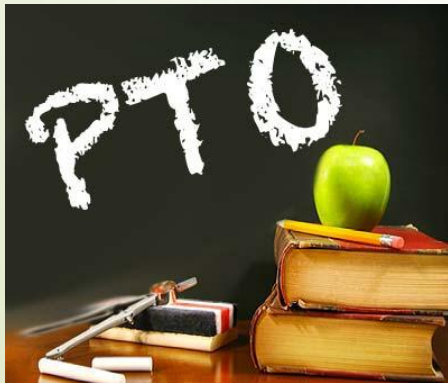


Support Group Financial Training

2026-2027





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Thank you

- Thank you for volunteering and for the hours you put in for the children and staff of Henry County Public Schools. Each of you contributes personal time to help support our schools. It is greatly appreciated by all. I can't thank you enough for all you do.
- 

Agenda

1. Volunteers
2. Bank Accounts
3. Revenues/Receipts/Deposits
4. Fundraisers
5. Expenditures
6. Audit Information
7. Tax Requirements
8. Fraud

Financial Forms

PTO Support Group Information - Henry County School District (VA)

Audit spreadsheet

Money Count Forms

Ticket Sales

Fundraising Forms

Check Requisition Forms

Training Slides

Audit Memo - FY26

Volunteer Guidelines

- Goal 3 of Henry County Schools' Rise 2030 strategic plan focuses on Safe and Supportive Learning Environments:
 - Henry County Public Schools will provide a safe and supportive learning environment for all stakeholders.
- To support this goal, individuals who wish to volunteer in any of the following capacities must first be cleared (and issued a badge) through the school division's background screening process:
 - Parent or community volunteers who will be chaperoning students or working directly with students in any way.
 - PTO, PTA, or booster club officers or members who will be handling money.

Volunteer Guidelines – Cont'd

- Henry County Schools (HCPS) uses a two-step process for parent and community volunteers. It includes:
 - Online criminal background check using Background Investigation Bureau's SecureVolunteer platform
 - Central Registry Check through the Virginia Department of Social Services (checks for founded cases of child abuse or neglect)
- Volunteers may access the online background screening process via the HCPS website at www.henry.k12.va.us
- Click on the Volunteer button to the right of the picture and follow the instructions. →
- Central Registry Check can take at least 6 weeks, so volunteers should plan ahead to assure they are cleared to volunteer when they're ready.



Volunteer Guidelines – Cont'd



- There are fees for completing the background screens:
 - SecureVolunteer criminal background check \$19.45
(pay online using personal credit card)
 - DSS Central Registry Check \$10.00
(DSS requires a cashier's check or money order – must be mailed)
 - Total Cost \$29.45
- Once both screens have cleared, SecureVolunteer will mail a badge directly to the address provided by the volunteer. Volunteers working in our schools or with our students should wear the volunteer badge and also present a government-issued ID to be scanned when signing in at the school office.

Volunteer Guidelines – Cont'd

- To ensure the safety of students, faculty and staff, volunteers will be approved for a maximum of three (3) years (this is the maximum allowed by SecureVolunteer). SecureVolunteer will notify volunteers when the expiration is nearing, so that the volunteer can complete a new screening.
- If there are questions of whether you are on the volunteer list, please contact the school. The principal and office staff will have this information.
- Your Secure Volunteer Card should have an expiration date on it.



GREAT NEWS!!

- Henry County Public Schools will pay for background checks for up to five support group officers for each support group. The principal would need to verify the individual is an officer for the support group by notifying HR. For further information about volunteer background checks please contact Amanda Stone.

Bank Accounts

- Annually the check signature card at the bank should be reviewed by the group to ensure no one is still on the card that is no longer authorized to sign checks on behalf of the support group.
- Bank statements will need to have copies of checks written on them, or bank provide copies of these.
- Suggest at least three officers be listed as authorized signers.
- Each Support Group makes the decision as to which bank they will use.



