

# **[Aggie Mom Club Name]**

## **Treasurer Instructions**

Prepared January 8, 2019

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## Basic Information and Responsibilities

The office of the club treasurer is important because the treasurer is in control of the club's money, its collection, and disbursement. The treasurer is responsible for keeping accurate books that will enable her to give a full financial report whenever requested.

- The treasurer's term of office ends at the close of the Club's fiscal year, and after the official Audit is complete.
- Plan to have the checkbook at every event as you never know when a check may be needed.
- All checks need two signatures but don't have checks pre-signed by President or President-Elect as the account is not a two-signature account and checks can clear with only one signature.

**From [Club Name] Texas A&M Mothers' club bylaws, the Treasurer shall:**

- A. Be responsible for all monies received, held, and dispersed.
- B. Chair the Budget Committee (if applicable).
- C. Disperse funds for all budgeted items, but disperse non-budgeted funds only as approved by the Executive Board.
- D. Not reimburse sales tax.
- E. Sign checks for disbursement of funds of the club, securing the counter signature of the President or the President-Elect as directed by the Executive Board.
- F. Keep a balance sheet and give a financial report at each meeting of the Executive Board and at each club meeting.
- G. Deliver the audited books to her successor immediately at the conclusion of the audit. The fiscal year of the [Club Name] Aggie Moms will correspond with that of the Federation. Receipts for any reimbursable expenses incurred during any fiscal year must be received no later than the last day of the fiscal year.

**Budgets.** The Treasurer is responsible for preparing and facilitating the preparation of an annual budget, as well as regularly monitoring and comparing the actual revenues and expenses incurred against such budget. The budget should be reviewed and approved by the board, however, the Treasurer should be prepared to explain and justify the document.

**Reports.** The Treasurer should have thorough knowledge and understanding of the organization's financial reports. The Treasurer should keep the board apprised of key financial events and concerns. The Treasurer is also generally responsible for completing, or ensuring the completion of, required financial reporting forms (including but not limited to state sales tax and the IRS Form 990) in a timely manner.

**Check Requests and Deposits.** When checks are requested the requester should fill out Check Request form and turn in receipts. We do NOT reimburse sales tax. If the requester is adding in sales tax they should be informed they are not going to get that amount back. 501(c)3 and Sales Tax exempt forms are available to them so they should not have to pay sales tax. If the requester is requesting a check that needs to be mailed out (which includes but are not limited to Scholarship payments, gifts to the university, federation dues form) the requester is responsible for filling out the form AND mailing the form and check. The treasurer is responsible only for writing the check.

## Budget

The club's budget is set in June. The Treasurer is the head of the budget committee. Other budget committee members may include but are not limited to The President, The President Elect, the Vice President at Large and the outgoing treasurer. To be prepared for the budget meeting, the Treasurer should prepare a sample budget using the previous year's totals.

Our budget has two sections: the first section is income and expenses for club use. The second section is income and expenses for fundraisers. Each section should balance (income equals expense).

- Income for Club Operation
  - Dues
  - Misc Income
- Expense for Club Operation
  - Directory
  - Federation Dues/Archive Fees
  - Historian - Scrapbook
  - Life Member Recognitions/Honors
  - Memorials for Members
  - Miscellaneous – Operating
  - Officer's Supplies
  - Outgoing TAMU Federation President Gift
  - Senior Recognition
  - Past President Gift – Club
  - Programs
  - Social Chair – Meeting supplies
- Income for Fundraisers
  - Boutique Income
  - Fundraiser Other Income
  - Miscellaneous Income
- Expenses for Fundraisers
  - Boutique Expense
  - Designated Funds for Fundraiser Other
  - Club Storage Unit
  - Commandant's Award
  - Fundraiser Other
  - Howdy Newsletter, Postage and Social
  - Miscellaneous Expenses
  - Muster Expenses
  - Sales Tax
  - Scholarships for Freshman
  - Scholarships for Seniors
  - Spring Picnic

## Explanation of Each Line Item

### Club Section of Budget

1. Club Income
  - a. Dues
    - i. Includes only the dues paid
    - ii. Don't include if they pay for mailing of directory
  - b. Misc Income
    - i. Includes interest earned from money market account and checking account
    - ii. Includes any donation that is given to the club and would be designated to be used for club expenses
  
