TREASURERS ARE KEY TO THE REPUTATION OF ANY ORGANIZATION
by MICHELE COLOPY, Program Director, Pollinator Stewardship Council

For more than twenty years in nonprofit organizations as bookkeeper or Treasurer, I have developed financial policies, created accounting systems, managed grant projects, and led nonprofits. No matter the budget and annual revenues of the organization, Treasurers are entrusted with the livelihood of the organization, and are often the leading factor impacting the reputation of the nonprofit. No matter the nonprofit, Treasurers occasionally encounter fellow club leaders/members who feel nonprofits need not follow any type of standard, responsible, professional, or legal manner of accounting.

In speaking with a number of bee club Treasurers around the country, they shared their experiences, motivations, workload, and support they need for their role.

Experiences

A Treasurer told of one bee club in their state that opened the club bank account using the Social Security Number (SSN) of the club Treasurer. Bank accounts for bee clubs should always be opened with a EIN (Employee Identification Number https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online) for the bee club. The club Treasurer did not tell the club he owed back taxes, so when his SSN appeared in the bank records, the IRS found the account, and took the club’s funds. The IRS was able to take the club’s funds as the money was listed under the SSN of someone who owed the IRS money.

A number of bee clubs have encountered issues when paying speakers who charge more than $600 for their speaking fee (https://www.irs.gov/pub/irs-pdf/fw9.pdf). However, the speaker requests the Treasurer issue two checks for $300 each so the speaker does not have to submit a W-9 for miscellaneous income. This is an inappropriate request. Speakers should always submit a W-9 to the Treasurer along with their invoice for their speaking fee (if over $600) and travel expenses. Income taxes of the speaker are the speaker’s responsibility.

The Treasurers shared that the receipts they have received to pay speakers, and reimburse for club expenses are far too often illegible, at the last minute, or exceed the budgeted amount. If a club member expects to be reimbursed for a club expense, then they should provide an appropriate receipt so they can be reimbursed in full according to the verified expense. Treasurers will create reimbursement forms and procedures to protect the club and the Treasurer. It is only respectful, and responsible to follow the financial procedures for reimbursements, or payment of bills. If questions arise about any income or expense, the Treasurer has valid documentation to support the financial transaction. A paper bag with total mileage scrawled on it is not a valid receipt for reimbursement, nor is a piece of scrap paper attached to the label from a box of donuts brought to the club for snacks. If financial procedures are not followed, if legible and applicable receipts are not provided, the Treasurer should not provide a reimbursement to the Board member, speaker, or club member.

In order to implement financial “checks and balances,” all of the Board members must agree to, and follow, the policies. Treasurers should never be forced, due to peer pressure, or even “accommodation,” to violate financial policies.

Member Diversity Equals Payment Diversity

The diversity of beekeeping associations means our members expect diversity of payment methods for annual dues, bee schools, etc. Clubs that have not included an online payment system (Paypal, Square, etc.) are constraining their revenue stream, and not providing the service customers (members) are expecting. One Treasurer stated it this way,

“We like the online payment system. We generally get our registration dollars up front instead of at the door now. Attendance is up and since it’s prepaid, income is up. There is more participation in auctions and raffles if credit card payments are available at the event. The payments are self-documenting so we don’t have to send receipts thru the mail.”

For those beekeeping associations holding conferences or bee schools, online registration is the preferred method for the conference attendees, the bee school students, and for vendors. With online payment systems it is easier to refund if someone “hits the submit button” twice, or needs to cancel their registration. Additionally, the club does not have to deal with bounced checks, as online payments will not be processed if the funds are not in the account.

With the advent of online payments, a strong bee association that provides a variety of services produces to its members, a new Treasurer was “shocked by the amount of money that I handle basically without supervision.” With online payments, Treasurers can eliminate petty cash. All transactions should be on the books by passing them through the bank account. As conferences and bee schools functions can be split between people so there is more
than one person receiving memberships, another selling t-shirts, for these tasks to prove the value of the revenue streams at the event. Keep inventories of club supplies you sell such as t-shirts, so that t-shirts sold is balanced by the t-shirts not sold and the income and expenses match the inventory."

