

Audit Report for Local PTAs



Name of PTA/PTSA: Woodburn Elementary School for the Fine and Communicative Arts Parent-Teacher Association (Woodburn PTA).

EIN Number: 54-1271603 Date of Audit: September 10, 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: _____. Last audit covered the period from _____ to _____.

PTA District: _____ PTA Council: _____

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: _____ | Printed Name: _____ |
| <i>Audit Committee Chair</i> | |
| Phone: _____ | 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: Leah DeWolf phone: 202-494-6816

Treasurer during audit period: Valerie Schrade phone: 703-876-9747

Secretary during audit period: Neelima Yelamanchili phone: 703-859-6621

| <u>Treasurer's Records:</u> | <u>Treasurer</u> | <u>Audit Committee</u> |
|--|---|--|
| 1. Do the treasurer records include: | | |
| • Contact information for the Executive Board? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • Copy of previous audit? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • Copy of the bylaws and standing rules <i>(if applicable)</i> ? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • Copy of membership roster? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • Copy of the adopted budget? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • Copy of IRS 990 filing? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • Copy of insurance policy? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • A copy of the 501c(3) determination letter? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • A copy of the sales tax exempt certificate? <i>(if applicable)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • A copy of bank signatory paperwork? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input 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 type="checkbox"/> Yes <input type="checkbox"/> No |
| • Treasurer reports with budget-to-date information for every meeting? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • Bank statements? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • Documentation for every expense and all income? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| • The annual year-end report? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Were the records turned over in a timely manner to the audit committee? If no , when were they turned over? _____ Comments: Recommendation: All PTA records are the property of the PTA and shall be available to the membership. | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Where are your treasurer records maintained? Location: <u>Treasurer's house – Valerie Schrade</u> Address: <u>7629 Holmes Run Dr., Falls Church, VA 22042</u> | Upon completion of audit and acceptance by membership, records will be moved to the PTA storage close at Woodburn Elementary. | |

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| If possible, your records should be kept at your school in a secure location. Your board needs to know where these books are kept. | |
| 4. Are the current treasurer books held by the treasurer? The treasurer maintains all financial records. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

| <u>Budget:</u> | <u>Treasurer</u> | <u>Audit Committee</u> |
|--|--|--|
| 1. Was the budget adopted by the general membership? When? If no, Comments: 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. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 9/14/2017 (date) | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <ul style="list-style-type: none"> Was the budget prepared by a budget committee? If no, who prepared the budget? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| <ul style="list-style-type: none"> Is the budget based on knowledge of last year's income/expenses, current financial conditions, expense needs etc.? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| <ul style="list-style-type: none"> Does the budget show all sources of income, totaled and balanced, against all total expense categories? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| <ul style="list-style-type: none"> Was the budget reviewed by the Board before general membership adoption? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| 2. Was a budget report presented at every PTA board/general membership meeting? If no, Comments: Recommendation: A budget report showing income and expenses in each budget line should be presented at every PTA Board/general membership meeting. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Is a copy of the adopted audit report sent to the state office each year? <i>2016/17 audit will be sent with 2017/18 audit.</i> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| 4. Are there any irregularities in the budgeted amounts to actual expenses/income? If yes, Comments: Differences from budget were discussed w/ each Treasurer's report. No amendments were proposed. Recommendation: any budget amendment over \$300 must be approved by your general membership. | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

| <u>Treasurer's Reports:</u> | <u>Treasurer</u> | <u>Audit Committee</u> |
|--|---|--|
| 1. Was a detailed, written treasurer's report presented at every PTA board/general membership meeting? If no, Comments: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |

