Banking & Finances

Once you have registered with the Secretary of State and obtained an EIN, you will be able to open a bank account. You should plan to have at least two signers on the account, one being the treasurer. The other signer should also be a member of the auxiliary council, either the chair, secretary, or GSM. Bank accounts should not be linked to any signer's personal bank accounts.

Ideally, it is good to have the people signing the checks be separate from those who are authorizing the spends. This provides a system of checks and balances and prevents fraud.

If the members of the auxiliary committee change, you will need to record the change in the meeting minutes of your group council, then take those minutes with you to the bank to have the signers updated. You will also need to update the change with the secretary of state when you do your yearly filing.

Accounting Systems

Your group may choose to use excel or another spreadsheet program to keep track of expenses, or you may opt for an accounting program. Wave is a free accounting program that may be useful for some groups. Others may have access to another program through one of their members or opt to pay for a nonprofit bookkeeping program such as MoneyMinder.

Budget

The budget is the financial plan of the group, including the estimated income and expenses needed to run the group over the coming year. The yearly budget should be prepared by the treasurer in cooperation with the GSM and/or the Auxiliary Committee, and approved by the Group Council.

Sample Group Budget

Financial Practices

All expenses should be sent to the treasurer of the group for reimbursement. Digital copies of each receipt should be kept on file, along with a description of the expense and the name of the person requesting reimbursement.

Deposits should be made in a timely manner. If there is cash involved, two unrelated people living in different households should count the money.

Audits should be conducted of all expenses yearly by someone who is not a signer on the bank account.

Debit Cards may be issued to authorized signers and kept on file by the treasurer. Use of these cards requires documentation of expenses and should be approved by the auxiliary committee. No cash transactions using the debit card are permitted.

Online Payment Collection Systems

Many groups collect payments online through systems such as Paypal/Square/Stripe/Venmo etc. The payment account should be in the PTA's name, not attached to an individual. Associated fees with the system are budgeted as an expense line item and must be accounted for and reported on the financial statement.

Contracts

Occasionally, your group may need to enter into a contract. Contracts should be written and signed by the GSM and another member of the Auxiliary Committee.

From:
https://wiki.osg-us.org/ - **OSG Resource Library**

Permanent link:
https://wiki.osg-us.org/groups/banking?rev=1713804327

Last update: **2024/04/22 16:45**