

Key Role – Financial Reviewer

- Reviews the books and financial records of a PTA to determine their accuracy
- Presents written reports on financial reviews to the board for review and the association for adoption
- Uploads copies of adopted financial reviews to the document retention system as indicated in unit bylaws

Getting Started

Preparation – To know more about your new position, review the financial reviewer's files and materials from last term. It's also worthwhile to talk to the outgoing financial review to get advice and tips about your new role.

Soon after the election, meet with the incoming treasurer and financial secretary to discuss how you can work effectively together.

Talk about ways to organize the unit's financial records and documents so they can be easily reviewed.

Take time to learn more about PTA policies, procedures and resources for managing finances and conducting a financial review as outlined in the *California State PTA Toolkit*.

How Tos

The purpose of a financial review is to verify that PTA funds are collected and spent as approved by the membership. That's why, when doing a financial review, your main duty is to:

- Determine the accuracy of a unit's financial records
- Check that funds are handled in a business-like manner in line with PTA policies and procedures
- Make recommendations on best practices, noting inconsistencies or errors

This will help to assure members that your PTA resources and funds are managed responsibly.

As stated in your bylaws, a financial review is performed by the financial reviewer, appointed financial review committee or paid professional hired by a unit.

A financial review is performed by a committee, chaired by the financial reviewer, or it may be conducted by a qualified accountant. Members of the financial review committee are appointed by the executive board and ratified by the association. Please note that a PTA

member who is a qualified accountant/bookkeeper may conduct a financial review without a committee.

PTA financial reviews must be done once a year. They are also conducted when a financial officer or check signer is replaced, a bank account is closed and whenever a financial review is deemed necessary. A mid-year review is a best practice but is no longer a requirement.

For a financial review report, there are two California State PTA forms – *Financial Review Report* and *Financial Review Checklist* – to complete. Both forms are available online at: www.capta.org

Preparing For Financial Reviews – Getting ready for a financial review is a cooperative effort among PTA board members. To make the process smoother, the financial reviewer takes the lead to encourage everyone to put the unit's records in good order.

All materials used to perform a PTA financial review are listed on the *Financial Review Checklist* and include:

- Financial records, books and reports
- Meeting minutes
- Unit Bylaws and Standing Rules
- State and federal government tax filings and report forms

For an upcoming financial review, work closely with the board to identify a date to collect the required records. And, set aside enough time to finish the review within two weeks. This helps ensure that a review is done quickly and on time.

Performing Financial Reviews – Reviewing is more than verifying addition and subtraction. It involves tracking all financial transactions through the records.

When working on a financial review, use the *Financial Review Checklist* to confirm that:

- Receipts are properly accounted for
- Expenditures are made as authorized in minutes and within budget limitations
- Financial transactions conform to PTA Bylaws, policies and procedures

In completing this form, check off items as you review the records. Keep a list of any inconsistencies or errors in the records as well as any documents that were not provided. That way, these items can be included as financial review recommendations in your final report.

On the Financial Review Report, you will also verify that all necessary report forms required by California State PTA for insurance, tax returns, and other government filings were completed and filed by the due date.

In addition, when conducting a financial review, keep in mind that separate reviews are done for each PTA bank account.

Reporting Financial Reviews – After a financial review is done, you will prepare a written report for the board to review and adopt. This report includes the two forms, *Financial Review Report* and *Financial Review Checklist*, plus any financial review recommendations to change financial procedures.

As a next step, present the report at an association meeting for adoption. When giving your oral report, simply read the statement on the *Financial Review Report* form about your findings and state that the financial review recommendations are attached.

It is also important to remember that if a financial review report has recommendations or raises questions, the president should appoint a committee to look into the issues and report back to the association.

Did you know? ... PTA Board Members:

- Adhere to PTA financial procedures as outlined in Bylaws and State and National PTA guidelines
- Protect members' privacy by utilizing member information for PTA work only
- Attend PTA sponsored workshops or trainings
- Maintain a current procedure book to pass on to a successor, in hard copy or in electronic format
- Work together as a team to improve the lives of all children and their families

Other Useful Information

Resources:

California State PTA – www.capta.org

- PTA Leaders tab and more
- *California State PTA Toolkit*
- *Running Your PTA Made Easy*
- *Insurance Guide* – Also mailed annually to PTA presidents

Online Services:

- Officer Contact System – To enter officer and board member information and generate useful reports\
- e-Bylaws – To revise and update PTA unit Bylaws
- Tax Filing Support Center – To help units meet Federal and State reporting requirements
- MyPTEZ – To handle PTA accounting needs and generate financial reports
- TOTEM - ELECTRONIC MEMBERSHIP SYSTEM – To join and renew membership and for PTAs to manage membership

National PTA – www.pta.org

- Run Your PTA tab and more
- E-Learning Workshops

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