

# THE PTA FINANCIAL REVIEW/AUDIT

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## WHO CAN PERFORM AN AUDIT?

1. An auditor can be someone who has accounting experience
2. Or an auditing committee of not less than three (3) PTA members selected by the board of directors

## WHO SHOULD NOT BE AN AUDITOR OR AUDIT COMMITTEE MEMBER?

Anyone with signature authority for the financial records being audited

## WHEN SHOULD AN AUDIT BE DONE?

- **Annually** - at the end of the fiscal year (which is June 30<sup>th</sup>) and completed during the summer before the first general meeting.
- **Upon change of treasurer** - an audit should be done if there is a change in treasurer at any time other than at the end of the fiscal year.

## WHAT SHOULD BE PROVIDED FOR THE AUDIT?

The treasurer should deliver the following to the auditors:

- a copy of the last audit report
- checkbook and cancelled checks
- bank statements and deposit receipts
- treasurer's book or ledger
- the annual financial report
- itemized statements and receipts of bills paid
- check requests/disbursement
- a budget adopted by the membership with any amendments noted with the adoption dates
- current bylaws and standing rules
- any other information requested by the auditor/auditing committee
- copies of board of directors, executive committee and general meeting minutes

## THE AUDITING PROCESS

*The National PTA Money Matters Quick Reference Guide on page 20 provides a step by step process to follow in conducting a financial review*

A quick synopsis of the process:

1. Compare the starting balances with the last financial review
2. Check all documents for mathematical accuracy
3. Check that all income and expenditures are allocated into the same budget lines of the approved budget and are accurately reflected in the annual financial report
4. Prepare written report of findings, signed by all financial review committee members and forward to the Board of Directors

The financial review committee investigates, examines facts, draws conclusions from the facts and presents a written report of its work to the Board of Directors.

**An important responsibility of the Board of Directors is to report the results of the annual financial review to the membership at the first general membership meeting of the school year.**

Please send or fax a copy to MD PTA at fax #: 410-760-6344  
mail to MD PTA, 5 Central Ave. Glen Burnie, MD 21061  
or email to office@mdpta.org

# FINANCIAL REVIEW REPORT FORMAT

\_\_\_\_\_ PTA

For the time period of: \_\_\_\_\_

BALANCE On Hand \_\_\_\_\_ \$ \_\_\_\_\_  
Date of Last Audit

RECEIPTS (for fiscal year or date of last audit to the current time) \$ \_\_\_\_\_

TOTAL CASH \$ \_\_\_\_\_

DISBURSEMENTS \_\_\_\_\_ \$ \_\_\_\_\_  
From last audit to date of audit

BALANCE on hand \$ \_\_\_\_\_

Last Bank statement Balance \$ \_\_\_\_\_

Deposits not yet credited by bank \$ \_\_\_\_\_

Total Checks Outstanding \$ \_\_\_\_\_

Balance in checking account \_\_\_\_\_ \$ \_\_\_\_\_  
Date

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**ATTACH COPY OF ANNUAL REPORT** (actual expenditures compared to the approved budget showing all line items and approved adjustments)

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I (we) have examined the annual report and financial records of the treasurer of the \_\_\_\_\_ PTA for the period of \_\_\_\_\_ to \_\_\_\_\_ and find them to be: (circle one) [correct, incomplete, substantially correct with the following adjustments list on the back, incorrect].

Auditor's Signature

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## COMMENTS

Provide comments on issues that should be brought to the PTA's attention. *(use back of paper for comments)*

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