



## Committee Finances: Expectations for Hometown Pride

Hometown Pride committees are expected to be good stewards of all funding they raise or receive. Please follow these guidelines and other common sense security measures.

### Planning, Tracking, and Transparency

- Each committee will elect a Treasurer to keep clear records of all payments and receipts.
  - The Treasurer will provide monthly financial reports to the committee. These reports should be provided to all committee members and available by request to other partners.
- Committees will agree on a central, secure place to keep their funds: either establish a committee bank account or partner with an existing agency (such as the city) to handle their funds.
- Committees will agree on budgets in advance for their projects and activities. This may be done on a project-by-project basis, or annually. *All* expenditures should be pre-approved by the committee.
- When raising funds, the committee will publicly identify where funds will go and track funds to make sure they are used for the intended purpose.

### Safe-guards

- Online transactions: Use only secure, well-established platforms (e.g. paypal, square)
- Separation of duties: consider having someone other than the treasurer (such as the chair) be in charge of signing checks, and/or require 2 signatures for checks over a certain dollar amount.

### Proper Filing

- Committees will file their annual taxes with the IRS in a timely manner
- Committees who operate as a 501(c)3 nonprofit will follow all requirements by the [Secretary of State \(SOS\)](#) and [IRS](#) for establishing and maintaining their nonprofit status (including bi-annual reports to the SOS).

### Guidelines for Handling Money at Events

**1. Rule of 2:** Money-handling should always be overseen by more than one committee member. Make sure at least two people are on duty at each location where money is being collected and/or counted.

**2. Collecting Money:** Provide volunteers with a secure place to put cash. Consider requesting locked banker bags from your bank. These can be dropped in the after-hours depository.

**3. Counting Money:** Have at least two people count the cash. Keep a written record that includes the sources/intent of the money. (e.g. how much of the money was collected for a raffle vs. general donations).

**4. Depositing Money:** Bank bag counts are agreed upon by the two counters, then locked (if applicable) and dropped in the overnight depository. For very long events, you may want to make multiple drops at the bank throughout the day. *No cash should go home with anyone.*

**5. Raffles and Other Gambling:** If you do a raffle, bingo, or any other “gambling” activity, make sure you secure a [Charitable Gambling License](#) from the state at least 30 days in advance. For raffles with pay-outs larger than \$600, make sure the winner fills out a W-9 (this is an IRS requirement).