

PTA Audit Alert!

Local Unit Bylaws (Article VIII: The PTA Audit) guide how PTAs conduct audits or financial reviews of the books.

- An audit is conducted whenever the treasurer changes, at the end of each school year, or whenever it is deemed necessary due to questions about financial management.
- **Please note that the books are closed the last day of the school year and outgoing officers can no longer write checks on the account at that time.** (Even if the treasurer is returning for a second term, the books must still be closed and an audit completed.)
- New signature cards must be recorded and on file at the bank by the last day of the current school year so that incoming officers can take over the business of PTA for the summer and upcoming school year.
- **Audits are necessary to 1) maintain unit's 501(c)(3) status, 2) status as a non-profit organization, and 3) a local unit in good standing with Georgia PTA.**

Article VIII: The PTA Audit also explains who may conduct audits for PTAs. **An auditor or audit committee of no fewer than three members is selected by the board of directors no later than two weeks prior to the end of the school year. If your PTA has not selected its auditor/audit committee please do so immediately!**

Georgia PTA recommends that individuals selected to serve on the audit committee or as an auditor have an accounting or financial background and an unbiased, independent perspective of the books. An auditor or auditing committee member shall not be related to any signee on the checking account by marriage or any other relationship. No one who was a signer on the account may audit the books! This includes the president of the local unit as well as treasurer.

Seeking auditors may include asking your school and community family. Often people with financial backgrounds will offer to donate this service gratis, in exchange for a written thank you in the school newspaper, recognition of such donation on the webpage, or in the next PTA program book. If a professional auditor is used, please include a line item in the member approved budget for this service. These should be a reasonable amount usually not exceeding \$100, maybe more if they also do the 990 for you—total financial expenses should not exceed \$300. The Audit Packet Forms may be downloaded from the Georgia PTA website: www.georgiapta.org, or found in the Leadership Resource Guide: pages 112-115 or the Treasurers Resource Guide: pages 50-53.

Questions: Please contact the Georgia PTA State Treasurer: Melody Richitelli: treasgpta@bellsouth.net.