

TREASURER 101 Part II: A DAY IN THE LIFE OF A PTA TREASURER

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Utah PTA Treasurer



Budget Issues - Amendments

- ❖ Budgets are approved at the beginning of the year by a majority vote of the general membership, where at least a quorum (ten members) is in attendance.
- ❖ Because a budget is only an estimate, it is likely that changes will be necessary during the year.
- ❖ A substantial change (10% or more) to the budget must be approved by two-thirds vote of a quorum of the general membership.
- ❖ Only substantial changes in expense categories require an amendment.

Budget Issues - Carryover

- ❖ Emergency reserve funds are considered an integral part of each PTA's planning and budgeting process.
- ❖ Maintaining a small savings account for a carryover balance allows for the efficient management of funds.
- ❖ There is no IRS regulation or other federal law that specifies a carryover minimum or maximum limit.
- ❖ National PTA suggests that the reserve fund be at least one-half of a PTA's annual budget (expenses) for an average year. Utah PTA recommends up to/no more than one full year.

Budget Issues - Carryover

- ❖ While VERY STRONGLY DISCOURAGED by Utah PTA, Board Designated Funds may be used for larger projects over a longer period of time.
- ❖ This should be voted on by the general membership and should be notated in meeting minutes.
- ❖ This designation is only effective when there is continuity in leadership as future leadership/general membership can decide whether to continue with long-term projects.

Budget Issues - Carryover

- ❖ If a PTA finds itself with a very large carryover it should consider conducting limited or no fundraising in the following year.
- ❖ The PTA should never write a check to the school or anyone else for unbudgeted items to “clean out” the PTA account.
- ❖ It is also not appropriate to amend the budget to include a “school gift” at the end of the year when a PTA finds itself with excess funds.
- ❖ PTAs without a sufficient carryover reserve should work to build one over time.

Membership Dues - Why?

- ❖ Utah PTA is an organization based on membership dues. This is the basis of our IRS exemption and what allows us to advocate for the children of Utah.
- ❖ The state and national portions of membership dues cover the costs of printing, mailing, leadership training, developing programs, and maintaining the Utah PTA and National PTA offices.
- ❖ Funds received from membership dues are not a fundraiser. These funds cover the cost to sustain the function and purpose of PTA.

Membership Dues - How Much?

- ❖ Local dues vary according to local bylaws. See Article V, Section 7
- ❖ As of July 1, 2025, Councils no longer collect dues from local PTA units, but are funded by Utah PTA.
- ❖ State and National dues are voted upon by delegates attending business meetings at Utah Leadership and National Conventions.
- ❖ Beginning July 1, 2025, \$6.00 combined (\$3.25 national, \$2.75 state)
- ❖ Remit the \$6.00 per member to Utah PTA.

Membership Dues - Remittance

- ❖ State/National portion of membership dues must be submitted by the 25th of each month via Givebacks ACH transaction or check mailed with Dues Remittance Form found on the Utah PTA website.
- ❖ A \$2 processing fee will apply to both Givebacks ACH transactions and manual dues remittance via check/form.
- ❖ For manual dues remittances, a digital list of members and contact information must be sent to the Utah PTA Treasurer via email to treasurer@utahpta.org.
- ❖ All dues must be paid by December 1st to qualify for Reflections, other PTA programs, and to receive sales tax refunds.
- ❖ The Treasurer should keep an up-to-date membership roster in the Current File of the PTA.

Insurance

- ❖ Utah law requires that each unit carries a general liability insurance policy. Utah PTA has negotiated a discounted rate with AIM; however, it is not required that local units use AIM for their insurance needs.
- ❖ As of July 2024, Utah raised the tort limit for governmental bodies to \$3.5M. Due to the nature of our organization and our nonprofit status, it is still acceptable for local PTA units to carry just the \$2M policy limit.
- ❖ A fidelity bonding add-on is required for units that accept credit cards for payments or those that have adopted the eCommerce policy for the PTA.

*Insurance issues regarding high-risk activities will be discussed in the “Beyond Basics for Treasurers” class.

Financial Forms

- ❖ Sample PDF forms (packet & single forms) can be found online on the Utah PTA website.
- ❖ Excel templates for applicable forms can also be found online on the Utah PTA website.
- ❖ With a few exceptions, the local unit may create its own form as long as it contains ALL of the information that is found on the sample form.
- ❖ Utah PTA forms that must be used and cannot be altered: Signature Pages, Dues Remittance Form, Year-End Financial Statement Report and Annual Financial Reconciliation (AFR) Report.

Financial Forms - Signature Pages

Signature Pages forms are included in the Beginning-of-Year Compliance Documents due by August 1st:

- ❖ Signature Form: PTA Basic Fiscal Management Procedures
 - ✓ Must be signed by anyone who handles PTA money, including member volunteers at events.
- ❖ Signature Form: PTA Ethics Conflict of Interest Policy
 - ✓ Must be signed by all board members and committee/event chairs.

