

AFGC Club Treasurer Guidelines

Club Bylaws

- Read your club's bylaws section for the Treasurer's duties, which typically contains language such as:
 - Treasurer shall:
 - Be custodian of all funds.
 - Be responsible for the accounting of all monies and the collection and distributions of funds.
 - Make disbursements upon the order of the club or as directed by the President.
 - Prepare a financial statement for Executive Board and regular meetings.
 - Update any additions, deletions or changes in the membership roster and notify the AFGC Assistant Treasurer.

Fiscal Year: Usually, June 1 through May 31

RESPONSIBILITIES OF OFFICERS AND AFGC AS A 501 (c) 3 ENTITY (excerpt from the AFGC Bylaws)

No part of the net earnings of the garden club shall inure to the benefit of, or be distributable to its members, officers, or other private persons, except that the garden club shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II.

No substantial part of the activities of the garden club shall be the carrying on of propaganda or otherwise attempting to influence legislation and the garden club shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of or opposition to any candidate for public office.

Notwithstanding any other provisions of these articles, the garden club shall not carry on any other activities not permitted to be carried by a garden club from federal income tax under section 501 (c) 3 of the Internal Revenue Code or the corresponding section of any future federal tax code.

Tax Deductible Donations (not part of AFGC By-laws)

As a 501(c)3 entity, AFGC garden clubs can receive donations that the donors can write off as charitable contributions on their taxes. To do so, the club must provide a written receipt that states:

- The name of the organization (i.e., the name of your garden club);
- The amount of any cash contribution;
- A description (but not the value) of any non-cash contribution;
- A statement that no goods or services were provided by the organization in return for the contribution, if that was the case;
- A description and good faith estimate of the value of goods or services, if any, that an organization provided in return for the contribution;

The AFGC Treasurer can provide a sample receipt form that you can use to acknowledge charitable contributions to your club.

Dues & Membership list

- Refer to your club bylaws to find the deadline for your members to pay their dues to you. Make sure to remind your membership a few times before hand.
- The annual dues to AFGC for garden clubs are twelve dollars and fifty cents (\$12.50) per person from June 1 to December 31, and \$6.25 per new member from January 1 to May 31. For plant societies, dues are \$7.50 per person any time of year.
- Dues are payable to the Assistant Treasurer on June 1 and shall become delinquent on June 30 of each year.^[KR1]
 - Currently there is a spreadsheet you can use to provide the membership information to the Assistant Treasurer.
- Any club whose dues are unpaid by October 15 shall be notified by the Treasurer and dropped from AFGC on November 15.

Suggested Procedures & Timelines

- After induction of the new President and Treasurer (probably in May), arrange to meet with the incoming officers and your bank representative to register their information and signatures for the club bank account. Generally the outgoing president or treasurer must be present along with the incoming officers that need to be placed on the account. Make sure the names and addresses of former officers are removed from the account.
- Meet with the incoming Treasurer to transfer all records and supplies.
- Complete AFGC forms and remit dues by their deadlines.
- Send any membership changes (including new members and changes in current members' information) to the AFGC Assistant Treasurer using the cover sheet and spreadsheet.
- Maintain a set of books to track the revenues and expenses of the club throughout the year. This could be a manual or electronic set of books.
 - Deposits – Itemize the source and amount of all income.
 - Disbursements – Record the payee, expense category, check number and amount.
 - Designated funds – track these separately from the club general funds. Some examples are designated gifts or Penny Pines.
- Reconcile the books to the bank statement.
- Prepare financial report on a monthly basis for the club membership.
- Keep funds for any non-charity gift or recognition ^[KR2] separate from the club funds. For example:
 - Sunshine Fund – used to collect funds to purchase get well cards or flowers for a personal event in a club members life
- Obtain liability insurance for a special event 2-4 weeks before hand. Prepare the Special Event Insurance form and email it to the AFGC Treasurer. There may or may not be a fee depending on the event.
- Assist with the preparation of an annual budget (it is recommended that each club prepare in advance of their club year). Note that being a nonprofit does not mean that you have to spend down all your funds every year (i.e. i.e., balanced budget). It is advisable to maintain a minimum cash balance to help the club manage thru down years (Covid for example). ^[KR3] The minimum cash balance should be determined by each club but one rule of thumb is an amount equal to one year's operating expenses.

A Word on Budgeting

There is often a misconception that being a non-profit organization means the club cannot end the year with profit on its books. This is not true. Paraphrasing, the legal intent of a non-profit is that no one individual or group of individuals financially profit from the proceeds of the club (Source: irs.gov: Exemption Requirements – 501(c)(3) Organizations). But every non-profit organization MUST generate a surplus of funds (i.e. a profit) more often than it breaks even, or the organization cannot fiscally survive to conduct its mission. Expenses go up, sometimes fundraising does not generate as much as predicted, pandemics happen, etc. The budget should be a realistic estimate of revenues and expenses— hopefully with an estimated surplus at the end of the year—not an effort to equalize revenues and expenses in a

balanced budget. If the club has several years in a row with a surplus, that might be the time to donate substantially more to a scholarship fund or community/school garden project, which means that particular year the budget may run a planned deficit—and that is okay too.

