



PBUSA's Three-Step Fraud Prevention Program

School fundraising is a \$4.5 billion business managed by dedicated parent volunteers on a part-time basis. Parent boosters are the heroes behind most of the extracurricular activities that make childhood great...but they need simple solutions to help them manage the money raised.

More than a \$1 million a year, likely much more, is stolen from school fundraising groups. That's why PBUSA developed a simple theft prevention solution.

Our Three Key Steps to Prevent Theft

1. Require 2 people to count cash.

At least two unrelated people should be required to count cash. **Never count cash alone!** Cash should be counted on site, where it is collected, on a daily basis. The cash counters should indicate the day's income on a cash tally sheet and sign the sheet. The funds should then be deposited immediately into the group's bank account. Both the tally sheet and the deposit slip should be kept with the organization's financial records and use when reconciling the bank account.

2. Require 2 people to sign checks.

Requiring two unrelated people to sign each check significantly reduces risk of theft. The two signature rule should be included in your group's bylaws, and also should be imprinted on the checks. **Never pre-sign checks.** To reduce the burden of obtaining the needed signatures, some groups have the check signers meet regularly at the school, such as once a week, before or after school to handle the check writing.

3. Require 2 people to reconcile the bank statements.

Bank statements should be reconciled within 30 days of the date the statement is issued. It is best to separate duties and have someone without check signing authority or cash counting duties reconcile the bank account. If this is not possible, a non-signer should review the monthly bank statements, reconciliation report, cash tally sheets and deposit slips. Simply **requiring all these documents to be available at meetings is a huge deterrent to theft.** If the documents are never available, this is big red flag that something may be wrong.

**To learn more about theft prevention for school fundraising groups,
visit parentbooster.org/theft.**

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