

American Choral Directors Association

State Treasurer Handbook

Thank you for choosing to volunteer your time to your State Chapter of ACDA!

As Treasurer you should become familiar with the Financial Policies and Procedures Manual available on the ACDA website www.acda.org

The Financial Policies and Procedures Manual contains specific rules and guidelines that must be followed to protect our 501c3 status and steward our resources.

This handbook is designed to give guidance on practical issues related to performing the duties of the treasurer position.

A special note...

- As treasurer you are entrusted with the chapter assets. The procedures in the pages that follow are designed to provide transparency and accountability. The procedures are for your protection as well as that of ACDA.



A special consideration

The time required to fulfill the treasurer duties will vary by state. There will be busy times and slow times during the year. It is important to keep the books current, even in the busy times. If the books are properly maintained (as outlined in this document) then the required reporting will not be a burden. If the books are not kept current, then the reporting will be a burden. However, it is important to realize that it is the time to properly maintain the books that is the issue, not the reporting requirements.

A special consideration continued

It is important to consider your other time commitments before taking on the treasurer position. If you are simultaneously a full time teacher, director of music at your church, and leader of a community chorus, then your schedule may not allow the time necessary to properly maintain the state books. With the other types of commitments mentioned above, the treasurer duties will probably be the first to suffer. Please take this into consideration.

The treasurer duties can be summarized into three broad categories

- Cash disbursements
- Cash receipts
- Record keeping and reporting



Cash Disbursements

A few simple rules need to be followed to insure proper accounting for cash disbursements

- All cash disbursements need to be properly supported. The next few pages will discuss appropriate supporting documents.

Cash Disbursements continued...

- All disbursements should be supported by original receipts.
 - Detailed line item credit card receipts should be submitted. Credit card receipts showing only the total are not adequate.
 - When ordering off the internet (airfare, supplies, etc) a detail line item receipt should be printed. A summary receipt showing only the total is not adequate

Cash Disbursements continued...

- Use ACDA forms to further support disbursements
 - The “Travel Expense Form” should be submitted for all travel expenses
 - An “Agreement for Services” and “Form W-9” are required for payments to individuals over \$600 (excluding expense reimbursements which require the “Travel Expense Form” or “Funds Request Form”)-more on this topic later
 - The “Funds Request Form” should be used to document all other expenses
 - All of these forms are available on the ACDA website and examples follow on the next four pages

TRAVEL EXPENSE FORM
AMERICAN CHORAL DIRECTORS ASSOCIATION
P.O. Box 2720 • Oklahoma City, OK 73101

Travel Expenses Incurred By:

NAME _____

STREET _____

CITY _____ STATE _____ ZIP _____

ACDA EVENT _____

DATES OF MEETING: FROM _____ TO _____

HOUR OF ARRIVAL AT DESTINATION _____ HOUR OF DEPARTURE FROM DESTINATION _____

TRANSPORTATION EXPENSES INCLUDING TIPS

FROM	TO	MODE: Air, Auto, Train, Limousines/Taxicabs to and from Airports	AMOUNT
TOTAL TRANSPORTATION			

ALL OTHER TRAVEL EXPENSES INCURRED

DATE	BREAKFAST	LUNCH	DINNER	HOTEL	MISCELLANEOUS		DAILY TOTAL
					Description	Amount	
TOTAL ALL OTHER EXPENSES							

PLEASE ATTACH RECEIPTS FOR ALL EXPENSES

Total Expenses _____
Less Money Advanced _____ 20 _____
Total Amount Due from ACDA _____
Total Amount Due ACDA _____

Date: _____

Signature: _____

American Choral Directors Association
Agreement for Services

This agreement for services, made on the date _____, is by and between the below identified segment of the American Choral Directors Association, hereinafter called Sponsor, and _____ hereinafter called Contractor. In consideration of the promises of the Sponsor contained herein, Contractor agrees to provide the following services at the identified event:

Describe services: _____
Name of Event: _____
Location of Event: _____
Inclusive Dates: _____

Sponsor will compensate Contractor at the end of the event for said services in the amount of \$_____ per day for _____ days for a total of \$_____. In addition, sponsor will:

1. Reserve and pay for Contractor's hotel (room & taxes only) for _____ days
2. Pay meals (excluding alcohol) for _____ days not to exceed a per diem of \$40.00.
(Receipts must be submitted to Sponsor within 30 days)
3. Pay transportation costs as follows:
 - a. Miles drive at the current IRS tax rate.
 - b. Parking and road tolls (receipts must be submitted to Sponsor within 30 days).
 - c. Make and pay for coach airfare reservations.

