

Overview of Finances for new SJDs

July 12, 2023

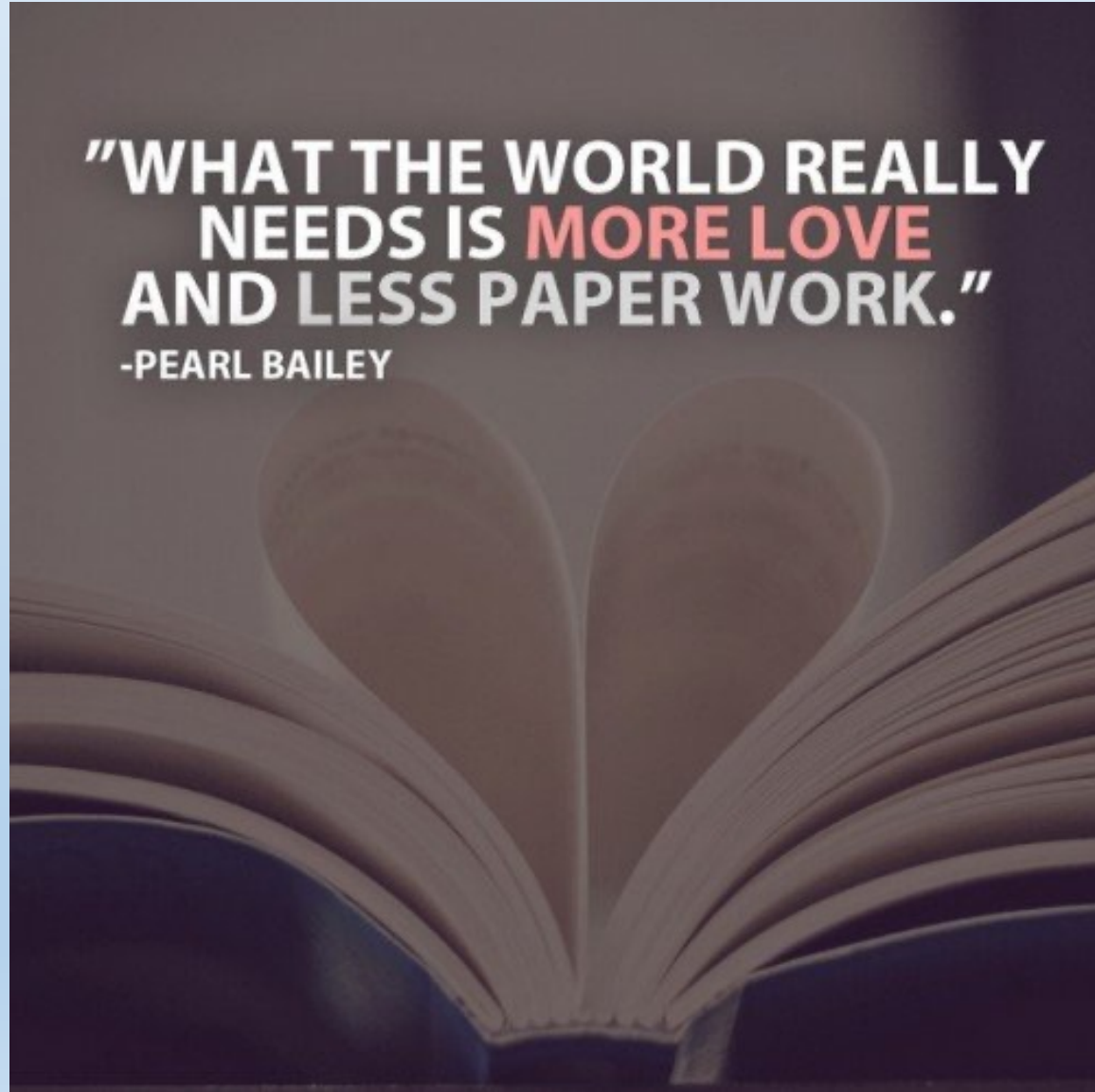
Robin Ruegg, NAWGJ Finance Director



Forms

**"WHAT THE WORLD REALLY
NEEDS IS **MORE LOVE**
AND LESS PAPER WORK."**

-PEARL BAILEY



Financial Reports

- Use the most current Financial Report form from the NAWGJ web site, please.
- Run all transactions through your bank account
- Match up your receipts & bank accounts
- Calculate automatically in reports (some cells locked)
- Balance everything

Support our Mission

- Our mission is:

Our finances are meant to support this mission.
As a 501(c)(3) organization—we need to spend most of our money on the mission.