Revenues/ Receipts

- Revenues (ALL money received by support group) should be receipted using pre-numbered receipts.
- Should have duplicate copies of the receipts maintained in the receipt book for tracking and audit purposes.
- Cash, checks, money orders etc. should be deposited on a daily basis.
- **Deposits are to match supporting documentation and documentation should be attached to the deposit slips for the annual audit (receipts, individual fundraising forms, report of ticket sales, concessions money count form, etc.).**



Revenues/ Receipts

Use of Online Payment Platforms (Paypal, Zeffy, etc):

1. Register under Group name and EIN. **Do not use or set up an account using an individual's SSN.**
2. All receipts must flow into the group's bank account.
3. A monthly report should be printed showing all transactions. This report should be matched monthly with the bank statement deposits.
4. All documentation should be placed monthly in the Group's notebook or folders for the auditor's review.
5. You will still a receipt for any payments using this method.





Revenues/ Receipts –Cont.

- No anonymous donations, individual/organization must be receipted
- Checks from Box Tops, etc. must be receipted.
- Square-monthly reports showing the collection of funds are to be provided to correlate with monthly statements –still provide a receipt (would keep a separate receipt book for square sales)
- Monies should be counted by two persons – preferably not married spouses or family members.
- Any online fundraiser, have to include the report provided by the company to go along with the check that is deposited for documentation.
- ***NO MONIES SHOULD BE TAKEN TO A PERSON'S HOUSE.***

FUNDRAISING REQUESTS



Fundraiser Requirements

1. Principal approval must be obtained. Forms are then sent to SBO for approval.
2. Be sure to put the location of where the fundraiser is going to be held, all relevant information on costs, purpose of fundraiser, etc. on fundraising forms.
3. Communication -must be approved two weeks in advance
4. Prizes for top sellers -must be communicated when fundraiser is submitted and advertised/communicated when information is sent to families. Cash prizes (monetary prizes) are not allowed (VA Code). Principal is responsible for ensuring procedures are followed if allowed.
5. . Fundraising 8VAC20-671-250.
 - A. Written consent of the parent shall be obtained before allowing a student to participate in any school fundraising activity.
 - B. No student shall be forced to participate in any school fundraising activity.
 - C. Parent consent form should be attached to the fundraiser form when submitting for approval
6. Work with school administration to keep up with fundraisers (ex. don't do a book fair and another fundraiser at the same time (collecting fall picture money, etc)).



Fundraisers (cont.)

- *To help remind support groups throughout the year to include items such as receipts and money count forms with deposit slips for the audit, the fundraiser request form includes the following two lines, which are located below.*
- *Describe the documentation for the collection of funds that will accompany each deposit for this fundraiser (receipts, report of ticket sales, concessions money count form, etc.)*
- *As a reminder, deposits are to match supporting documentation and documentation should be attached to the deposit slips for the annual audit (receipts, report of ticket sales, concessions money count form, etc.). List the individual names of persons responsible for overseeing this procedure for the group below.*
- *Profit % is profits minus the cost of supplies/items*

Expenditures

- All purchases should be approved by the support groups in advance.
- Original invoice marked as approved and items received by the group before the invoice is paid.
- If you are paying an individual for a service such as a security guard that does not submit an invoice, write/type up an invoice stating what you are paying the person for, time frame in which the duties occurred and have the person sign when they pick up his/her check.
- Gift Cards for staff members are not allowed.
- Check number and date paid should be noted on the invoice.

HENRY COUNTY PUBLIC SCHOOLS

CHECK REQUISITION FORM FOR USE BY SUPPORT GROUPS

School _____

Support Group _____

Person Requesting Check _____

Check Payable to _____

Check Number/Amount _____ Check Date _____

Purpose of Check _____

Approved By:

President _____ Date: _____

Treasurer _____ Date: _____

Expenditures

- Check receipts to ensure an auditor will know what you purchased and the intended use of the item (itemized receipt)
- Ex. Receipt from Wal-Mart indicates a purchase where the description is not evident.
- Mario World
- These items were used by the group as prizes the student could purchase from their winnings from the activities.