Motivations of Treasurers

When a beekeeping association has a great Treasurer, someone who likes working with figures, and organizing the funds into accounts and providing the data that a Quickbooks report can offer; clubs want to keep them ... forever. As with all bee club Board members, no one should stay forever. A current Treasurer was seeking their replacement, but due to the responsibility and amount of funds, "was having trouble letting go to just anyone." A good Treasurer has an inherent sense of responsibility in protecting the clubs funds. New Treasurers need trained, new people need to come into the bee club with new ideas, new skills, new energy, so trust can be built.

Most bee association Treasurers are not CPAs. However, many CPAs are beekeepers. Even if a CPA member of your club does not want to be Treasurer, they are a resource to aid in developing financial management policies for the bee club; the checks and balances that protect the club, the club’s funds, and the club officers. Bee clubs can find information about financial management policies at The National Council of Nonprofits (https://www.councilofnonprofits.org/tools-resources/financial-management).

Treasurers may take the position because they are or have been the Treasurer of another bee club, or garden group, etc. They have the experience, they know what to expect.

Treasurers also may take the position simply to help the bee club grow. The bee association may want to begin writing grants, but the current Treasurer does not want to take on that added financial workload. So, another person steps up, who has managed grants, and becomes the club’s Treasurer. Local bee clubs are not as much work for a Treasurer as a state or regional association. Any bee club holding a conference will increase the workload of the Treasurer to possibly 20 hours a week; at conference time it becomes a full time job. If a bee club sells products or services on Paypal, which is a great way to increase the revenue stream, it is also a great way to double or triple the workload of the Treasurer.

Financial Policies and Procedures

Protect the Treasurer and the Bee Club

By-Laws have basic guidelines for the Treasurer, but the Board must develop policies and procedures to support the Treasurer, and protect the club funds. The financial policies and procedures do not have to be part of the By-Laws, but must support the guidance provided in the By-Laws for financial controls and management. The Board should support the Treasurer in developing an annual budget. Approved budgets are part of the club’s planned activities for the year. Approved budgets help to make informed and faster decisions for club activities and expenses. A club without an annual budget is a short-sighted club, that does not have a vision to support their mission of serving their members.

Treasurers do want, and the bee club must have, financial policies and procedures to protect the Treasurer and the club. Sample forms and policies can be found in the Resource list below.

Audits

Whether your club’s funds are such you can afford an actual audit or a review by a professional accounting firm, the bee club should support the Treasurer and have the accounting records reviewed at the end of each year, and most certainly when one Treasurer leaves and a new one is elected. If you have grants you may be required to conduct an audit. A simple “in-house” review of the records can be two Board members or a Board member and a club member comparing the receipts with checks, ensuring that receipts meet the guidelines set forth in the policies and procedures, and checking the bank statement against the financial reports the Treasurer provided.

Any business, for profit and nonprofit, survives when it has the funds to carry on its activities. It is important for all Board members to support the Treasurer, ensure the club has responsible financial policies and procedures. Board members (and speakers or vendors to the bee club) should show courtesy, respect, and consideration to the Treasurer as they manage the club’s funds in a professional, responsible, and sustainable manner.

Resources for Boards and Treasurers

Reporting and Operations http://www.nonprofitaccountingbasics.org/reporting-operations/statement-financial-activities

Internal controls for small organizations http://www.nonprofitaccountingbasics.org/reporting-operations/internal-controls-small-organizations

The budgeting process http://www.nonprofitaccountingbasics.org/reporting-operations/budgeting-process
Conflict of Interest Process http://www.nonprofitaccountingbasics.org/reporting-operations/budgeting-process

Tools and Tips (and samples of forms) http://www.nonprofitaccountingbasics.org/financial-management/tools-tips

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It's not too late!! As fall approaches, mite populations can approach levels that can take down a colony well before winter. Please monitor for mites in your colonies. If they exceed 3% (2 mites/100 bees), please choose a treatment that will work in your area and apply immediately. While you are monitoring, please join us in this NATIONAL effort and upload your mite loads with MiteCheck at : www.mitecheck.org

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