Provide Professional
Development for members

Support & promote women's
gymnastics in the United States

Transparency

- We are a tax exempt organization. With that benefit comes responsibility. We must be transparent and open in all that we do financially.
- Tax exempt means NAWGJ does NOT pay federal income tax
 - We generally do NOT pay state income tax either
 - State SALES TAX depends on the state. Check with your state to see if NAWGJ has to pay sales tax when purchasing items (supplies, judges' cup expenses etc.)
 - NAWGJ's Federal Tax Identification Number (Employer Identification Number) is 51-0178999

Transparency: NAWGJ Tax Returns are Public

- We are required to give the last three years of our tax returns to anyone who requests them. They are currently posted on the NAWGJ Web Site:

About Us—Official Documents—NAWGJ IRS Form 990's



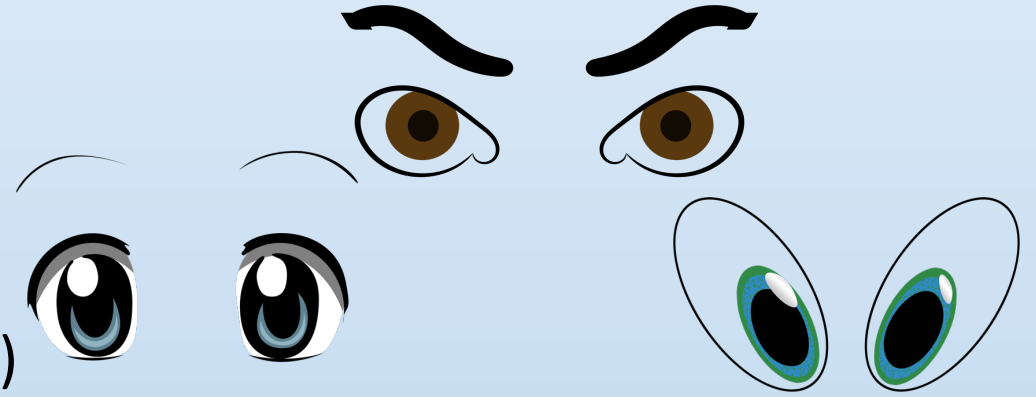
Transparency

- Fiduciary responsibility as officer of NAWGJ
 - No board member or officer may derive financial benefit, other than salary, from a nonprofit association. Officers must guard carefully against even the appearance of business or financial conflict of interest and must monitor all employees and volunteers to make sure they have no conflicts of interest and are not benefiting financially in any way other than through board-approved salaries.
 - Officers must comply with fiduciary duties of **care, loyalty to NAWGJ's highest good** and **obedience of the law**.

Finance Committee

- Responsibilities:

- i. Oversee Finance Director (more eyes)
- ii. Set investment strategies
- iii. Update financial policies, financial reports, chart of accounts
- iv. Assure financial training is adequate for all officers (National, Regional, State, Directors)
- v. Assure NAWGJ is fulfilling its fiduciary responsibility
- vi. Review FDIC limits and determine risk NAWGJ wants to take on with its bank accounts
- vii. Review and recommend changes needed in financial procedures



FINANCE COMMITTEE:

Priscilla Hickey, Debbie
Campbell, Robin Ruegg,
Teresa Barnard, Robin
Smith



Beware: In times of stress—good people can do bad things



Accountability

- Four-eyes on expenses AND on income, particularly cash
- Income:
 - At least two unrelated people count and note the cash. Get cash deposited ASAP, generally one (1) business day after you receive it.
 - All checks should be written to NAWGJ, not to you as an individual.
 - Examples: NAWGJ MO, AZ NAWGJ



Accountability

- For expenses—need receipts.