It is agreed that Contractor is an independent contractor for the purposes of this agreement and is not an employee of Sponsor, and that Contractor shall be solely responsible for all income and self-employment taxes that may be due in connection with the compensation paid hereunder. It is further agreed that this document constitutes the entire agreement between Sponsor and Contractor and no other verbal or written agreement exists.

Identification of Sponsor within ACDA:

National _____ Division (name) _____ State (name) _____

Sponsor:

Signature: _____
Print Name: _____
Address: _____

Telephone: _____

Contractor:

Social Security #: _____
Signature: _____
Print Name: _____
Address: _____

Telephone: _____

**Request for Taxpayer
 Identification Number and Certification**

Give form to the
 requester. Do not
 send to the IRS.

Print or type
 See Specific Instructions on page 2.

Name _____
 Business name, if different from above _____

Check appropriate box: Individual/
 Sole proprietor Corporation Partnership Other _____ Exempt from backup
 withholding

Address (number, street, and apt. or suite no.) _____
 City, state, and ZIP code _____
 List account number(s) here (optional) _____

Requester's name and address (optional) _____

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 3.

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number								
or								
Employer identification number								

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
- I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **and**
- I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued);
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you should use the requester's form. However, this form must meet the acceptable specifications described in **Pub. 1167, General Rules and Specifications for Substitute Tax Forms and Schedules.**

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see **Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities**).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

- The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
- The treaty article addressing the income.
- The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
- The type and amount of income that qualifies for the exemption from tax.
- Sufficient facts to justify the exemption from tax under the terms of the treaty article.

FUNDS REQUEST FORM
AMERICAN CHORAL DIRECTORS ASSOCIATION
P.O. Box 2720 - Oklahoma City, OK 73101

NAME _____

STREET _____

CITY _____ STATE _____ ZIP _____

STATE or DIVISION State/Division: _____ Fiscal year: _____
ALLOTMENT:

Quarter: 1st 2nd 3rd 4th Per quarter amount: _____

REIMBURSEMENT PAYABLE TO: _____
or PAYMENT: ADDRESS _____

Specify amounts:

Telephone _____ Postage _____

Printing/Copying _____ Supplies _____

Other (*explain*) _____

ADVANCE REQUEST: Amount requested _____

Reason for request _____

PLEASE SUBMIT ALL RECEIPTS OR INVOICES

TOTAL AMOUNT REQUESTED: _____

Date: _____

Signature: _____

Cash Disbursements continued...

- Once a payment has been made, the invoice, receipt or other supporting documentation should be defaced in order to prevent duplicate payment and to facilitate recordkeeping
- Deface the invoice by including information about date paid, check number, etc. An example follows on the next page

FUNDS REQUEST FORM
AMERICAN CHORAL DIRECTORS ASSOCIATION
P.O. Box 2720 - Oklahoma City, OK 73101

NAME Melody Motet
STREET 123 First Street
CITY Anywhere **STATE** OK **ZIP** 55555

STATE or DIVISION ALLOTMENT: State/Division: _____ Fiscal year: _____
Quarter: 1st 2nd 3rd 4th Per quarter amount: _____

REIMBURSEMENT or PAYMENT: **PAYABLE TO:** Melody Motet
ADDRESS same as above

Specify amounts: Telephone _____ Postage _____
Printing/Copying _____ Supplies _____
Other (*explain*) \$530 - Name badge supplies (lanyards, badge holders, labels)

