



Mini-Booster Financial & Legal Training

Joan Waldrop, SHS Boosters Treasurer

Non-Profit Responsibilities & Obligations

- ▶ We are a 501(c)(3) Non-Profit Organization
- ▶ Our Mission is to deepen the school spirit and enrich the educational, athletic, social and developmental experiences at Stadium High School.
- ▶ Benefits
 - ▶ Don't pay income tax, exempt from most state taxes
 - ▶ Our donors may be able to take tax deduction
- ▶ Obligations
 - ▶ Respect trust of donors to be good stewards of funds
 - ▶ Recertify annually with WA Secretary of State & IRS
 - ▶ Higher level of scrutiny; our books are public information
 - ▶ Avoid conflicts of interest

Bylaws & Important Legal Requirements

- ▶ Mini Officers must be Boosters Members
- ▶ Fundraising Approval
- ▶ Quarterly Financial Reports
- ▶ Reconciling Bank Statements
- ▶ IRS Requirements
 - ▶ If you pay a free-lancer >\$600 annually, get a W9 (must do IRS 1099 at EOY)
 - ▶ For fundraisers that GROSS \$5K or more, special IRS reporting requirements
 - ▶ Donors that give >\$250/year must receive donor letter
- ▶ Our Fiscal Year ends 31 July

Types of Revenue & Expenses for Big Boosters

Typical Income & Expenses

Membership Fees

Grants

Merchandise Sales

Merchandise to Be Sold

Donations

Sunshine

Fundraisers

Fundraising Expenses

Concession Proceeds

Administrative (Subscriptions, Insurance, Professional Services, Bank Charges, Licenses & Permits)

Interest Income

Types of Revenue & Expenses for Mini-Boosters

Typical Mini-Booster Income & Expenses

Straight Donations

Concession Proceeds

No-Expenses Events
(Restaurant take-overs)

Purchase & Resell items
(Carwash Booklets)

What else do you do?

Supplemental Uniforms
& Gear

Senior Recognition

Banquets

Expenses to Fundraise
(Ex: Golf Tourney)

Administrative (Subscriptions,
Insurance, Licenses & Permits)

Tournaments

Big Boosters Resources for Minis

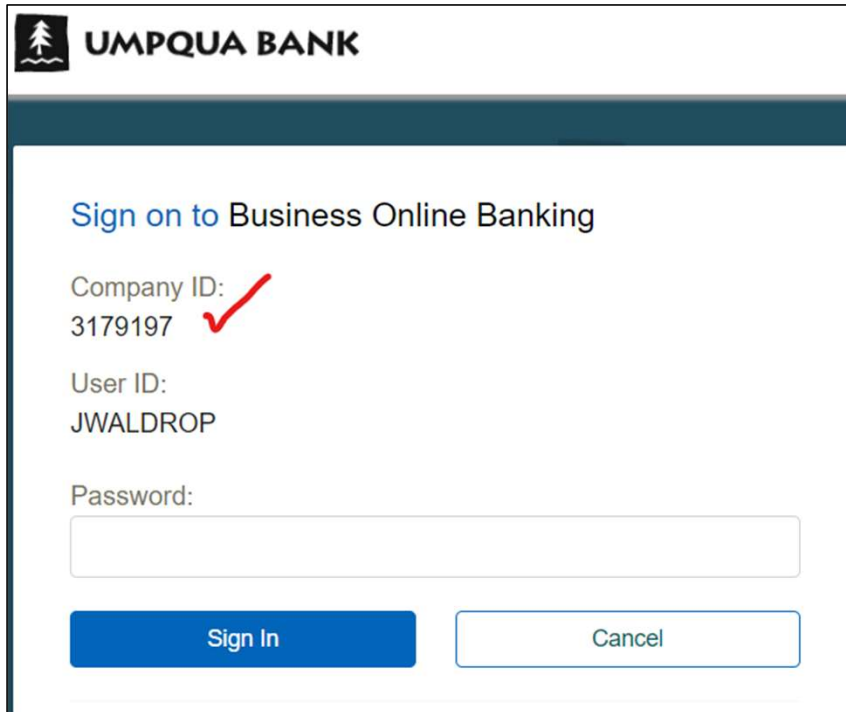
- ▶ Paid Zoom account
- ▶ TechSoup subscription
- ▶ IRS Requirements
- ▶ Annual Business License
- ▶ (Maybe in future)
PayPal/Venmo sharing
- ▶ Grants & Ikeda Fund
- ▶ Fundraising through Concessions
- ▶ Facebook site
- ▶ Google Drive
- ▶ Website with sections for Minis

What else would be useful?