Expenditures-Cont'd

- Every check should be recorded in the check book and on the spreadsheet at the time it is written with an explanation for the purchase.
- ***All purchases should be paid with check and never by cash.***
- No reimbursements should be made to an individual based on a copy of a store receipt or an individuals credit card statement.
- Two check signatures are required on all checks. ***NO BLANK CHECKS SHOULD BE SIGNED IN ADVANCE BY ANY MEMBER OF THE SUPPORT GROUP.***

Reporting/Documentation

- Minutes of the Support Group meetings should be turned into the auditors. The minutes should include a treasurer's report showing the following:
- Balance on hand at the beginning of the year, month or as of the last meeting.
- List all receipts in detail and total .
- List all disbursements, itemized and totaled.
- End with the balance on hand as of the date of the report.
- Balance on the Treasurer's Report should agree to check Register and agree to Bank Reconciliation.
- (If you use the excel spreadsheet to maintain your records, this report is acceptable and you are not required to prepare another summary. Please refer to the memo sent this month)

Audit Information/Forms Required

- For the year end audit the following information/forms are to be provided:
 1. Checkbook – *(**only need the register not remaining blank checks.**)
 2. Copies of Minutes for the entire year.
 3. Bank statements July 2026 through June 2027 with cancelled checks.
 4. Vendor invoices and approved purchase requisitions/vouchers. (sample check requisition included in your packet.)
 5. Cash receipts records with pre-numbered individual and/or grouped receipts including deposit tickets.

Audit information/Forms Cont'd

6. Bank reconciliations – July 2026 through June 2027.
7. Cash receipts and cash disbursements journals.
They must be summarized by month and for the year by account category.
8. Deposits are to match supporting documentation and documentation should be attached to the deposit slips for the annual audit (receipts, individual fundraising forms, report of ticket sales, concessions money count form, etc.).



Audit information/Forms Cont'd

9. Audit forms

10. Budget for the year if applicable.

**Summary, and Annual Income-Expense Summary, which can all be entered into the spreadsheet provided. If you are unable to use this spreadsheet you must use something that includes all the information that the spreadsheet contains. The auditors request that the Annual Income-Expenses Summary be completed in the same format (separated) as indicated in the presentation and spreadsheet*.*

Audit information/forms cont'd

11. Reconciliation of cash receipts and disbursements for the year with beginning and ending cash balances in the format below:

Cash – July 1, 2026	\$ xxx
Cash Receipts	\$ xxx
Cash Disbursements	<u>\$ xxx</u>
Cash June 30, 2027	\$ xxx

12. Auditors now require a copy of the support group Federal Tax ID number to be included with audit paperwork.

Missing Items requested by auditors during audit

- Groups missing the required Internal Control Checklists - list goes out in the spring of each year along with the Support Group Certification Memo.
- Monthly/Annual Summary of Income and Expenses missing - some groups only had the monthly summary or missing months.
- Missing supporting documentation for receipts and/or expenditures.
- Receipts not adding up correctly to deposit slip.
- Missing bank statements (cancelled checks not on statements).

Excel Spreadsheet Reminders

- If changing a heading on one of the month's pages, you must change the headings to be the exact same for all of the pages including the annual summary.
- Entries on the excel spreadsheet should be listed in order in which they occur and not as they cleared the bank statement.
- **Excel spreadsheet (or other documentation) must be shared electronically with Director of Finance by July 15, 2027**



Concessions



- Start up money taken out for concessions must be deposited with money collected from concessions for that day/event.
- It should be evident with your documentation that the start up money is going back into the account (should not be kept out and locked in a closet, concession stand, etc.)
- Any checks written for start-up money should be written to the bank, not Cash.

CONCESSIONS MONEY COUNT FORM

EVENT _____

DATE _____

\$100 _____

\$20 _____

\$10 _____

\$5 _____

\$1 _____

Quarters _____

Dimes _____

Nickels _____

Pennies _____

Grand Total __ \$ _____

Start Up Change _____

Total Money Deposited __ \$ _____

Person(s) counting money _____

CONCESSIONS MONEY COUNT FORM

EVENT _____

DATE _____

\$100 _____

\$20 _____

\$10 _____

\$5 _____

\$1 _____

Quarters _____

Dimes _____

Nickels _____

Pennies _____

Grand Total \$ _____

Start Up Change _____

Total Money Deposited \$ _____

Person(s) counting money _____

•For use if different people work a JV and Varsity Game

JV Game Amount Collected	
Person Counting Money JV Game	
Person Counting Money JV Game	
Varsity Game Amount Collected	
Person Counting Money Varsity Game	
Person Counting Money Varsity Game	
Total Between Both Games Including Start Up Funds.	