ADVANCE REQUEST: Amount requested _____
Reason for request _____

PLEASE SUBMIT ALL RECEIPTS OR INVOICES

TOTAL AMOUNT REQUESTED: \$530

Date: 09/09/09

Signature: Melody Motet

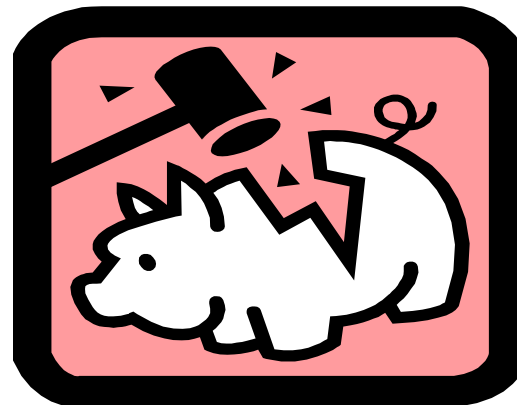
PAID ck #
1001
9/12/09

Cash Disbursements continued...

- Consult the Financial Policies and Procedures Manual for specific rules regarding reimbursement limitations and specifically prohibited expenses
- Unless specifically prohibited by ACDA or the IRS all reasonable expenses for the operation of the chapter are allowed

Cash Disbursements continued...

- Don't forget to consider the budget!
If expenses that were not budgeted arise then consider revising planned future expenditures



Special Rules for payments of \$600 or more to individuals

- Payments to individuals for \$600 or more must be supported by an Agreement for Services and a Form W-9.
- This includes payments to clinicians, accompanists, presenters, composers, chapter officer honorariums, lawyers, accountants, etc.

Special Rules for payments of \$600 or more to individuals continued...

- This also includes payments to individuals for services such as website maintenance, audio/video recording, etc.
- The \$600 threshold includes cumulative payments. For example, if you make 6 payments of \$100 to a webmaster during the year then you must secure at least a Form W-9 and preferably an Agreement for Services as well

Special Rules for payments of \$600 or more to individuals continued...

- A copy of the completed Agreement for Services and Form W-9 must be sent to the National Office
- The National Office will use the information from the forms to send Tax Form 1099 to the individuals as required by the IRS
- Severe penalties can be imposed by the IRS for failure to send out required 1099's

Cash Disbursements summary

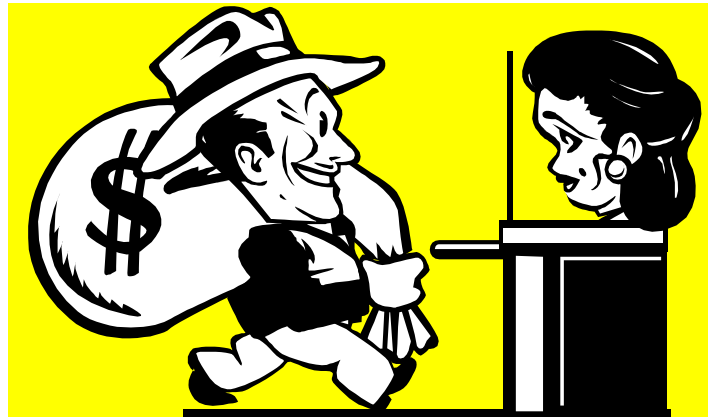
- Disbursements must have proper supporting documents
- Use the appropriate ACDA form to document the nature of the expense
- Deface Invoices
- Follow IRS and ACDA rules
- Be aware of exceeding planned expenses

Cash Receipts

- State Chapter receipts come from many sources. The most common are event registration fees, honor choir fees and concert tickets.
- Although there are no prescribed ACDA forms to use for cash receipts, there are some general guidelines that should be followed.

Cash Receipts continued...

All funds collected should be deposited timely and intact.



Cash Receipts continued...

- Timely means as soon as practical, but ideally within a day or two of receipt. Intact means that funds collected together should be deposited together. If \$4,000 was collected at a workshop, \$4,000 should be deposited together after the event. If \$3,200 is deposited the day after the event and \$650 is deposited two days later and the remaining \$150 is deposited five days later then the deposit was not made intact (or timely).