1. Club Expenses
  - a. Directory
    - i. This is where the expenses for the directory are added
      1. Printing of directory
      2. Envelopes to put directory in
      3. Binders for new member
      4. Postage to mail directory
    - ii. If someone pays for their directory to be mailed the amount goes in this line item to offset the cost of mailing.
  - b. Federation Dues/Archive Fees
    - i. This is the expense that is paid to the federation
  - c. Historian – Scrapbook
    - i. This is expenses that are paid to the Historian for recording and documenting events
  - d. Life Member Recognitions/Honors
    - i. This expense is for recognition for whenever a Life Member is chosen
  - e. Memorials for Members
    - i. This expense is for a memorial in the event of a club member passing away (we traditionally send \$25.00 per occurrence in the club members name to the Federation Library Endowment)
  - f. Miscellaneous – Operating
    - i. This expense is a variable expense used to balance the Income to the expense. This is calculated last and is calculated by subtracting budgeted income from the budgeted expense
      1. Name tag orders income and expense
      2. Postmaster for PO Box
      3. Goodie Bags income and expense
      4. Sam's Club membership
      5. Apron income and expense
      6. Maroon out t-shirts income and expense
      7. Any other operating expense that comes up
  - g. Officer's Supplies
    - i. This expense is for supplies the officers may need
      1. Printing/copies of reports
      2. Paper for printing

- h. Outgoing TAMU Federation President Gift
  - i. This expense is for the gift that is given to the outgoing Federation president
- i. Senior Recognition
  - i. This is the expense that is associated with Senior Recognition awards
- j. Past President Gift - Club
  - i. This expense is for the gift that is given to the outgoing club president (currently a pin is ordered by the Vice President at Large from Balfour)
- k. Programs
  - i. This expense is for all the programs the club puts on during the meetings
- l. Social Chair
  - i. This expense is for supplies the social chair needs for having snacks at the meetings only

### **Fundraiser Sections of Budget**

- 1. Fundraiser Income
  - a. Boutique Income
    - i. This is the income from all Stein sales
    - ii. Amount collected for steins includes sales tax and sometimes postage
    - iii. The amount that is reimbursed to the Boutique chair for shipping is put in this line item as an expense to offset the shipping
  - b. Fundraiser Other income
    - i. This income is from cookie bake
  - c. Miscellaneous Income
    - i. This is other income that is donated to the club
      - 1. Silent auctions
      - 2. Raffles
      - 3. Muster donations
      - 4. Corporate donations
- 2. Fundraiser Expenses
  - a. Boutique Expense
    - i. This is the expense that boutique incurs
      - 1. Rental of table at family weekend
      - 2. Insurance for protection of the inventory
  - b. Designated Stein
    - i. This is a holder for the amount that is designated at the end of the year to purchase items for Fundraiser Other for the following year
  - c. Storage unit
    - i. This is the expense for the storage unit that holds various supplies the club uses for fundraiser items and for the storage of club documents
    - ii. The storage unit keys are currently held by the President, the Fundraiser Other and the boutique chair
    - iii. A document needs to be mailed with the payment to tell storage company who has access for the year

- d. Commandant Award
  - i. This expense is for the award our club exclusively gives on family weekend to the winning Corps unit
  - ii. This award is a variable amount because the amount is for shoulder cords that are awarded and the number of cords is unknown until the day the unit is chosen
- e. Cookie Bake expense
  - i. This is for all the expenses the cookie bake incurs
- f. Fundraiser Miscellaneous Expense
  - i. This expense is a variable expense used to balance the Income to the expense. This is calculated last and is calculated by subtracting budgeted income from the budgeted expense
  - ii. This expense is also where we will list at the end of the year the monies above and beyond that are donated by us to other A&M organizations.
- g. Sales Tax
  - i. This expense line item is for recording the sales tax that is paid to the State of Texas
- h. Freshman Scholarship
  - i. This expense is the line item for the amount of scholarships we give to Freshman (we currently give 12 at \$1,000 each)
- i. Senior Scholarship
  - i. This expense is the line item for the amount of scholarships we give to A&M Seniors (we currently give 4 at \$500 each)
- j. Spring Scholarship Picnic
  - i. This expense is for the purchase of food and supplies for the picnic that is held in the spring for the Freshman Scholarship recipients

## Month by Month Responsibilities

### • First June

- Prepare a sample budget based on last year's actual totals
- Meet with the budget committee to prepare the fiscal year's budget
- Go with the President and the President Elect to the bank to update the banking account and sign new signature cards
  - Minutes documenting election and who goes on and off of the account
  - All three members have to be present to update the account
  - To access the account electronically the current treasurer needs to have a personal account at Randolph Brooks FCU (a \$5 deposit is all that is needed)
- Enter the new budget into the excel spreadsheet and prepare it for the year
- Prepare folders for each Board member that spends money
  - Include in folder:
    - Letter from Treasurer outlining their budget and what they can spend money on
    - Letter from Comptroller
    - Copies of Sales and use tax form 01-339 (back) (if needed)
    - Copies of Reimbursement forms (if needed)
    - Copies of Deposit forms (if needed)