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| 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. | | |
| <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? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Did the treasurer prepare an annual or year-end detailed, written report? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Do the canceled checks and the entries in the checkbook and the treasurer's reports all agree ? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Do the deposit slips and the entries in the income ledger and the treasurer's reports all agree ? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. Have all financial obligations of the PTA been paid in full? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

| Bank Reconciliation: | Treasurer | Audit Committee |
|---|---|--|
| 1. Were the bank statements reconciled every month? If no, when were they reconciled? Comments: Recon's were not always completed immediately after each month-end, but every month's recon was completed prior to completion of year-end report. Recommendation: Bank statements must be reconciled every month. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input 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? During audit review Comments: Was not familiar with this requirement, we will implement this for 2018/2019 school year. Recommendation: Bank statements must be opened by a non-signer and must be verified against the treasurer's report every month. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Did the year-end financial report reconcile with the final bank statement? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |

| Financial Procedures and Controls: | Treasurer | Audit Committee |
|--|---|--|
| 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: Recommendation: Membership funds belonging to Virginia and National PTA are transfer funds and should be remitted to Virginia PTA. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <ul style="list-style-type: none"> Do the deposit records for membership match the membership numbers? If no, Comments: Some memberships paid for directly on National Membership Database and amounts, net of fees, deposited directly to our bank account. | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

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| <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> | | |
| <p>What was the PTA's total membership count for the year?</p> | <p><u>84</u></p> | |
| <p>PTA membership dues are \$ <u>20</u> per member for the <u>2017-2018</u> school year. (\$15 for teachers).</p> | <p><i>complete section</i></p> | |
| <p>What was the date and dollar amount of dues sent to Virginia PTA?</p> <p>o Date: multiple online withholdings_ Amount: <u>\$ 101.25</u></p> <p>o Date: <u>11/22/2017</u> Amount: <u>\$172.50</u></p> <p>o Date: <u>OWED</u> Amount: <u>\$41.25</u></p> | <p><i>complete section</i></p> | |
| <p>What was the amount of dues paid to Council, if applicable?</p> <p>o Date: <u>5/3/2018</u> Amount: <u>\$21.00</u></p> | <p><i>complete section</i></p> | |
| <p>3. Was there a proper invoice or receipt for each expenditure? If no, Comments: Recommendation: There must be a receipt or invoice for every check written. If there is no receipt, no check should be written.</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <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? (within fiscal year only). | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> | |
| <p>4. Is there a policy that prohibits the signing of blank checks? Are all checks signed by at least two authorized people? If no, how often were they only signed by one person? Comments: Recommendation: all checks must be signed by 2 people.</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <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? | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>Were there any checks written to "cash" or cash withdrawals? If yes, list: Amount: _____ Date: _____ Check #: _____ Amount: _____ Date: _____ Check #: _____ Amount: _____ Date: _____ Check #: _____</p> <p>Comments:</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |

| | | |
|---|---|--|
| Recommendation: NEVER write a check to “cash”. There is no record of how your PTAs funds were spent. | | |
| 5. Is signatory paperwork up-to-date with at least three (3) signatures? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| Does the PTA/PTSA have checking account? With which bank? <u>BB&T</u> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| Does the PTA/PTSA have a savings account? With which bank? _____ | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| Does the PTA/PTSA have any certificates of deposit? With which bank? _____ | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| 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. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 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? Generally one person collected funds and provided to Treasurer, then Treasurer counted and deposited funds. For events with cash box only one person (treasurer) has been responsible for counting funds. More formal procedures are being developed for 2018-2019. Comments: Recommendation: 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). | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Were all funds deposited promptly ? (within the next business day) If no , how much time lapsed? Comments: Up to one week depending on Treasurer availability. 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. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Was all income properly allocated into the appropriate budget line? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |

| Insurance: | Treasurer | Audit Committee |
|--|---|--|
| 1. Are insurance policies in force to protect the PTA against loss of property by reason of fire, theft or other casualty? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Are the treasurer and all others authorized to handle PTA funds covered by a fidelity bond in the amount determined by the board? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |

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

Audit Report for: Woodburn Elementary PTA.

EIN: 54-1271603. Date of audit: Sept. 20, 2018.

