



## Financial Reconciliation Checklist

The financial reconciliation committee should be in receipt of the following materials to be used during the reconciliation.

- Most recent financial reconciliation report
- Current year annual report (all transactions for the entire year)
- Adopted budget and any amendments
- All financial reports for the period to be evaluated
- All receipts and deposit records
- All checks for all accounts, both cancelled and unused
- Bank statements for all accounts
- Electronic banking documentation
- Tax reporting documents (Form 990 and sales tax returns) and all IRS/State Comptroller correspondence
- Approved minutes from membership and executive board meetings
- Current membership roster
- Current bylaws and standing rules

**Begin the financial reconciliation by verifying the beginning balance of the current annual report agrees with the ending balance-on-hand per the last financial reconciliation report. Review all transactions posted after the last financial reconciliation.**

### When Reviewing Checks

- Make sure that each check written has proper documentation (vendor invoice, check request, etc)
- Verify all checks adhere to the adopted check-signing policy (if applicable) and spot check signatures
- Confirm that checks are not being signed by the individual to whom they are made payable.
- Watch for checks with multiple handwriting (other than one of the signatures) or different inks. This would be an indication of blank checks being released.
- Confirm that no checks were made payable to "Cash."

### When Reviewing Debit/Credit Card Transactions

- Verify and review that standing rules have been adopted to provide guidelines for use of debit/creditcard(s)
- Confirm debit/credit card(s) were only used by authorized individuals
- Confirm that Automated Teller Machines (ATM) usage, cash back or cash advances did not occur.
- As with any payment, a disbursement form and receipt should accompany each debit/credit card purchase.
- Verify purchases were authorized in the budget and reflected in the financial reports.

### When Reviewing Deposits

- Confirm the dates of fundraisers, and verify deposits are made timely.
- Verify that two people counted the monies, and that a deposit form was used and signed by multiple counters.
- If PayPal or other electronic systems are used to collect funds, documentation should be clearly tied to budgeted items and reflected in the financial reports, along with any associated fees.

### When Reviewing Approved Meeting Minutes

- Make certain a quorum was present at all membership and executive board meetings where voting occurred.
- Confirm financial reports were presented at all membership and executive board meetings, and that beginning balances on each report match the ending balance on the previous report.
- Verify the budget and all amendments were adopted by the membership.
- Confirm all fundraisers were approved by the membership either through approval of the budget or, if added after the adoption of the budget, a special vote.
- Confirm any tax-free fundraisers were designated in the form of a motion prior to the event.
- Verify the executive board approved all Plans of Work and contracts.
- Verify that all executive board members have signed the Conflict of Interest/Ethics Agreement.



## Financial Reconciliation Checklist

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### When Reviewing Other Items

- Verify that bylaws and standing rules are current and approved by Texas PTA.
- Verify that bank reconciliations were performed monthly and review for accuracy.
- Verify that a non-signer has reviewed, initialed and dated all bank statements.
- Confirm that all income and expenses are allocated to the proper budget item and are within the approved budget.
- Make sure that money collected for a designated purpose was spent only for that purpose.
- Review the annual report and confirm that it will be retained as a part of the permanent file.
- Confirm that Texas PTA and National PTA portions of dues are held separately in “escrow” and not recorded as income.
- Verify all membership dues in escrow have been submitted to Texas PTA, and that totals align with the membership roster.
- Confirm a Form 990 has been submitted or prepared. If a 990-N is required, verify it has been submitted to and accepted by the IRS prior to the completion of the financial reconciliation. For a 990-EZ or 990, verify that the outgoing treasurer has prepared a draft of the appropriate form and it is ready for submission once the financial reconciliation has concluded.
- Determine if the Local PTA had an obligation to collect sales tax. If so, make sure returns were filed timely and accurately. If the Local PTA has a sales tax permit, returns must be filed timely even if no tax was collected during the period.

### When Preparing the Financial Reconciliation Report

- Review and complete the financial reconciliation report on the following page.
- Provide the opening balance per the “Ending Balance-on-Hand” of previous financial reconciliation.
- Enter totals for all income and expenses since the date of the previous financial reconciliation.
- Calculate and enter the ending balance as of the date of the current financial reconciliation.
- Enter totals for all outstanding deposits or disbursements, and provide a detailed list of those transactions
- Indicate the appropriate findings of the reconciliation and provide any needed comments or recommendations.
- Ensure all members of the financial reconciliation committee sign and date the report.
- Allow the treasurer to correct any identified errors.
- Mark the ledger, checkbook register or carbon copy of last used check with a red line and have all members of the committee sign and date to indicate the completion of the financial reconciliation.
- Present the report to the membership at the first meeting of the new fiscal year and file permanently.

**Committee information and discussions are confidential; therefore, meetings should be conducted in a private location and only include appointed committee members. While the committee may contact the outgoing treasurer for any clarification required, all findings should remain confidential until the report is delivered to the membership.**

# FINANCIAL RECONCILIATION REPORT

Name of PTA Travis Early College High School PTA Date of Report \_\_\_\_\_

## FINANCIAL SUMMARY

Beginning Balance-On-Hand as of \_\_\_\_\_ (date of previous financial reconciliation) \$ \_\_\_\_\_  
Total Income Received (from date of previous financial reconciliation to date of current financial reconciliation) \$ \_\_\_\_\_  
Total Disbursements Paid (from date of previous financial reconciliation to date of current financial reconciliation) \$ ( \_\_\_\_\_ )  
Ending Balance-On-Hand as of \_\_\_\_\_ (date of current financial reconciliation) \$ \_\_\_\_\_

## BANK ACCOUNT SUMMARY

	Account #1	Account #2	Account #3
Ending Balance on Most Recent Bank Statement	\$ _____	\$ _____	\$ _____
Plus Total Outstanding Deposits	\$ _____	\$ _____	\$ _____
Less Total Outstanding Disbursements	\$ ( _____ )	\$ ( _____ )	\$ ( _____ )
Current Bank Balance (should match Ending Balance-On-Hand above)	\$ _____	\$ _____	\$ _____

## COMMITTEE FINDINGS

We have examined the records of \_\_\_\_\_ and find them to be:

- Correct
- Incomplete
- Substantially correct with the following adjustments:

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

- Incorrect. The following irregularities were found.

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

We make the following recommendations.

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

# FINANCIAL RECONCILIATION REPORT (Page 2)

## LIST OF OUTSTANDING DEPOSITS

Date	Bank Account	Budget Item	Amount

## LIST OF OUTSTANDING DISBURSEMENTS

Date	Bank Account	Budget Item	Amount

## FINANCIAL RECONCILIATION COMMITTEE

	Name	Signature
<b>Committee Member</b>	Jasmin Clinger _____	_____
<b>Committee Member</b>	Paula Vaughan _____	_____
<b>Committee Member</b>	<b>John Davenport</b> _____	_____
<b>Committee Member</b>	_____ _____	_____
<b>Committee Member</b>	_____ _____	_____