Cash Receipts continued...

- Supporting documentation for deposits
 - Documentation may vary by state and by event
 - Sufficient detail should be maintained to answer the question of what items made up the deposit
 - It may be possible to include sufficient detail on the deposit slip (by listing checks individually) or it can be maintained elsewhere (bookkeeping software, excel spreadsheet, etc)
 - An example of sufficient documentation follows

Cash Receipts continued...

- Example deposit documentation

The state chapter has a convention with a registration fee, optional reading session music and concert tickets

For the sake of this example ten people attend the convention

Total receipts of \$1,450 are collected

Deposit documentation continued...

Let's assume the deposit slip to the right is completed and taken to the bank. If a copy of this deposit slip is the only documentation for the convention receipts, it is not adequate. It does not give enough information about the nature of the items comprising the deposit.

58-398/1390

AMERICAN CHORAL DIRECTORS ASSN.

DATE JULY 12, 20XX

MEMBERSHIP NOT TO BE CASHED FOR CASH OR CHECKS
ENDORSE & LIST CHECKS SEPARATELY ON
ATTACHING SLIP

	DEBITS	CREDITS
CURRENCY		280.00
COIN		
TOTAL CASH		280.00
CHECKS		1,170.00
1		
2		
3		
4		
5		
6		
7		CONVENTION
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
TOTAL FROM ATTACHED LIST		1,450.00

BankFirst

P.O. Box 488, Lovell, ME 04457
MEMBERSHIP RECEIPT (FORM 10/01)

TOTAL DEPOSIT \$ 20

Deposit documentation continued...

It is not always possible to include all of the details of the receipts on the face of the deposit slip.

However, a spreadsheet could be prepared that gave all of the details of the deposit.

This spreadsheet would provide a proper accounting for the funds received and serve as a useful planning tool for future conventions.

An example spreadsheet follows.

Deposit documentation continued...

Summer Convention Receipts

Convention Date July 10-11, 20XX

Name	Cash	Check	Total Paid	Breakout of Receipts		
				Registration	Reading Packet	Tickets
Tammy Tallis	\$125		\$125	\$125		
Hank Purcell		\$150	\$150	\$125	\$10	\$15
Barbara Byrd		\$140	\$140	\$125		\$15
Mike Tippet		\$150	\$150	\$125	\$10	\$15
Mary Martinez		\$165	\$165	\$125	\$10	\$30
Anthony Vivaldi	\$125		\$125	\$125		
Carla Orff		\$140	\$140	\$125		\$15
RV Williams		\$140	\$140	\$125		\$15
Bob Bartok		\$150	\$150	\$125	\$10	\$15
Lola Farrenc	\$30	\$135	\$165	\$125	\$10	\$30
	\$280	\$1,170	\$1,450	\$1,250	\$50	\$150

Deposit documentation continued...

A copy of the deposit slip could be attached to the spreadsheet and this would serve as adequate documentation for the deposit.

Alternatively, if the state chapter is using accounting software they could enter all of the deposit details (attendee name, breakout of receipts) into the software. Even when using software you could enter the deposit in summary as long as a spreadsheet is available with the details.

Deposit documentation continued...

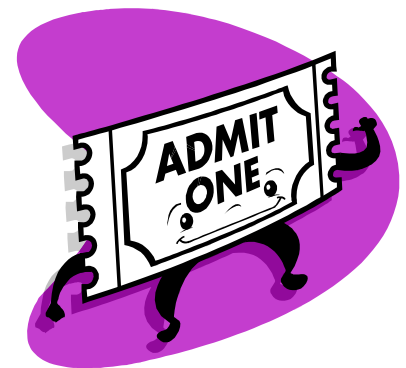
The exact way you choose to document receipts is up to you. However, if your documentation cannot answer in detail the basic questions answered by the spreadsheet (who? how much? when? why?) then better documentation is needed.



Best accounting for ticket sales

ACDA events often involve ticket sales.

