, 12975, 12977, 12978, 12979, 12981, 12982, 12983, 12985, 12986, 12987, 12988, 12991, 12995, 12997, 12999, 13000, 13005, 13006). Check 13006 had same name for payee and signature. All checks and forms/invoices have been reviewed to validate expense - all checks were verified as appropriately paid except 13006. <b>Recommendation:</b> All checks <b>must</b> be signed by 2 people.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<ul style="list-style-type: none"> <li>● Was the check register kept current?</li> <li>● Are <b>all</b> checks used in sequential order?</li> <li>● Are all checks accounted for, including voided checks?</li> </ul> <p><b>Comments:</b> The register for 2018-2019 is current, however there was an item from 2017-2018 that impacted the register (as not entered in 2017-2018). Checks identified as unused in 2017-2018 were used, then proceeded in sequential order.</p>	<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 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>Were there any checks written to “cash” or cash withdrawals? <b>If yes,</b> list: Amount: _____ Date: _____ Check #: _____ Amount: _____ Date: _____ Check #: _____ Amount: _____ Date: _____ Check #: _____</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<p><b>Comments:</b>  <b>Recommendation:</b> NEVER write a check to “cash”. There is no record of how your PTAs funds were spent.</p>		
<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_____</p> <p>Does the PTA/PTSA have a savings account?  With which bank? _____</p> <p>Does the PTA/PTSA have any certificates of deposit?  With which bank? _____</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	
<p>Does the PTA/PTSA have a debit card?  <b>If yes,</b>  <b>Comments:</b>  <b>Recommendation:</b> Virginia PTA <b>strongly</b> advises units not to hold debit cards as they can be easily misused.</p>	<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?  <b>If no,</b> how often did only one person count?  <b>Comments:</b> There was one cash deposit in this period that was counted and verified by 2 officers.  <b>Recommendation:</b> A deposit reconciliation form must be used for every cash deposit, with two people counting the funds every time. A “cash counting sheet for event” may also be used (National PTA).</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Were all funds deposited <b>promptly?</b> (within the next business day)  <b>If no,</b> how much time lapsed?  <b>Comments:</b> Yes, except for four deposits (all checks), totaling \$6,700 for summer camp fees that were deposited on 8/31 - ~2-4 weeks after submission to PTA.  <b>Recommendation:</b> 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Was all income properly allocated into the appropriate budget line?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Insurance:</b>	<b>Treasurer</b>	<b>Audit Committee</b>
<p>1. Are insurance policies in force to protect the PTA against loss of property by reason of fire, theft or other casualty?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>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?</p>	<input checked="" 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?  <b>Comment:</b></p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>Internal Revenue Service (IRS) and Tax Forms:</b>	<b>Treasurer</b>	<b>Audit Committee</b>
1. What is the PTA/PTSA's Employer Identification Number (EIN)? <u>52-1288898</u>		
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	
● If "YES", has an annual corporate report been filed with the state government, as required?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
● Does the annual report reflect current officers and/or a registered corporate agent?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

<b>Fundraising, Corporate Sponsorship and Grants:</b>	<b>Treasurer</b>
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

<b>Leadership Training</b>	<b>Treasurer</b>
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 type="checkbox"/> Yes <input checked="" 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)*

An issue was identified during the review of the July bank statement regarding a check that was created and paid in July before approval of the budget by the membership. Financial management practices were not followed - this check should not have been issued. The funds have been reimbursed to the PTA.

As noted in the 2017-2018 audit, the CRS PTA needs to reinstitute the practices for handling and managing money as outlined by the National PTA to ensure an effective system of management and fulfill both CRS PTA bylaws and insurance requirements. The CRS PTA's financial policies, procedures, & related forms should all be determined, documented and implemented as soon as possible. All of these materials should be readily accessible to CRS PTA Officers, Committee Chairs, & Coordinators.

Among the recommendations from the National PTA that should be addressed are segregation of duties, monthly reconciliation process, confirmation of expenditure within approved budget prior to disbursing funds, detailed monthly reporting, annual year end financial reports, institution of reimbursement deadlines, cash counting & handling procedures, deposit process, etc. Additional recommendations and guidance can be found in the National PTA Local Leader Kit ([ptakit.org](http://ptakit.org)), [Finance Quick Reference Guide](#), and [Finance E-Banking Best Practices Guide](#).

Note: To resolve historical and current year errors in the CRS PTA Ledger that were identified in the 2017-2018 Audit Report, updates were completed prior to 10/1/2018 to rectify the issues. These changes resulted in a revision of the starting balance of the ledger (as compared to the ending balance of the last Audit report), along with addressing issues identified regarding the outstanding checks and deposits. The ledger is now fully up-to-date and in sync with the bank statements. All outstanding liabilities identified will be addressed during the month of October 2018.

**Audit Report for:** Churchill Road PTA.

EIN: 52-1288898.

Date of audit: October 1, 2018.

**Audit period from** July 1, 2018 **to** September 30, 2018.

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

<b>1. Beginning Balance</b> (Should match prior audit "Ending Balance")	\$135,387.42
<b>2. Receipts</b> (Total of all deposits and credits)	\$127,276.19
<b>3. Add line 1 and line 2:</b>	\$262,663.61
<b>4. Expenses</b> (Total of all checks written and debits)	(\$32,349.74)
<b>5. Subtract line 4 from line 3 for "ENDING BALANCE"</b> (Should match check register)	<b>\$230,313.87</b>

**OUTSTANDING CHECKS AND DEPOSITS:**

<b>6. Balance on Last Bank Statement:</b>	\$232,551.97									
<table border="1"> <thead> <tr> <th>Check #</th> <th>Payable to:</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table> <p><i>Outstanding Checks: 7 outstanding checks. Please see Audit Appendix Report.</i></p>	Check #	Payable to:	Amount							\$2,238.10
Check #	Payable to:	Amount								
<b>7. Subtract total for Outstanding Checks from Line 6.</b>	\$230,313.87									
<b>Outstanding Deposits</b>	\$0.00									
<table border="1"> <thead> <tr> <th>Source of Deposit</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td><b>TOTAL OUTSTANDING DEPOSITS:</b></td> <td><b>\$0.00</b></td> </tr> </tbody> </table>	Source of Deposit	Amount			<b>TOTAL OUTSTANDING DEPOSITS:</b>	<b>\$0.00</b>				
Source of Deposit	Amount									
<b>TOTAL OUTSTANDING DEPOSITS:</b>	<b>\$0.00</b>									
<b>8. Add total Outstanding Deposits to Line 7.</b>	\$230,313.87									
<b>9. Enter amount in line 8 to verify "ENDING BALANCE"</b> <i>Should match check register and amount in Line 5.</i>	<b>\$230,313.87</b>									