### • July

- Check with Boutique Chair and find out how many Steins have been sold for dates April, May, and June
- File and pay state sales tax for Quarter 2

### • August

- Write check for Senior Scholarships
- For purchasing of maroon out shirts in bulk from Aggieland Outfitters. They do not take personal checks for bulk orders so check needs to be sent with person picking up shirts
- Prepare a financial report for the first meeting documenting income and expenses incurred since the close of fiscal year
- Prepare a budget report to be presented to the club

### • September

- Present financial report at meeting
- Present budget report at meeting
- United Fire Group Insurance check is due at the beginning of this month; a bill will be sent to the post office box
- Pay Quarterly sales tax; note this tax report pays the sales tax for the maroon out shirts and steins
- Prepare a financial report for the next meeting

### • October

- Present financial report at meeting
- IRS form 990 is due by the 15<sup>th</sup> of this month
- Payment and documentation of who has access to the storage unit is due at the beginning of this month, a bill comes very close to its due date so have the post office box checked often
- Check for the Post Office box is due around the middle of this month
- Prepare a financial report for the next meeting

- **November**
  - Present financial report at meeting
  - This month the check for reserving the location for Fundraiser Other is due
  - Prepare a financial report for the next meeting (normally we don't have a December meeting however preparing a monthly report helps the audit committee keep track of monthly expenses)
- **December**
  - Usually the outgoing Federation President gift is ordered in this month
  - Printing of the directory is done in this month
  - Fundraiser Other
    - Get cash for the Fundraiser
    - Get list of orders from Fundraiser chair and prepare list for collection of money during fundraiser
    - Day of Fundraiser Other, use computer and excel spreadsheet to keep track of how the money has been collected; this will make adding up the deposits easier.
  - Prepare a financial report for the next meeting
- **January**
  - Present financial report at meeting
  - Quarterly taxes are due this month
    - NOTE this month we sometimes do not receive the sales tax notification, but it still needs to be paid
    - Tax for fundraiser items and for goodie bags is paid in this month
  - Form B is due to the Federation by February 1st
  - Form T is due to the Federation by February 1st
  - Payment to the federation is due this month
    - Form filled out and mailed with the check by the membership committee
  - Prepare the monthly financial report for the next meeting (normally we don't have a February meeting however preparing a monthly report helps the audit committee keep track of monthly expenses)
- **February**
  - Present financial report at meeting (generally there is not a meeting in this month)
  - Prepare a financial report for the next meeting
- **March**
  - Present financial report at meeting
  - Prepare a financial report for the next meeting
- **April**
  - Present financial report at meeting
  - Quarterly taxes are due this month
  - Commandant award is given out this month at Family Weekend: a bill will be sent to the president and check will be requested
  - Prepare a report for May meeting to help decide how much money is left over to donate
    - Find out from each committee member how much is still owed to them
    - Report consists of the existing amount in the account less the holdovers and the outstanding deposits and checks
  - Prepare a financial report for the next meeting

- May
  - Present financial report at meeting
  - Help Board figure how much excess monies can be donated to A&M organizations
  - Form Y is due to the Federation on the 31<sup>th</sup> of this month
  - Finish meeting by writing checks for Freshman scholarships and the other donations the club has voted on
- Second June
  - Prepare a final report for June board meeting
  - Balance checkbook and close account
  - Print out each page of spreadsheet to prepare for audit
  - Make sure all of the check requests have receipts attached
  - Make sure all deposit requests have deposit receipts attached
  - Turn in reports to be audited
  - If returning for a second year
    - Prepare a sample budget based on the last years actual totals
    - Meet with the budget committee to prepare the fiscal year's budget
    - Go with the President and the President Elect to the bank to update the banking account and sign new signature cards
      - All three members have to be present to update the account
      - To access the account electronically the current treasurer needs to have a personal account at Bank X
    - Enter the new budget into the excel spreadsheet and prepare it for the year
  - Prepare folders for each Board member that spends money
    - Include in folder:
      - Letter from Treasurer outlining their budget and what they can spend money on
      - Letter from Comptroller
      - Copies of Sales and use tax form 01-339 (back) (if needed)
      - Copies of Reimbursement forms (if needed)
      - Copies of Deposit forms (if needed)
  - Attend Budget meeting for new year

## Tax

The Federation has printed a short publication with information about State taxes and Income tax. It is advised to read this publication as it is full of great information.

[Club Name] Texas A&M Mothers' Club is a sales tax exempt non-profit organization. This means we do not pay sales tax on items that we purchase that are for the purpose of the club. This does not mean that we do not pay sales tax for things we sell.