Ticket sales are often in cash and therefore require additional care. Amounts deposited from tickets sales should be reconciled to the number of tickets sold.



Best accounting for ticket sales continued...

Accounting for ticket sales is best accomplished by the use of pre-numbered tickets.

The simple tickets shown at right are available at any office supply store and work well.



Best accounting for ticket sales continued...

Alternatively, chapters may have tickets professionally printed, or create their own tickets using word processing software. Regardless of the type of ticket used they should be pre-numbered. At the end of the event the number of tickets sold (as determined by using the ticket numbers) should be reconciled to the amount collected and deposited. A record should be kept of the ticket numbers used to support the deposit.

Cash Receipts summary

- Deposits should be timely and intact
- Deposit details must be documented (how much, from who, why, when)
- Ticket sales should be documented using pre-numbered tickets. Tickets sold should be reconciled to cash receipts

Record keeping and Reporting

The final section of this handbook addresses best practices for record keeping and reporting requirements.

Record keeping best practices

The term “record keeping” in this handbook refers to:

- Physically maintaining the accounting records (i.e. support for cash receipts and disbursements)
- Recording and accumulating individual transactions in a manner that allows for summary reporting

Record keeping best practices

Physical maintenance of the records

- Records should be maintained for five years
- The records for all five years need to be in the possession of the current treasurer. Whenever there is a transition to a new treasurer all the records need to go to the new treasurer.

Record keeping best practices

Physical maintenance of the records

- The records should be filed in a logical manner so that they are readily accessible



Record keeping best practices

Physical maintenance of the records

- Cash disbursements would most logically be filed in check number order
Alternatively they could be filed by vendor
- Each payment should be supported by receipts, invoices, and the appropriate ACDA form

Record keeping best practices

Physical maintenance of the records

- Deposits would most logically be filed by date
- Each deposit should be supported adequately as discussed previously in this handbook

Reporting best practices

A complete listing of the chapter transactions (cash disbursements and cash receipts) should be maintained in a register.

This register will be the cornerstone of the chapter's financial reporting.

This register of transactions can take many forms.

Reporting best practices

The chapter transaction register could be maintained using:

- Checkbook register
- Excel spreadsheet
- Bookkeeping software

Reporting best practices

The use of simple bookkeeping software (such as Quicken or Microsoft Money) is highly recommended. The advantages of software are numerous. Advantages include:

- easy to learn and use
- easy to generate reports (budget to actual, current year vs. prior year, quarterly reports, etc.)
- easy to reconcile bank statements
- records easily transferred to successor treasurer
- easy to maintain records for several years of transactions

Reporting best practices

The Division Accountant is available to help you set up accounting software. If you provide the information the Division Accountant can do all of the work to set the system up.

Reporting best practices

Regardless of the method used to track transactions (check register, spreadsheet, software) the register listing must show the date, amount, document number, payee and nature of the cash receipt or disbursement. This listing can then be used to prepare an income statement at year-end.

Required Reporting

Each quarter the state chapter should provide the National office with:

- A complete copy of the chapter bank statements. This includes all image pages provided by the bank. A statement should be provided for every account in the chapter's name (checking, savings, investments, etc.)
- A transaction register (as described in the preceding pages)

Required Reporting continued

At year end (06/30/XX) the chapter should complete and submit the State Chapter Year-End Financial Reporting Form (available on the ACDA website) or an acceptable equivalent (contact the Division Accountant for details).

Required Reporting continued

By following the guidelines set forth in this document for processing cash receipts and cash disbursements, and maintaining a transaction register, you will have accumulated all of the information needed for the year-end and quarterly reporting. If records are maintained consistently during the year, then the reporting will require little additional time.

Contact Us

Assistance is only a phone call or e-mail away. Please contact the Division Accountant if you have any questions. The Division Accountant can assist you in any area of the chapter accounting.

Thank you again for choosing to donate your time to ACDA by serving as chapter treasurer. Willing volunteers are the backbone of ACDA. Please do not hesitate to allow us to help you fulfill your duties any way that we can.