

## Procedures for Opening Bank Statements

According to our insurance policies, there are certain steps that must be taken regarding the opening and reviewing of PTA bank statements.

1. Appoint a non-signer to be the designated opener of the bank statement. Many presidents appoint their principal to do this since the principal has a vested interest in a PTA's financial well-being. This person should be noted in your board minutes.
2. The designated person opens the bank statement, reviews it for red flags (see below), signs and dates the statement and completes the non-signer review form, then hands it over to the PTA secretary.
3. The secretary then presents the statement review form to the board and files form with minutes from the board meeting.
4. The secretary gives *original* signed and dated bank statement to treasurer.

## Bank Statement Red Flags

- ✘ Checks appearing in non-sequential order
- ✘ Checks made out to cash
- ✘ Checks written to non-approved vendors
- ✘ Checks written for non-approved expenses
- ✘ Missing check numbers
- ✘ ATM/Electronic banking debits
- ✘ Checks made out to an individual for an even dollar amount
- ✘ Checks made out for the same amount month after month
- ✘ Two or more signers on the bank account related by blood or marriage or residing in the same household
- ✘ Checks with only one signature
- ✘ Checks made out to one of the people who signed the check

\*While these items listed above do not necessarily mean something is amiss, they do warrant extra scrutiny and investigation.