

Notice how much 'friendlier' the 2-column format appears.

Treasurer Tips

By Betty Vargas-Narrow
HCC PTA/PTSA Treasurer

As you get ready to begin your new year, there are a few things you need to take care of BEFORE you can get on with the work of your PTA.

Annual Review/Audit

Your Bylaws require that an annual audit be done. The purpose of the audit is to certify the accuracy of the books and to assure the Membership that the PTA's resources/funds are being managed in a business-like manner within the regulations established for their use. It also serves to protect the incoming treasurer and board in the event funds were mismanaged in the prior year. **The audit must be completed before the new treasurer can write any checks (including checks for summer or interim contingency) but you can and should promptly make any deposits.** Additionally, the audit report must be presented to and adopted by your Membership at your first general meeting of the year.

By the time you receive this newsletter, your audit should be complete, or nearly complete. If your audit has not been started, or you do not know what to do for an audit, please contact me at jnarrow@tampabay.rr.com or via phone 662-0417 immediately.

The Budget

The budget is your PTA's financial guide. It is a statement showing a plan of action for obtaining funds and for allocating those funds to meet the needs and commitments of the PTA's annual activities. Your budget must be approved by your General Membership at a General Meeting. Remember, PTA funds belong to the entire Membership, not the Executive Board. Should you need to raise or spend money not in your budget, you will need to amend the budget and once again have it voted on and approved by your General Membership.

Preparing the Budget

Traditionally, a preliminary budget is drafted by the Treasurer (I strongly recommend using a spreadsheet program for maintaining the budget) and presented at the Budget Committee Meeting. Your Budget Committee may be made up of your Officers, the Principal, a Faculty Representative, and Chairpersons. A small, core group may be more productive than a larger one. The budget is usually prepared over the summer or during the first couple of weeks of school so it will be ready to be presented and voted on at your first General Meeting of the year. If you have not started working on your budget, now is the time!

The preliminary budget should be drafted using the historical data available to you (what was done in the past), research of new ventures (what do you want to do this year), data supplied by the school as to its needs for the new year, as well as input from your officers and chairpersons who historically have had budget items (do they need more or less than last year). It is helpful to have last year's budget assumptions listed on the preliminary budget. For example, knowing that the Student Recognition budget was based on \$5 per student will provide a basis for discussion and help you make decisions for the coming year.

When creating your budget, your categories need to be descriptive enough so that your Membership can easily understand how money is being raised and spent, but general enough for the Board to function efficiently. It may be helpful to have a more detailed Budget Worksheet for the Board which specifies in more detail how it is expected that the monies will be raised or spent. For example, you could have a line item on your approved Budget for Appreciation, say for \$2,000.00. This is descriptive enough that the Membership can understand what the funds are for, but broad enough to give the board some flexibility in how the funds are spent. On your Budget Worksheet, you could then note that \$1,000.00 is for Teacher Appreciation and \$1,000.00 is for Volunteer Appreciation. The chairpeople for these two items then know how much they have available to them.

So why not just have separate line items on your budget? Well, if for whatever reason, the chairperson only spends \$800.00 for Volunteer Appreciation and wants to "give" the rest back to Teacher Appreciation, you do not have to amend your budget to do this as the approved budget simply shows \$2000.00 for Appreciation. If they were

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Do not write any checks until your audit is complete!

Quick Checklist

- ✓ Make sure audit is complete before assuming duties
- ✓ Prepare Budget for Board and Membership approval
- ✓ Change the signatures on the bank accounts
- ✓ Send IRS Tax Exempt Form to Florida PTA
- ✓ Ensure you have the necessary insurance
- ✓ Review your Bylaws, Money Matters, and Dollars and Sense*