

## PAC - Basic Controls and Best Practices

- Keep a written record of all events and related financial activity (by hand or computer)
  - ☐ A brief description of each event
  - ☐ Payments should always be supported by an original receipt or invoice
  - ☐ PAC and personal items should not be contained on the same receipt
  - ☐ Money received should be documented separately for each activity
  - ☐ Maintaining a running total of balances is ideal (but not necessary)
  - ☐ Keep informational material, records and supporting documents together, preferably in a central secure location
- Always in twos
  - ☐ Cheques signed by two PAC Executive (have a total of at least 3 authorized cheque signers so there is always an alternate)
  - ☐ Cash counted by two PAC Executive and / or parents
  - ☐ Mail (especially bank statements & invoices) ideally opened in the presence of two PAC Executive, if two not available then leave a copy before removing the original
  - ☐ Records prepared by one person and checked by another person
- Cash handling is critical
  - ☐ Never leave cash unattended
  - ☐ Make frequent deposits (to the bank or into the school safe)
  - ☐ Cash awaiting deposit, and any petty cash, must be secured either in the school safe or in a locked cabinet in a locked office. Do not take cash home.
  - ☐ Agree the bank deposit to the individual event deposit forms
- Payments are just as important
  - ☐ Never sign a blank cheque. If the exact amount is not known make sure the name of the payee is completed in full and a detailed receipt received to support amount.
  - ☐ Know what each cheque is for before signing (responsibility of the signing authorities) and ensure the amount agrees to the supporting document now or later
  - ☐ The cheque payee should be the supplier whenever possible
  - ☐ Never issue a cheque in the name of an individual unless it is supported by an original receipt
  - ☐ The supporting document (supplier invoice or original receipt) marked "paid" with cheque number to avoid duplicate payments
  - ☐ The cheque payee should not also sign / authorize the cheque
  - ☐ Voided / spoiled cheques should be retained with the signature area removed
- Balance and report monthly
  - ☐ Reconcile each fundraising event at completion (fundraising parent group keeps a copy separate from the financial records provided to the PAC Treasurer)
  - ☐ Reconcile the bank statement as soon as it is received
  - ☐ Check off each item on the bank statement against your written accounting records and follow-up immediately if items on the statement do not agree with the records
  - ☐ A monthly financial report (with bank reconciliation and bank statement) must be presented at each monthly PAC Executive meeting
  - ☐ Obtain explanations for any outstanding items shown on the bank reconciliation or items expected but not appearing on the accounting records, bank statement or reconciliation. For any dates on the bank statement that are not consistent with the PAC activities
  - ☐ Do a year-to-date income statement for each PAC general meeting
  - ☐ Do an annual reconciliation, balance sheet and income statement at year end