Report of Ticket Sales

Support Group Name Here

Event:

Date:

First Number	Last Number*	Number Sold	Ticket Price	Total Amount

*Last number left on the roll, not the last number sold.

Total Value of Tickets Sold

Beginning Change Fund

Total Accountability

Cash Remitted This Report

Cash Over (Under)

***2 signatures for the counting of money**

Certified correct by (Ticket Seller's Signature)

Certified correct by (Ticket Seller's Signature)

Tax Requirements

Establishing New Groups

New groups must receive approval prior to August 1 to operate during a school year. Groups forming after August 1 may not begin formal operation until the start of the following school year.

IRS Guidelines

All are required to review and comply with all IRS regulations governing support groups.

Tax Requirements

Groups assume the responsibility for meeting all tax requirements and making the appropriate annual filings (most groups are also not sales tax exempt unless have a 501(c)(3) designation).

501 (c) (3) Designation

Some groups may find it beneficial to seek a secure designation as a non-profit tax exempt group. This is a legal procedure that will require assistance from a trained professional and generally cost groups approximately \$800.00 to complete.

Becoming a 501(c)(3) (Tax-Exempt) Organization

- It is expected by the Internal Revenue Service that each organization file for tax exempt status and file a tax return each year.
- If gross receipts are less than \$50,000 per year, a 990N postcard should be filed online each year.

Obtain EIN on IRS website

EIN Assistant

Important Information Before You Begin

Use this assistant to apply for and obtain an Employer Identification Number (EIN).

[Do I need an EIN?](#)

[Do I need a new EIN?](#)

For help or additional information on any topic, click the underlined key words, or view Help Topics on the right side of the screen. Make sure that pop-ups are allowed from this site.

About the EIN Assistant

- You must complete this application in one session, as you will **not** be able to save and return at a later time.
- For security purposes, your session will expire after 15 minutes of [inactivity](#), and you will need to start over.
- You will receive your EIN immediately upon verification. [When will I be able to use my EIN?](#)
- If you wish to receive your confirmation letter online, we strongly recommended that you install [Adobe Reader](#) before beginning the application if it is not already installed.

Restrictions

- Effective May 21, 2012, to ensure fair and equitable treatment for all taxpayers, the Internal Revenue Service will limit Employer Identification Number (EIN) issuance to one per [responsible party](#) per day. This limitation is applicable to all requests for EINs whether online or by phone, fax or mail. We apologize for any inconvenience this may cause.

Applying for Tax-exempt status- 501(c)3

Go to [IRS website](#)

Link to [1023-EZ instructions](#)

