

## UMRA Treasurer Position Crib Sheet

Carl Adams

July 1, 2020

Banking – UMRA has banked at the US Bank in Roseville since its inception but that could be changed. Banking transactions can be conducted at any US Bank branch. There are currently three accounts: a regular checking account, a regular savings account and a savings certificate (currently 7mos. maturity). Signature authority is vested with the current treasurer, the immediate past treasurer, the president, and one very long standing UMRA member. There is no single contact for UMRA at US Bank at present. We work with any bank representative who is available. All expense transactions are accomplished through the checking account so that it is a complete record of expenses. For accounting and reporting purposes, I used the cash method as opposed to an accrual method. Thus, revenue is recorded when it appears in the bank account and expenses are recorded when they appear in the checking account.

Revenue – There are three principal sources of revenue: member dues, luncheon payments, and sponsorship payments (related to the UMRA newsletter and the UMRA luncheons/forums). Occasionally, there is a donation to the Association and sometimes income for a social activity other than the luncheons. Dues revenue is currently collected by the appropriate Membership Committee representative along with some prepaid luncheons. A significant portion of this income is processed by that representative through a PayPal account and transferred periodically to the checking account. There is also some payment by check. These checks are forwarded to the treasurer for deposit into the checking account. Similarly, payments by check or cash at the door of a luncheon or for one of the social events are forwarded to the treasurer for deposit into the checking account. Any donations would come directly to the treasurer for deposit into the checking account. Sponsorship payments are received by check in response to an invoice sent by the treasurer. There is a rate sheet that identifies the amount related to each type of sponsorship. The person who arranges each sponsorship is responsible for notifying the treasurer of the need to invoice the sponsor and to provide the appropriate contact information. Invoices are sent after a sponsorship recognition obligation has been met.

Expenses – All expenses are processed through the treasurer and the checking account, generally, in response to an invoice. The two major expenses relate to the luncheons and the newsletter (eight editions per year). Currently, the luncheons are all held at the Campus Club. The club requires that the billing be assigned to a member of the Club and all invoices are recorded to that account. If the treasurer is a Campus Club member, it is useful to use that account for the UMRA billings. A minor but significant expense related to luncheons at the Campus Club is our providing a “reserved” parking spot in the ramp behind the Union for any prepaid luncheon attendee who requests it. The registrar for the luncheon provides Parking and Transportation with a list of names of persons who requested the reservation and also informs the treasurer of the number of reservations so that the treasurer can send Parking and Transportation a check totaling \$1 for each “reservation”. All expenses related to conference attendance and other miscellaneous outlays are handled by reimbursement. A significant version of this is the memorial contributions for deceased members (handled by the Cares Committee). Expenses for the newsletter include staff payments, printing payments, and addressing and mailing payments. These are all paid in response to invoices. For the past two years, the two principal staff persons have been paid enough in the calendar year that UMRA has been required to file a W-9 for each of them. This was done for us by the accounting firm of Mount and Borresen. We also have a liability insurance policy that needs to be renewed annually. This was set up just before I became treasurer, a committee chose the Horizon Agency and I have continued to use them, in part, because I know them and have had my own insurance with them for many years.

Government Filings – In addition to the W-9's mentioned above, the treasurer needs to file annually with the state and the Federal government. Both are electronic filings. The state filing is relatively simple and is done at the beginning of the calendar year. The Federal form must be filed after the completion of your fiscal year which for us is June 30<sup>th</sup>. This is more complex and requires that the organization have an income of less than \$50,000 for the year. We have always been within that limit but we may exceed it in the near future. You will need to work through the 990-N form filing procedures.

Reporting – The treasurer is required to provide the Board with a quarterly financial report (form unspecified) and an annual report that is published in the

September newsletter. Again, the form is unspecified but I am attaching examples of the format that I used for each of the types of reports. The principal question for the report form is the detail provided on expenses. One possible additional report could be a specific analysis of the revenue and expenses for a specific activity, e.g., a luncheon or the holiday party.

Major Items Work Schedule – In addition to the sample financial reports, I am attaching a Major Items Work Schedule as a reminder of items that need to be addressed.

## **Sample Cover Memo to Annual Financial Report**

Carl Adams, 2 July 2020

UMRA

FY 2019-2020 Financial Report

(July 1, 2019 – June 30, 2020)

During FY 2019-20 the Association completed its change of fiscal year timing. The new FY matches the flow of revenues and expenses better than prior FY's. Income from membership renewals and prepaid luncheons begins to come in during late June and is heaviest for the following several months. The expenditures pick up in September and are heaviest from January through May. FY 2019-20 was unusual for two reasons. One was the interest of the Association in trying new activities such as, the move of all major luncheon/forum events to the Campus Club West Wing, the Holiday Party, and expanded travel opportunities. The other main unusual reason was the onset of the COVID-19 pandemic which forced the cancellation of the lunch/forum events from March through May. As a result of these cancellations, the Association successfully developed the capability to conduct large scale meeting events via Zoom that will continue as long as the pandemic restrictions are in place. Effort was successfully put forth through the work of the Communications Committee to expand the sponsorship support for UMRA, obtain some improved display material, and redesign the coversheet for the newsletter.

It was a challenging year financially for the Association but thanks in part to significant donations of the members of their prepaid luncheon refunds, a rewarding one. The FY net loss of \$8 was a significant achievement considering the program experimentation and the loss of the three major luncheon/forum events

## Sample Format for Annual Financial Reports

Carl Adams, 2 July 2020

### UMRA

FY 2019 -2020 Financial Report  
(July1, 2019 – June 30, 2020)

	<u>7/1/19</u>	<u>6/30/20</u>
Savings Account	\$ 6,972	\$ 6,972
Savings Certificate	10,000	10,201*
Checking Account	<u>1,009</u>	<u>1,002</u>
Total Checking and Savings	\$17,981	\$17,568

#### REVENUE

Dues and Prepaid Luncheons	\$21,812
Dues	3,908
Luncheons	7,078
Sponsorships	6,750
Donation	<u>500</u>
Total Revenue	\$40,048

#### EXPENSE

Luncheons	\$23,964
Newsletter	9,303
Communications	828
Conferences	1,817
Memorials	984
Insurance	794
Miscellaneous (incl. honorarium & adj.\$-2)	1,986
Luncheon Refunds**	<u>380</u>
Total Expense	\$40,056

Net Loss \$40,048 - \$40,056 = \$8 (loss)

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\*Interest income of \$201 not include in operating revenue.

\*\*Luncheon refunds is reduced by ~\$3,000 due to member donations