Roles of Mini Bank Signatories

- ▶ Financial Chair
 - ▶ Pays bills
 - ▶ Balances bank account
 - ▶ Safeguards resources
- ▶ Chair
 - ▶ Oversight of bank account & Financial Chair

Umpqua e-Banking



UMPQUA BANK

Sign on to Business Online Banking

Company ID:
3179197 ✓

User ID:
JWALDROP

Password:

- ▶ After you become an official signer with the bank, ask Joan or Melissa to add you
- ▶ Download the App to do mobile deposits



Umpqua e-Banking

The screenshot shows the Umpqua Bank e-Banking dashboard. The browser address bar displays the URL: `umpquabank.biz-business.online-banking-services.com/bebanking/home.do#!/bebhome/dashboard`. The Umpqua Bank logo is on the left, and navigation links for 'Welcome', 'Reports', 'Money Movement', 'Account Services', and 'Administration' are in the top green bar. A blue box highlights the 'Reports' menu, which is open to show 'Deposit Account Reporting' and 'Statements and Documents'. Below the navigation bar, there are two main sections: 'Recent Transactions' and 'Balance Snapshot'. The 'Recent Transactions' section includes a table of transactions for a 'General checking 4267 - *4267' account, with a 'PREAUTHORIZED ACH DEBIT' of -\$310.56 and a 'PREAUTHORIZED ACH CREDIT' of \$552.26 on 04/25/2023. The 'Balance Snapshot' section lists 'Checking' (General checking 4267 - 4267), 'Savings 4234 - 4234', and 'Ikeda Fund 6687 - 6687'.

umpquabank.biz-business.online-banking-services.com/bebanking/home.do#!/bebhome/dashboard

UMPQUA BANK Welcome **Reports** Money Movement Account Services Administration

Business Online Banking

Deposit Account Reporting
Statements and Documents

Recent Transactions

Edit Accounts Displayed

General checking 4267 - *4267

All Transactions
Transactions within last 30 days

PREAUTHORIZED ACH DEBIT	04/25/2023	-\$310.56
PREAUTHORIZED ACH CREDIT	04/25/2023	\$552.26

Balance Snapshot

Checking

General checking 4267 - 4267

Savings 4234 - 4234

Ikeda Fund 6687 - 6687

What Records Must Minis Keep?

- ▶ Change of Officer documentation
- ▶ Bank Statements
- ▶ Invoices & Receipts
- ▶ Fundraising Plans
- ▶ Donor Letters

Just like your income tax filings, records must be kept for 7 years

Other Records To Help Your Successors







- ▶ Communications
 - ▶ Solicitations to Donors
- ▶ Fundraiser Budgets & Actuals
- ▶ Contact Info for Members & Previous Officers

Mini's Google Drive

Search in Drive

STADIUM HIGH SCHOOL

Shared with me > ... > Mini-Booster Owned Folders > Football

Name	Owner	Last m...	↓	File size
 Fundraising	me	5:36 PM	—	⋮
 Receipts	me	Dec 13, 2022	—	⋮
 Meeting Minutes	me	Dec 13, 2022	—	⋮
 Charters & Banking Resolutions	me	Dec 13, 2022	—	⋮
 Quarterly Reports	me	Dec 13, 2022	—	⋮
 Bank Statements	me	Dec 9, 2022	—	⋮

What Should Mini's Not Pay For?

- ▶ Risky to supply items that should be supplied by TPS
- ▶ Consider whether liability is a factor (safety equipment)
 - ▶ Ensure Coach chooses equipment & supplier
 - ▶ If possible, allow school to purchase & you transfer funds to school
- ▶ IRS Prohibits
 - ▶ Pass-through 'ear-marked' funds for individuals
 - ▶ Don't pay coaches/teachers/staff; we are not an employer
 - ▶ Cooperative Fundraising

Gifts and Federal Tax Law

- ▶ Donations to non-profit may be tax deductible, while gifts to individuals are not tax deductible
- ▶ Grants to benefit a worthy person are okay, if it falls under our mission (think “Ikeda Fund”)
- ▶ Group gifts are okay (ex: all Graduating Seniors)
- ▶ You (an ‘insider’) cannot benefit from use of non-profit funds (*private inurement*)
- ▶ Booster clubs cannot accept contributions that have been earmarked by the donor for a particular individual (use a GoFundMe instead)

Internal Controls: Purchases & Invoices

- ▶ Expenditures
 - ▶ Make it clear to your members that expenses must be pre-approved
 - ▶ Receive goods before making payment - do not advance funds
 - ▶ Do you have the cash on-hand?
- ▶ Invoices and/or receipts
 - ▶ Required for payment or reimbursement
 - ▶ Must match the total on the check request
 - ▶ Must be itemized
 - ▶ Not hand-written
- ▶ What to do with receipts/invoices after disbursement made?
 - ▶ Attach to your bank statement –or– scan & upload to Mini-Boosters Google Drive folder