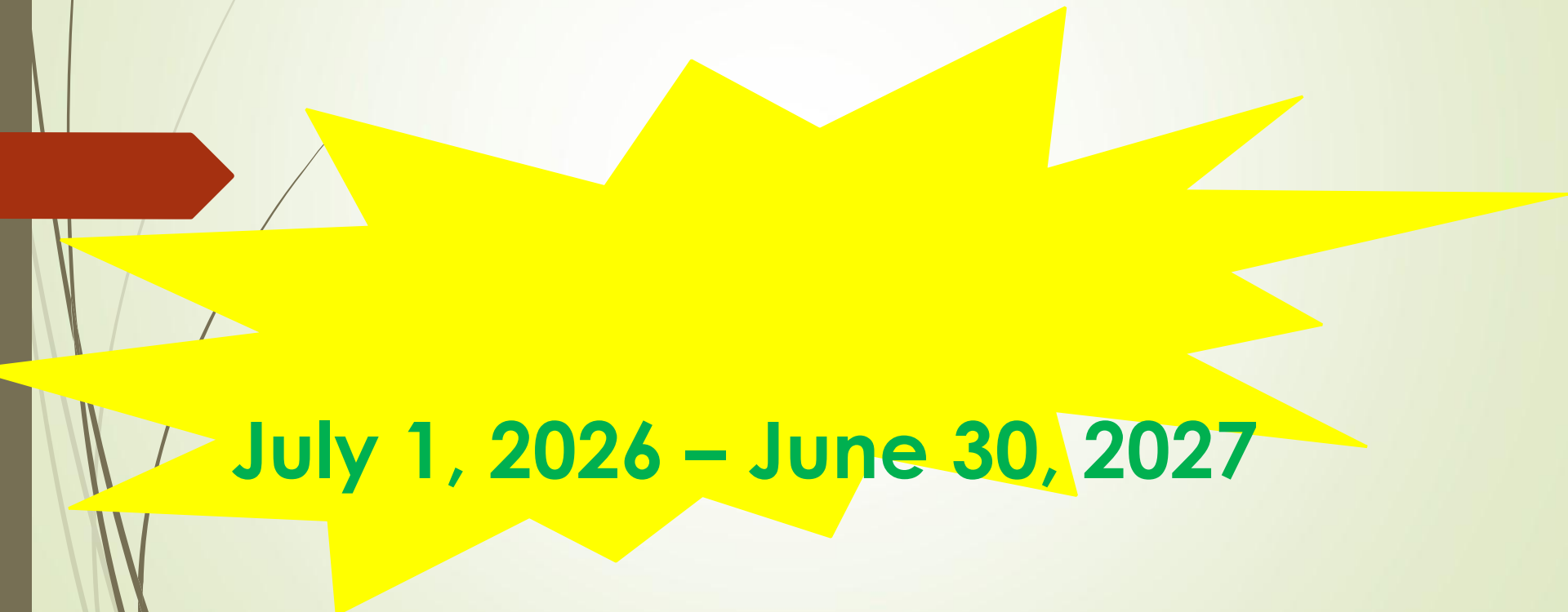
Instructions for Form 1023-EZ



(Rev. January 2025)

Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code

FY2027 Audit Period



July 1, 2026 – June 30, 2027

Audit Information for FY2027

- Books/Records due to the School Board Office **TBD (mid-July)**
- Auditors onsite **TBD (mid-July)**
- If a groups completed books and requested information are not available during the time the auditors are onsite, it could result in an extra charge for the group.

Fraud



Quote



**IT IS FRAUD TO
CONCEAL
FRAUD.**

What is Fraud?

Full Definition of *FRAUD* by Cambridge Dictionary

1. The crime of obtaining money or property by deceiving people.
2. A person or thing that is not what it claims or pretends to be.

Three Types of Fraud

Asset misappropriation - Theft by an employee through stealing or misusing the organization's resources (e.g., theft of company cash, false billing schemes or inflated expense reports/time sheets).

Corruption - An employee misuses his or her influence in a business transaction in a way that violates his or her duty to the employer in order to gain a direct or indirect benefit (e.g., schemes involving bribery or conflicts of interest).

