

## **FINANCIAL RED FLAGS**

- No treasurer's reports at executive board or association meetings.
- Reports are given orally with written information to be provided "later."
- Treasurer's reports list only general categories without sufficient detail.
- Treasurer misses meetings and reports are not provided in his or her absence.
- Bank statements sent to treasurer's or president's house rather than the school.
- Only one person counting money; no cash verification sheets.
- Only one person signing checks; only one person on bank signature card.
- Signing blank checks.
- Receipts not attached to Payment Authorization Form(s).
- Inability of treasurer or chairman to say how much money the fundraiser made.
- Unapproved budgets or yearly calendars.
- Audits not performed as scheduled.
- Bank statements not reviewed by a non-check signer.
- Inquiry calls by concerned parents, teachers, or principal.
- Board unfamiliar with unit bylaws payment authorization procedure.
- Failure to provide a year-end audit on request.

## **Financial Situations to Avoid**

- School staff member as treasurer or president.
- Principal who wants projects funded without going through the approval process required by PTA.
- Fundraising projects that will benefit a board member financially are strictly forbidden.
- Encumbering future boards by paying for salaries for on-going staff positions.
- President writes the checks because the treasurer has no experience, is unavailable, etc.
- Consistently paying per capita/insurance late or not at all.
- Lack of/incomplete minutes, particularly in matters involving use of funds; no motions releasing funds or approving expenses.
- Banks that do not return processed checks (or copies of such.)

