

Internal Control Systems

It is an unfortunate fact that non-profit organizations are susceptible to fraud. One of the most important things that you can do for the well-being of your PTA unit is to implement and follow a system of internal controls. Good internal controls guard against both errors (unintentional mistakes) and irregularities (deliberate attempts to misuse or misappropriate the assets of the PTA.)

Do You Have These Basic Controls in Place?

- The Treasurer maintains custody of the checkbook at all times.
- Supporting documentation is required for every disbursement made.
- Checks are issued in number sequence order.
- All checks have two signatures—the Treasurer, except in an emergency, and one additional signer, preferably the President.
- There are no blank checks with a signature(s)!
- Under **NO** circumstances should a check ever be written to cash.
- Detailed supporting documentation is maintained for every deposit made.
- Three people are present for all counting of cash (membership drive, book fair, fundraiser, etc.).
- All money received is deposited the same day, using the bank’s night depository for events concluded after banking hours.
- Bank statements (and other bank correspondence) are mailed to the school address in care of the PTA.
- Bank statements are reconciled to check registers in a timely manner.
- There are not ATM, debit cards, or credit cards connected with PTA accounts.
- The Treasurer prepares and presents a Treasurer’s report at each general membership meeting and at executive committee and board meetings as deemed appropriate.

A “Basic Fiscal Management Procedures” form is located in the *Utah PTA Presidents Handbook* and the Treasurer page on the Utah PTA website. Each PTA board should review these procedures at the beginning of the year, obtain the appropriate signatures on the form, make a copy of the form for all signers, and submit the signed original to the Council President or Treasurer by August 1st.