- Every dollar that is brought into the club has to be reported to the state. Some is taxable, some is not taxable
- We have enough income that we currently have to pay our sales tax quarterly
- Texas allows 2 tax free sales days, our club uses the 2 days of Boutique as our tax free days
  - This needs to be declared and put into the first business meeting notes in September
- We are required by the IRS to fill out a 990
  - Form 990N (e post card) if our gross receipts are less than \$50,000
  - Or form 990EZ if over \$50,000
  - Form is to be filled out online on the 15<sup>th</sup> day of the 5<sup>th</sup> month after the end of fiscal year (October 15<sup>th</sup>)
- Forms for Sales tax
  - Texas Sales and Use Tax Resale Certificate form 01-339
    - Used for vendors you purchase an item tax free from and then resale the item (to include but not limited to Maroon out shirts, name tags)
  - Texas Sales and Use Tax Exemption Certificate form 01-339(Back)
    - Used for vendors you purchase items tax free for the club. These items are those the club uses for the purpose of the operation of the club
  - Form 01-117 Texas Sales and Use Tax Return
    - This form is normally sent to you in the mail a couple of weeks before it is due. If not you can go online and print it out to mail in
- Sales tax filing dates
  - April 20 to report Jan. – March
  - July 20 to report April – June
  - Oct. 20 to report July – Sept.
  - Jan. 20 to report Oct. – Dec.

## Forms

- **Form B is to be returned with each Member Club's payment of Federation dues and archive fees.**
  - Federation Form B is used to calculate and record each Member Club's dues and archive fees for the year. Have Membership Chair Complete Form B, make check for payment of dues and archive fee payable to the "Federation of TAMU Mothers' Clubs", and mail both to the Federation Treasurer. Remember to make a copy of Form B for your club's records.
  - The deadline for filing Form B and paying Federation dues is February 1st each year. All dues must be postmarked no later than February 1st. Federation Dues not paid by May 31st will result in the Club being considered inactive.
- **Form T is required for a Member Club to select their IRS Group Status.**
  - Complete and mail all pages of Form T to the Federation President-Elect no later than February 1st. Remember to make a copy of the entire Form T for your club's records.
  - The deadline for filing Form T is February 1st each year.
- **Form Y is to be returned to confirm Federal and State tax compliance.**
  - All clubs that are members of the Federation of Texas A&M University Mothers' Clubs are expected to comply with State and Federal laws concerning taxes. Form Y is to be returned to the Federation to confirm their Federal and State tax compliance. Complete Form Y and return it to the Federation Treasurer. Remember to make a copy of Form Y for your club's records.
  - The deadline for filing Form Y is May 15th each year.

## Log In and Internet Information

1. To access the tax forms
  - a. Letter showing we are a Texas tax exempt entity
    - i. <https://comptroller.texas.gov/>
    - ii. Under look up, click on tax exempt entity search
    - iii. Search by Number [Club Number]
    - iv. Or Search by name [Club Name] A&M University Mothers' Club
    - v. Click on request verification
    - vi. Letter will show up with current date on it. Some stores want a current dated letter, so print this letter and make copies available to board members who are in charge of purchasing items.
  - b. Use the same website for the following forms
    - i. Sales and Use Tax Exemption Certification form 01-339(back)
    - ii. Texas Sales and Use Tax Resale Certificate form 01-339
    - iii. Texas Sales and Use Tax Return for 01-117
2. Form 990N
  - a. Open the electronic filing page at <https://sa.www4.irs.gov/epostcard/>.
  - b. User Name
    - i. UserName
  - c. Password
    - i. Set Password
  - d. Site Phrase/Pic
    - i. Picture is American Flag
    - ii. Phrase is Aggie
  - e. The confirmation will be sent to Treasurer email address
  - f. When you get the confirmation it should then be forwarded to Federation
3. Bank X
  - a. You will have to create a new login for this using your own information

Storage unit keys

Line item changes

Name tags

LE Ann does 990EZ

Maroon out shirts

Look up 990EZ

Ask at workshop about quarterly

Most businesses will file monthly returns, but depending on how much tax your business collects, you might qualify to file quarterly or yearly returns.

**Monthly:** Taxpayers who collect \$500 or more in state sales or use tax in a month must file monthly. Monthly sales and use tax returns are due on or before the 20th day of the month following the month in which the taxes were collected. For example, the July return must be filed on or before August 20th.

**Quarterly:** Taxpayers who collect less than \$500 state sales and use tax per month (or less than \$1500 per calendar quarter) may file quarterly. Quarterly sales and use tax returns are due on or before the 20th day of the month after the end of the quarter in which the taxes were collected. For example, the first quarter covers January, February, and March, and the return must be filed on or before April 20th.

**Yearly:** Taxpayers who collect less than \$1,000 in state sales and use tax per year may file yearly. Yearly sales and use tax returns are due on or before January 20th.