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

Last audit period from July 1 2016 to June 30, 2017. Ending balance: \$ 22,665.03.

| | |
|--|---------------------|
| 1. Beginning Balance (Should match prior audit "Ending Balance") | \$ 22,665.03 |
| 2. Receipts (<i>Total of all deposits and credits</i>) | \$ 31,276.24 |
| 3. Add line 1 and line 2: | \$ 53,941.27 |
| 4. Expenses (<i>Total of all checks written and debits</i>) | \$ 30,027.27 |
| 5. Subtract line 4 from line 3 for "ENDING BALANCE" (<i>Should match check register</i>) | \$ 23,914.00 |

TREASURER'S RECORDS

OUTSTANDING CHECKS AND DEPOSITS:

| 6. Balance on Last Bank Statement: | \$ 24,979.52 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|----------------------------------|--------------------|--------|------|------|-----------|------------------------------------|-------------------|--------|------|------------|--------|------|---------------|-------|------|------------------|-------|------|---------------------|--------|------|------|--------|--|----------------------------------|--------------------|--|
| Outstanding Checks: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 15%;">Check #</th> <th style="width: 55%;">Payable to:</th> <th style="width: 30%;">Amount</th> </tr> </thead> <tbody> <tr> <td>1317</td> <td>FCPS</td> <td style="text-align: right;">\$ 174.00</td> </tr> <tr> <td>1398</td> <td>Christiane deJong</td> <td style="text-align: right;">132.43</td> </tr> <tr> <td>1400</td> <td>Amy Phipps</td> <td style="text-align: right;">297.18</td> </tr> <tr> <td>1401</td> <td>LaTonya Floyd</td> <td style="text-align: right;">78.46</td> </tr> <tr> <td>1402</td> <td>Ralph W. Shirley</td> <td style="text-align: right;">29.77</td> </tr> <tr> <td>1404</td> <td>Infinity Promotions</td> <td style="text-align: right;">195.00</td> </tr> <tr> <td>1405</td> <td>FCPS</td> <td style="text-align: right;">158.68</td> </tr> <tr> <td></td> <td>Total outstanding checks:</td> <td style="text-align: right;">\$ 1,065.52</td> </tr> </tbody> </table> | Check # | Payable to: | Amount | 1317 | FCPS | \$ 174.00 | 1398 | Christiane deJong | 132.43 | 1400 | Amy Phipps | 297.18 | 1401 | LaTonya Floyd | 78.46 | 1402 | Ralph W. Shirley | 29.77 | 1404 | Infinity Promotions | 195.00 | 1405 | FCPS | 158.68 | | Total outstanding checks: | \$ 1,065.52 | |
| Check # | Payable to: | Amount | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1317 | FCPS | \$ 174.00 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1398 | Christiane deJong | 132.43 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1400 | Amy Phipps | 297.18 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1401 | LaTonya Floyd | 78.46 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1402 | Ralph W. Shirley | 29.77 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1404 | Infinity Promotions | 195.00 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1405 | FCPS | 158.68 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Total outstanding checks: | \$ 1,065.52 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7. Subtract total for Outstanding Checks from Line 6. | \$ 23,914.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Outstanding Deposits | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 70%;">Source of Deposit</th> <th style="width: 30%;">Amount</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td>TOTAL OUTSTANDING DEPOSITS:</td> <td style="text-align: right;">\$ 0</td> </tr> </tbody> </table> | Source of Deposit | Amount | | | | | TOTAL OUTSTANDING DEPOSITS: | \$ 0 | | | | | | | | | | | | | | | | | | | | |
| Source of Deposit | Amount | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL OUTSTANDING DEPOSITS: | \$ 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8. Add total Outstanding Deposits to Line 7. | \$ 23,914.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9. Enter amount in line 8 to verify "ENDING BALANCE" <i>Should match check register and amount in Line 5.</i> | \$ 23,914.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | |

BANK RECORDS