

## Financial Management and Reporting

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**Board Duties** at <https://HomeschoolCPA.com/Podcast> look for **Podcast #93**

**Care:** Take care of the nonprofit's assets, property, and people

**Loyalty:** Make decisions that are in the best interest of the organization

**Compliance:** Obey applicable laws and regulations; follow your bylaws

**Management:** Assure the financial well-being of the organization

**A good treasurer is hard to find.** One solution: separate the Treasurer role (board position with oversight) from the bookkeeping. Hire out the bookkeeping. Go online and this works well!

**Budget:** Have one! It's planning with dollars! Be conservative/pessimistic on income and be liberal on expenses (when planning). Get Board approval before the new year starts. Compare actuals to budget each month and show the board. Adjust as needed.

**Financial Statements:** Require them from your treasurer. Report income, expenses and bank balance. *Money Management in a Homeschool Organization* book and **Podcasts #109 & #110**. Free webinar recording: <https://HomeschoolCPA.com/WebinarFR>

**Record keeping:** Use accounting software. QuickBooks (deep discount for 501c3 nonprofits at <http://www.techsoup.org/intuit> ) or WaveApps.com, free and cloud-based. **Podcast #107**

Create a board member binder to keep important documents. See *Homeschool Board Member Manual* at <https://HomeschoolCPA.com/Shop>

**Avoid Fraud:** Separate authorization of expenses from bookkeeping. Checklist of best practices to avoid embezzlement at <https://HomeschoolCPA.com/Fraud> and **Podcast # 105**

**Reimbursements:** Use an accountable plan requiring receipts. **Podcast #72**. <https://homeschoolcpa.com/reimbursement-policy-for-a-homeschool-group/>

### Helpful Resources

*Money Management in a Homeschool Organization* book

Financial Reports for Homeschool Groups (free) webinar [HomeschoolCPA.com/WebinarFR](https://HomeschoolCPA.com/WebinarFR)

IRS and State Reporting webinar (\$10) [HomeschoolCPA.com/FILINGS](https://HomeschoolCPA.com/FILINGS)

Facebook group I am a Homeschool Group Leader

<https://www.facebook.com/groups/homeschoolgroupleader>

## Reporting

**To the IRS** for 501c3 and 501c7 Social Clubs Tax Exempt Organizations. Not sure if you are tax exempt go to [HomeschoolCPA.com/how-to-know-your-status-with-the-IRS](https://HomeschoolCPA.com/how-to-know-your-status-with-the-IRS)

To *apply* for 501c3 tax exempt status file:

- IRS Form 1023-EZ if annual gross revenues are under \$50,000/year. Fee \$250 to IRS. Online application. Turnaround about 2-4 weeks.
- Or IRS Form 1023 (full length) if revenues over \$50,000/year. IRS fee \$600. Turnaround time 1-6 months. Online application.

To *maintain* tax exempt status:

- IRS Form 990-N if annual revenues are \$50,000 or less
- 990-EZ if annual revenues are \$50,000 to \$200,000
- 990 if revenues are over \$200,000/year.

No exceptions except for churches. Failure to file a 990 for 3 years means the IRS will revoke your tax exempt status. See [HomeschoolCPA.com/irs-form-990n-faq/](https://HomeschoolCPA.com/irs-form-990n-faq/)

**State Reporting** Listen to **Podcast #74** at [HomeschoolCPA.com/Podcast](https://HomeschoolCPA.com/Podcast)

## Virginia

**Nonprofit Incorporation Annual Report.** Virginia will mail you packet or file online at <https://cis.scc.virginia.gov> Due last day of the incorporation anniversary month. Fee \$25.

**Charity Solicitation Registration:** Every charitable organization intending to solicit funds in Virginia must register with the Virginia Department of Consumer Services before any solicitation. Submit Form 102.

*Solicitation includes asking for donations AND holding a fundraiser.*

Exceptions. File Form -100 with Virginia:

<https://www.vdacs.virginia.gov/pdf/oca100exemption.pdf>

- C. Solicitations that do not exceed \$5,000 from the public in any given year and do not use professional fundraisers.
- D. Membership only solicitations
- F. Solicitations are confined to five or fewer contiguous cities and counties

## Sales Tax Exemption

On *purchases* File Virginia [Form NP-1](#)

On *sales*: If you regularly buy and resell tangible property, file a Form ST-10 Sales Tax Exemption on Resale to get a resellers (wholesalers) exemption from collecting sales tax.