Assume that items purchased for the school will become property of the school

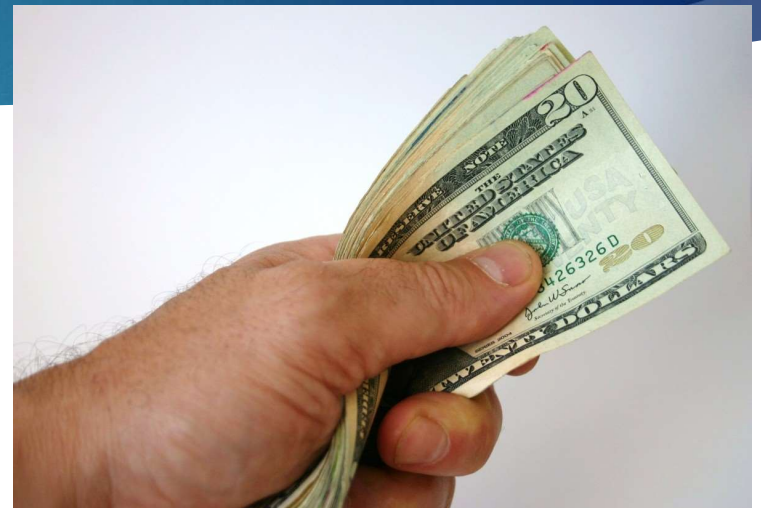
Internal Controls: Checks & Deposits

- ▶ Checks
 - ▶ Keep checks in secure area
 - ▶ Void checks that are incorrect or not issued
 - ▶ Never sign checks in advance
 - ▶ Never make check out to “Cash”
 - ▶ Never pay yourself
 - ▶ Use checks in proper sequence
- ▶ Deposits
 - ▶ Endorse all checks – “For Deposit Only ...”
 - ▶ Deposit slip should specify source of funds in detail (ex: Donation from Jane Doe, Cash Receipts from Musical on 1 Jan2020, Proceeds from Sale of Carwash Booklets)



Internal Controls: Dealing with Cash

- ▶ Cash is problematic, procedures protect Boosters & you
- ▶ Use Cash Box (ask Big Boosters)
- ▶ Use Dual cash counts before & after the event
 - ▶ Always count funds with a witness
 - ▶ Both of you sign the deposit slip
 - ▶ Seal in envelope with amount & description
 - ▶ Both of you take a photo
- ▶ Make timely deposits – 48 hours
- ▶ Never pay expenses out of cash receipts
 - ▶ Deposit cash and then write a check



Bank Statements & e-Banking

- ▶ Reconcile your bank statement every month (if transactions)
- ▶ Boosters funds cannot be co-mingled with other funds
- ▶ E-Banking Advantages:
 - ▶ Electronic statements don't get lost
 - ▶ Bank balances & expenditures in almost-real-time
 - ▶ Mobile check deposits (app on phone)
 - ▶ Images of deposits and checks written
 - ▶ Write electronic checks and make funds transfers
 - ▶ To transition, ask Joan or Melissa

Internal Controls: Credit & Debit Cards, Peer-to-Peer Transactions

- ▶ Beware of debit card limitations
 - ▶ If card lost/stolen/misused, account is liable for anything that is withdrawn
 - ▶ If want to apply for credit card, talk with Big Boosters
- ▶ Ways to minimize risk
 - ▶ Limit day-to-day bill payment to 1 Person (Fin. Chair) & do not share the PIN
 - ▶ Mini-Boosters Chair can have signing privileges as backup
- ▶ If transaction occurs outside our banking system (Venmo, PayPal)
 - ▶ File all receipts (regardless of amount) on Google Drive immediately
 - ▶ Receipts & transparency are critical...Protect Yourself & the Organization

A paper check doesn't always work, does it?

Things to Consider When Fundraising

- ▶ Consider Insurance
 - ▶ RV Nuccio. 800-364-2433. Ask for WSBCA Member rate.
 - ▶ All events with alcohol & some sporting events require separate insurance policy
- ▶ Get approval from Big Boosters
- ▶ Pass-Throughs Jeopardize our Non-Profit Status
 - ▶ Violation of federal tax law to require individuals to participate or allocate based on what an individual raises
 - ▶ OK to say 'each item costs \$50, we need to raise total of \$700 to cover 14 kids'
- ▶ Wording is Important
 - ▶ Must be clear is it not for the school. Use 'SHS [activity] Mini-Boosters'
- ▶ Ensure it is Adult-Run (kid-run = ASB \$\$)
- ▶ No gaming (raffles)

Givio Campaigns

- ▶ Make sure your fundraising plan is done & approved first
- ▶ Be aware of fees
- ▶ Understand timing
- ▶ Helpful to give Boosters Treasurer end-of campaign report showing # of donations & amounts

Fundraising: Special Reporting for >\$5K

Annual Income Tax Filing requires Form 990, Schedule G

	Event
Gross Receipts	
Less: Contributions	
Expenses:	
Cash Prizes	
Noncash prizes	
Rent/Facility Costs	
Food & Beverages	
Entertainment	
Other direct expenses (auctioneer, supplies, insurance)	