

Financial Document Review Checklist

1. All reports

- Identify errors, omissions, lack of procedure
- Follow up when report has not been received
- Review for recommended format/title (see samples in *Toolkit*, Forms)

2. Annual Financial Report

- Prepared in recommended format
- Reflects gross revenues (no expenses have been netted)
- Funds Not Belonging to the Unit/Council Income and Expense are shown separately
- Reflects all memberships collected for year (compare with budget and audit reports)
- Membership collected corresponds with membership forwarded. If not, exception must be noted in the audit report. Check against State PTA membership numbers.
- Founder's Day income matches expense (make sure all monies forwarded as required).
- Carry-over of restricted funds includes explanation
- Annual report ending balance agrees with audit ending balance
- Adopted by association – minutes provided

3. Annual Budget

- Prepared in recommended format
- Cash carried over matches prior year's Annual Financial Report
- Funds Not Belonging to the Unit/Council Income and Expense are shown separately
- Carryover funds for future term
- Remaining funds listed as "Unallocated" line item (balances to zero)
- Adopted by association – minutes provided

4. Budget Revisions

- Budget revised when line item amounts near depletion
- Motions adopted by association to amend budget line items and transfer funds from "Unallocated" - minutes provided

5. Audit Report

- Prepared in recommended format, separate report for each bank account
- Audit Checklist completed for each bank account; any "No" checkmarks are explained
- Mid-year budget-to-actual report provided to executive board

- Findings and recommendations include discrepancies in membership monies received vs. monies forwarded
- Year-end audit ending balance agrees with Annual Financial Report ending balance
- Adopted by association – minutes provided
- Recommendations from last audit report implemented
- Procedural improvements are acknowledged in future Audit Reports

6. Tax Return

- Correct 990 form filed, based on gross income from Annual Financial Report
- Filed timely or extension requested
- Correct EIN and fiscal year
- Executive board reviewed tax return in accordance with 2006 Pension Act
- Annual Conflict of Interest form for each board member is signed and on file with PTA treasurer
- Reflects same income that was reported in Annual Financial Report

7. Workers Compensation Annual Payroll Report (*Toolkit, Forms*)

- Compare financial reports to Workers Compensation Annual Payroll Report to ensure all individuals who received payment for services are listed
- Ensure Workers Compensation insurance certificates are attached for individuals who carry own Workers Compensation insurance
- verify with PTA that individuals were asked whether they carried Workers Compensation insurance

8. RRF-1 (Annual Registration Renewal Fee Report)

- State Charity Registration (CT) number required for units, councils and districts (must be registered by December 31, 2012)
- Filed annually with California Registrar of Charitable Trusts

9. Form 199

- Filed annually with State of California, based on gross income

10. Form 109

- Filed with California Franchise Tax Board if unrelated business income (UBI) is more than \$1,000