- If take cash out, make out a receipt--sign, date and indicate what it is for
- Share your financial reports with your State Governing Boards and membership

Setting up a Bank Account

- You as SJD, your RJD and I (Robin Ruegg, NAWGJ Finance Director) need to be set up on your signature card.
- We are having significant problems and frustrations getting this done because banks have new rules, & signatures across state lines can be a concern.
- We've even had bank personnel suggest we use a Credit Union as they have fewer rules.



Revenue Sources

- Judges Cup/Other Fundraiser
- Clinics/Workshops
- Assigning Fees
- Interest Income
- Donation (USAG, individual etc.)
- Distribution from membership fees (many states relinquish this to their RJD)

Budget planning

- Work with your state committee for approved budget each year
- We will review in more detail with all SJDs how to distribute funds from your fundraisers
 - Key is that your plan is approved by your board, RJD, Finance Director and Executive Committee and that it is communicated to your members
- Because NAWGJ is a non-profit, we try to spend our money. Ok for 4-year cycle with testing/symposium but PLAN AHEAD

PLAN AHEAD

Allowable expenses—must support our mission

- Membership Fees—NAWGJ dues have priority!
- Clinic expenses
- Testing expenses
- Educational materials
- Travel expenses to National Judge's Cup
- NAWGJ uniforms, spirit wear
- Helping Hands
- \$100 maximum gifts

New—Mitigation Plan

NAWGJ Mitigation Plan The purpose of this mitigation plan is to assure that potential financial conflicts of interest are minimized. This plan should be reviewed annually by the appropriate NAWGJ board (state, region, national)

Date _____

Names and position of people involved (judges, board members, entities outside of NAWGJ):

Phone _____ Email _____

Relationship of people involved: _____

Activities that may present a financial conflict of interest (check all boxes that apply and describe)

- ☐ Financial transactions
- ☐ Contract for equipment or services
- ☐ NAWGJ expenditures such as travel, equipment purchases, stipends, clinician fee or other
- ☐ Social media outlets that monetize NAWGJ website, videos or similar
- ☐ Judging assignments of self, relatives, employees, or business associates or similar
- ☐ Serving on a committee that selects judges for competitions
- ☐ Other where potential conflict of interest may exist or be perceived to exist

W-9's
When you
pay someone
for services
such as
a clinician or
for judging at
a Judges' Cup

Form W-9 (Rev. October 2018) Department of the Treasury Internal Revenue Service		Request for Taxpayer Identification Number and Certification		Give Form to the requester. Do not send to the IRS.
Go to www.irs.gov/FormW9 for instructions and the latest information.				
1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.				
2 Business name/disregarded entity name, if different from above				
Print or type. See Specific Instructions on page 3.	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.			4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
	<input type="checkbox"/> Individual/sole proprietor or single-member LLC			Exempt payee code (if any) _____
	<input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate			Exemption from FATCA reporting code (if any) _____
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.			(Applies to accounts maintained outside the U.S.)
<input type="checkbox"/> Other (see instructions) ▶ _____				
5 Address (number, street, and apt. or suite no.) See instructions.			Requester's name and address (optional)	
6 City, state, and ZIP code				
7 List account number(s) here (optional)				
Part I Taxpayer Identification Number (TIN)				
Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> , later.				
Note: If the account is in more than one name, see the instructions for line 1. Also see <i>What Name and Number To Give the Requester</i> for guidelines on whose number to enter.				
Social security number				
[] [] [] - [] [] - [] [] [] []				
or				
Employer identification number				
[] [] - [] [] [] [] [] [] [] []				
Part II Certification				
Under penalties of perjury, I certify that:				
1. 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				
2. 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				
3. I am a U.S. citizen or other U.S. person (defined below); and				
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.				
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 for Part II, later.				
Sign Here	Signature of U.S. person ▶			
	Date ▶			

Whew—that's a lot to take in

- Ask questions
- SJD portion of web site has copies of forms
- Don't be nervous, you can learn this!
- Lead by example



- We will work together to assure our finances support NAWGJ's mission.



Questions, Comments or Jokes

Why aren't there many gymnastics jokes...?

It's flipping annoying!