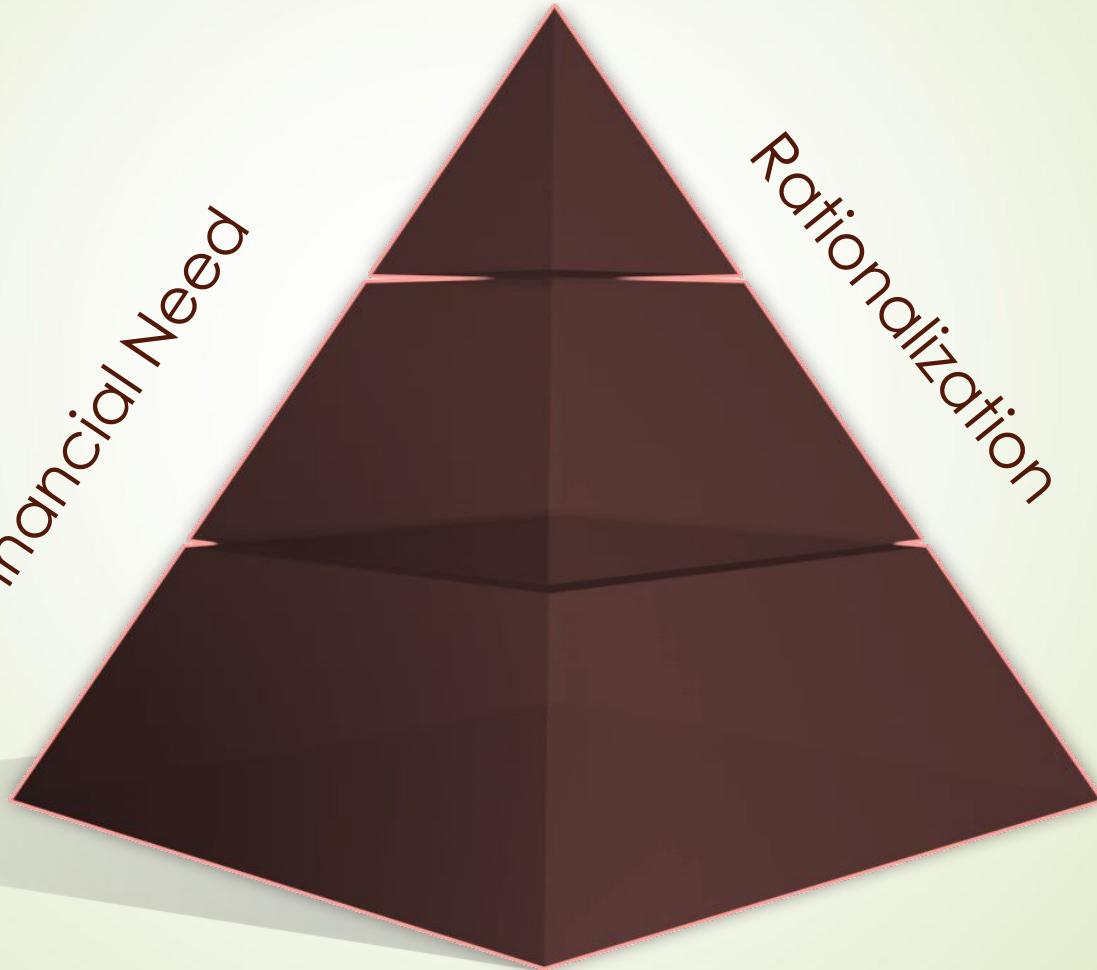
Fraudulent reporting - An employee intentionally causes a misstatement or omission of material information in the organization's financial reports (e.g., recording fictitious revenues, understating reported expenses or artificially inflating reported assets).

Fraud Triangle

Opportunity

Financial Need

Rationalization



Fraud Triangle – Financial Need

- Life changing event occurs in person's life – illness, divorce, financial difficulties, college tuition etc.
- Support addiction problem such as drugs and gambling.
- Resentment against agency or boss – feel underpaid or underappreciated.
- Living beyond one's means.

Fraud Triangle – Rationalization

- Money is owed to me.
- Just borrowing until next payday.
- This is a big organization, they won't miss the money.
- I deserve it for all I do and how little I am paid to do my job.
- Overall employee thinks he/she is honest.

