

Audit/Control Document

Provide Checks and Balances to the Treasurer or who the PTO elects to be responsible for the funds of the organization

Build Trust with parents, teachers, and administration and community supporters

Provided that PTO money is being safe guarded by PTO for use for the students

Ensure that internal controls are in place to prevent theft and fraud in the organization

Claims Auditor should:

Independently verify the reports of the Treasure: listed below are some of the reports that should be audited, however there may be other reports not listed:

Bank Statement

Invoice

Checks

Any other records needed to check any and all items on the bank statement

Cash balance

Budget report

Check book to verify no missing checks.

Manner which reports should be verified but not limited too:

Bank Statements: cross reference any checks back to invoices and ensure those events actually took place.

Cross Reference any deposits from fund raisers: Money should be counted by someone other than the person depositing it at the bank before it is given to the person responsible for making the deposit. A deposit slip should be signed off by the person who counted the money at the fundraiser or event. The treasure or person depositing the money should also count it before going to the bank. (The money should always be counted by two non-related people.)

A tally sheet should be used at all events in which money is received or collected.

This same process should also apply to any money pulled out of the bank for an event for startup change. The event coordinator should sign for the funds received.

The startup funds should be deposited back in the bank on a separate deposit slip other than the one that the money collected at the event is deposited on to help keep proper records.

The above steps will be completed monthly by the auditor and treasure immediately after the PTO monthly meeting. If a conflict arises with the auditor or treasurer and one or both of them cannot be present, then they should agree on a time that works for both of them as soon as possible following the meeting. All PTO officers and PTO members are welcome to attend.

Any discrepancies should be reported to the PTO board as soon as reasonably possible to determine if more checks and balances are required.

The only way funds will be dispersed out of the bank account are via check. This will help to facilitate checks and balances by creating a paper trail.

No expenses shall be paid without an invoice.

Expense will be brought before the PTO monthly meeting and not paid until board approved. *See below for procedures.

*Any expense that can't wait to be paid until the next monthly meeting under \$300 will need to be approved by at least two board members. One of those approving should be the president or the vice president and at least one other board member (the 2nd person should not be the person signing the check or be the auditor.) These expenses will be covered in the treasurer's report at the next monthly to keep transparency. This approval should be done by email for a paper trail. Any expense over \$300 will need a majority (greater than 50%) of the PTO Board member's approval. This can be done by email and will also be covered in the treasurer's report at the next monthly meeting.

Other Control:

The mail should be opened by someone other than the treasurer/auditor with the exception of bank statements and notices to be opened by the auditor.

The auditor should be the one receiving the bank statements and any other notices from the bank. The treasurer can access the statements online at anytime.

The auditor **should never** be one of the two people counting the money.

Money should not be removed from the checking accounts without the use of checks.

At each monthly meeting if anyone has an issue with how any of the financials are reported; it should be addressed at that time. Questions can be addressed after the treasurer's report or a person can bring their concerns to the auditor or any member of the PTO board.

No signed blank checks should ever be given to any PTO member or anyone else.

Actual products purchased should be verified to the invoice to ensure all items were actually purchased.

An external audit should be conducted once a year at the end of each school year. Any issue should be reviewed with the PTO Board and shared with the school administration.

The Audit/Control Document should be reviewed and copy given

At least every six months at the PTO monthly meeting so new PTO Board members are aware of the checks and balances

With any committee chair

Event coordinators

Any new board members