Monthly Treasurer's Report

- ❖ Providing consistent financial reports creates the transparency that is necessary for our organization.
- ❖ The PTA officers and members need to know if there are sufficient funds available to meet the goals set.
- ❖ At each meeting, the Treasurer should provide a written report of the following:
 - ✓ Balance from the last report
 - ✓ Income since last report
 - ✓ Expenses since last report
 - ✓ Current account balance
- ❖ The Treasurer's Report is not related to the bank statement. It is a report of all income received and disbursements issued, whether they have cleared the bank or not.

Budget Analysis Report

- ❖ A budget analysis is also important to have readily available at all board meetings.
- ❖ This report shows a comparison of what was budgeted, the actual income/expenses, and the difference between the two.
- ❖ Board members will appreciate this information as it allows them to know where they stand with their budget.
- ❖ The treasurer reporting portion of the monthly board meeting is also a great time to present the bank statement for opening, review, and signature.

Financial Forms - Deposits

Funds Received Form

- ❖ “Funds Received by” is the board member who had control of the funds before counting.
- ❖ “Deposit prepared by” is typically the Treasurer.
- ❖ “Deposit taken to the bank by” is the two people who go to the bank.
- ❖ Attach bank deposit receipt to the form.

Money Counting Sheet

- ❖ Signed by three people who counted all money and verified checks.
- ❖ Attached to back of Funds Received Form.

Financial Forms - Expenditures

Check Request/Expenditures Form

- ❖ Original receipts must be submitted.
- ❖ Multiple receipts can be reimbursed with one form/check.
- ❖ The President & Treasurer approve expenditures.
- ❖ The Principal signature IS required. It is not for approval, but for acknowledgement of the PTA's work within the school.

Financial Forms - Cash Box Process

Beginning Cash Box Balance Form

- ❖ Whenever possible, the Treasurer should be in attendance at events involving money.
- ❖ A check is written to the Event Chair or Treasurer.
- ❖ The check is cashed in the denominations required for the event.
- ❖ The Treasurer (or other Executive Committee member substitute), Event Chair, and a third board member verifies the amounts and sign the form.
- ❖ The form is attached to the check request form as documentation for the check that was written for the cash box.
- ❖ **At the conclusion of the event, the beginning cash box amount should be deposited as a separate deposit for transparency.**

Financial Forms - Bank Reconciliation

- ❖ As a reminder:
 - ✓ Bank statements should be mailed to the PTA at the school's address or viewed/downloaded online using "READ ONLY" access.
 - ✓ A board member (non-signer) should open the bank statement, review & sign, and give it to the president.
 - ✓ The president reviews, signs, and gives it to the treasurer for reconciliation.
- ❖ A bank reconciliation is used to compare the PTA records to those of the bank.
- ❖ Reconciliations must be performed in a timely manner.

Financial Forms - Bank Reconciliation

Bank Reconciliation Form

- ❖ Items needed: current bank statement, check register, and last month's bank reconciliation.
- ❖ Reconciliation form must be completed and attached to the bank statement and kept with treasurer's records.

Check Register

A Check Register is a chronological list of the entries in the bank account. It is a required report for any business, even a PTA.

Content/Columns include:

- ❖ Date of transaction
- ❖ Type (i.e. check, deposit)
- ❖ Transaction Number (check #, ACH, deposit #, etc)
- ❖ Payee (check) or Source of Income (Bank Deposit, Square Deposit, etc)
- ❖ Amount: one column with positive (deposits) or negative (checks) entries OR two columns splitting out the increases and decreases to the account
- ❖ Balance of account after the transaction.

General Ledger

- ❖ A General Ledger is an important, required report that sorts the bank account entries into budget categories.
- ❖ It should contain most of the same information as the Check Register: Date, Type, Transaction Number, Payee, and Amount.
- ❖ The General Ledger will subtotal each entry into the budget categories.
- ❖ When these category subtotals are combined (increases less decreases) and added to the beginning balance they will equal the check register balance.

Organization and Storage of PTA Records

- ❖ What do we do with all of the documentation and reports?
- ❖ At this time, Utah PTA requires hard copy, paper documentation for all financial records.
- ❖ Filing System versus Binder System
- ❖ Current, Ten-Year, and Permanent Files (see Treasurer Handbook pages 35-36)
 - ✓ Recommended rotation of current year to ten-year/permanent files

Questions?
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- Utah PTA Advocacy
- Utah PTA Super Secondary
- Utah PTA Excellent Elementary
- Utah PTA Treasurers
- Utah PTA Reflections
- Utah School Community Councils
- Utah PTA Teachers
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