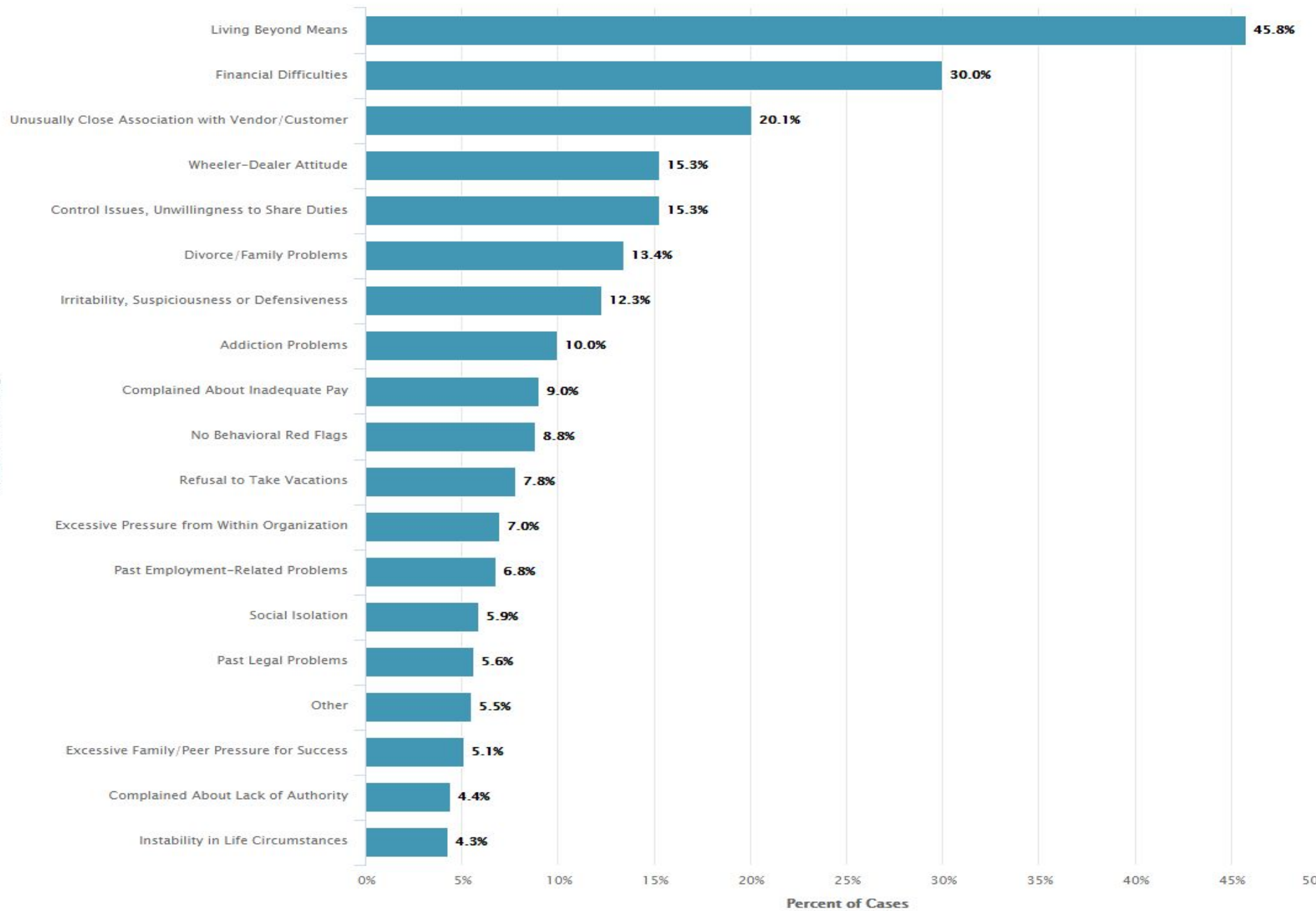


Fraud Triangle - Opportunity

- Familiarity with operations
- Position of trust
- Poor management oversight
- Weak internal controls
- Collusion

Behavioral Red Flags Displayed Perpetrators

Behavioral Red Flag





Facts About Fraud

- Anyone with motivation, rationalization and opportunity can commit fraud.
- Most frauds are a weakness in design or operation of an internal control.
- “Trusting an individual” does not supplant internal controls.
- Fraud can happen anywhere. Even if we think it can never happen to us.

Factors Contributing to Fraud

- Poor internal controls.
- Override of internal controls.
- Collusion between employees.
- Collusion between employees and third parties.
- Outside pressures resulting from life changing event in personal life.
- Economic condition of locality.

Actual Examples of Fraud

- Forgery
- Personal purchases on group credit card
- Diversion of checks
- Misappropriation of cash collections
- Altering checks and either cashed or deposited to personal account
- Falsified travel reimbursement vouchers/expense reports
- According to the 2014 Report to the Nations on Occupational Fraud and Abuse from the Association of Certified Fraud Examiners (ACFE), survey participants estimated that the typical organization loses 5 percent of revenue each year to fraud.

Fraud Prevention

- Proper segregation of duties.
- Accounting policies and procedures.
- Strong Principal oversight at schools.
- Internal Audit.
- Clear expectations and definitions of allowable costs.
- Assume anyone will commit fraud under the right circumstances.
- Enforcement of internal controls.

Fraud Prevention

- Pay attention to documents and supporting paper work. Look closely at the numbers, dates, dollar amounts and general condition of the documents.
- Examine account balances for reasonableness.
- Look for dramatic changes in spending habits.
- Support Group members staying late, coming in early, and willing to take on extra duties and indicate don't want/need assistance.



QUESTIONS?



Thank you

- Thank you for volunteering and for the hours you put in for the children and staff of Henry County Public Schools. Each of you contributes personal time to help support our schools. It is greatly appreciated by all. I can't thank you enough for all you do.
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