

Help! My Homeschool Group is Growing

Boards, Bylaws & Budgets

Carol L. Topp, CPA
HomeschoolCPA.com



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Need for Structure

Manage Growth

More members, money, activities

Avoid Taxes

Collect \$ = a business

Form a non profit & become tax exempt

Limit Personal Liability



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Need for a Board

Share the load

"Bring me seventy of Israel's elders who are known to you as leaders and officials among the people.... They will help you carry the burden of the people so that you will not have to carry it alone." Numbers 11:16

Avoid founder syndrome

Avoid leader burnout



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A Board

Minimum of three people

Director, Treasurer, Secretary

Qualifications: organized, decision maker, follow through, commitment

Well defined & limited tasks

Committees to handle specific projects



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A Board meeting

Meet regularly

Not just when there is an issue or crisis

Have an agenda

Assign "action items"

Keep minutes

Not too detailed. Avoid names



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Bylaws

Rules of how an organization will operate

Who are members?

What are the membership requirements?

Do members vote?

What do members vote on?

How often are meetings held?

How are board members chosen?



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Tips in writing Bylaws

Copy another organization's bylaws
Avoid too much detail
Put details in a Policy Manual
Give to new board members
Sample bylaws at
www.HomeschoolCPA.com

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Need for a Budget

Planning ahead

"Suppose one of you wants to build a tower. Will he not first sit down and estimate the cost to see if he has enough money to complete it? Luke 14:28"

Fiduciary Responsibility

Review financial statements
Create a budget

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Create a Budget

Sources of Income
Not too optimistic
Expenses
Imagine everything
Extra for uncertainties

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Sample Budget

Revenue		
Contributions	25	A generous family made a gift
Program	1000	Ten families pay \$100 each for a co-op
Member dues	250	25 families pay \$10 per year
Special events		
Fund Raiser	100	We sold candy and the profit is \$100
Parties	50	10 families paid \$5 for a party
Total Revenue	1425	
Expenses		
Salaries	200	We paid an art teacher to teach at the Co-op
Professional Fees	100	We paid a computer guy set up a web site
Rent & Utilities	500	We paid a church to rent space
Printing & Pubs	150	
Other		
Supplies	225	
Insurance	100	Accident insurance
Events	100	The party cost money
Total Expenses	1375	
Net Income or Loss	50	



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Using Software

Spreadsheet (Excel or free Open Office)
Quicken as electronic checkbook
Quickbooks
Allows for invoices
Fits with Form 990 for IRS

More info: *Money Management for Homeschool Organizations*
e-book at HomeschoolCPA.com

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Issues

Fund raising

No distribution to members (i.e. individual accounts). IRS fined 3 KY booster clubs

Paying workers

IRS audits of misclassified workers from IC to employees

See blog at www.HomeschoolCPA.com

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Resources



The site for homeschool leaders

E-books: *Money Management for Homeschool Organizations*

Tax Exempt 501(c)(3) Status for Homeschool Organizations

Paying Workers in a Homeschool Organization

Questions and Answers for Homeschool Leaders

Blog and monthly newsletter

Articles, links and resources