What is Penny Pines?

- For every \$68 collected by members, the club sends a check to the AFGC Penny Pines Chair along with the Penny Pines form. AFGC forwards this to the NGC/USDA Forest Service program to assist in the replacement of burnt or damaged trees in conjunction with federal funds. Seedlings are replacements and/or trees native to that particular area and are not necessarily of the pine variety. You are able to designate which National Forest in Arizona that you would like the funds to be used. You are also able to make the donation in honor or memory of someone.

Tax Returns

- AFGC will send a form for Certification for Filing Form 990-N in the summer. Fill this out and return to the AFGC Assistant Treasurer.

Forms – some of these are updated every two years or when there is a new AFGC Treasurer, you can find the latest version of forms at: <https://www.azgardenclubs.com/formsmemberresources/>

- Sample Club Roster
- Club Membership Cover Sheet 2021-2022 sample
- Special Event Insurance
- Penny Pines
- AFGC-Expense-Reimbursement-Form-2021
- AFGC Contribution Form
- Club Certification for Filing IRS Form 990 2022 sample

What does AFGC do with your dues?

We are a group of gardeners who have organized on a local, state, national, and international level. Sixteen local clubs and two plant societies make up the Arizona Federation of Garden Clubs, Inc. Fifty State Garden Clubs, the National Capital Area Garden Club, and 447 international affiliates make up the National Garden Clubs, Inc. Our members create a powerful voice and expansive network for advancing common interests, not only from our local communities but all over the world. We provide education, resources, and national networking opportunities for our members to promote the love of gardening, floral design, and civic and environmental responsibility.

Specifically, of the \$12.50 per member that each club sends to AFGC, one dollar goes to NGC for state dues. AFGC also pays \$90 in dues annually to NGC Pacific Region. Other AFGC expenses that can benefit clubs or their members include event insurance, scholarships, our website and newsletter, conventions and annual meetings, symposiums, and hosting NGC schools.

Fundraising Ideas

- Plant/yard sale
- Garden tour
- Garden tea party
- Afternoon at the Movies
- Gardening calendar
- Selling homemade craft items at community events
- What is your club doing?

Alternate methods of payment (CC, ~~Paypal~~PayPal, Venmo, Square, etc.) Several clubs have been successful using ~~Paypal~~PayPal as a means to accept online payment. If you already have a PayPal account for your club, it is easy to request a Zettle credit card processor, which connects to your PayPal account.

There are also other options such as Square and Venmo. If you have questions about setting any of these up, contact the AFGC Treasurer and we can help point you in the right direction.

SCAMS and how to avoid falling into them

Small non-profit organizations are often the target of scammers since the officers ~~don't do not~~ usually work together on a daily basis and often conduct business via email. One of the most common email scams is someone impersonating the president of an organization in an email asking the treasurer to pay a vendor immediately. Here is how you as the treasurer can prevent falling into this type of scam:

1. Scammers will generally be very insistent that the matter is urgent and they need you to act right now. The email may be just one line: ~~“~~: ~~“~~Peggy, I need you to send a check for \$345 to xyz company today. I will get the details to you later. Kim” If you get an email like this, pick up the phone and call (or text) your president and make sure she (or he) really made the request.
2. Check the “From” header to make sure the sender’s email address really is the email address of the president. ~~It's it is~~ very easy for scammers to change the “From” text (~~t.e.i.e.~~, Kim Rosenlof) but not the “From” address <kim@rosenlof.com>. Using Kim as an example, if you see Kim Rosenlof <reply1324@gmail.com>, you know the email is not actually coming from Kim Rosenlof.
3. If the email requests you to pay in Visa/MC debit, Amazon, ~~Wal-mart~~Wal-Mart, Apple, Google ~~Play~~Play, or any other type of gift card, or requires that you use Western Union or another wire service, suspect fraud immediately. NEVER PAY ANYONE OVER THE PHONE OR BY EMAIL BY WIRING MONEY OR WITH GIFT CARDS.

Other scams to be on the lookout for:

- Predators impersonating legitimate businesses (such as PayPal, your club’s bank, Zelle, Venmo, etc.) or government agencies (IRS, Better Business Bureau, Social Security Admin, etc.) on the phone or by email. Be very wary, don’t provide ANY information, and if the caller is very insistent, hang up and call the entity using a publicly provided phone number (NOT one given to you by the caller).
- Tech support scams by “businesses” who contact you to tell you there is a virus on your computer
- You receive a letter that demands payment on a debt you have never heard of – especially if your club has its own website. Domain name registries are common scammers that send carefully worded “invoices” that may convince a new club treasurer that they have to pay this bill when in fact ~~it's it is~~ a solicitation.