



At-Risk Community Services, Inc.

501(c)(3) - Bookkeeper Training 101

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Sponsored by City-Wide Council of Presidents.

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Today's Agenda

- Intro and About Us
- Examples of Grants Awarded and Related Contracts (Tenant Participation Funds, Private Grants, NY City Council Awards, and Contracts)
- How to start a file after grant is Awarded
- How to budget for grant received
- How to keep track of expenses
- Keep it simple and be kind to yourself!
- Questions?



Intro and About Us

- At-Risk Community Services, Inc. is a 501(c)(3) non-profit organization dedicated to bringing human rights and economic justice to all residents of public housing in New York City.
- At-Risk Community Services, Inc. is a collaboration between the Citywide Council of Presidents (CCOP), the elected resident leaders from each of the nine NYCHA districts, and a group of attorney and CPA volunteers who have dedicated their careers to correcting the injustices that have been perpetrated by the New York City Housing Authority.



Examples of Grants Awarded and Related Contracts

- Tenant Participation Funds (TPA Funds)
- Private Grants
- NY City Council Awards
- Contracts



How to start a file after grant is awarded

- Step 1 - Start a File - Make a copy of the check and the award letter.
- Step 2 - Create a budget (aka annual spending plan) with all the expenses expected. Make sure you plan to spend all of the money otherwise, you will need to give it back. "Use it or lose it."
- Step 3- Make sure you get invoices and/or receipts from all vendors. Make copies of these and add to your file. Keep them readily available and for at least 7 years.
- Step 4 - Close out the budget. Make sure you have spent the exact amount of money that you were awarded. Not only will you have to give back what you don't spend, if you can't prove out that you needed all of the money you probably won't get as much money from your funder next year.



How to budget for grant received – with examples

Grant from Foundation - \$4,000 for Thanksgiving Turkeys

Example 1		Budget	Actual
Revenue (Money In)		\$4,000	
Expenses (Money Spent)			
Turkeys (190 Turkeys at \$20 each)		\$3,800	
Delivery Fees		\$200	
Total		\$4,000	



Example 2		Budget	Actual
Revenue (Money In)		\$4,000	
Expenses (Money Spent)			
Turkeys (100 Turkeys at \$20.00 each)		\$2,000	
Delivery Fees		\$2,000	
Total		\$4,000	



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Discuss the 2 budgets

- **Why was Budget 2 rejected?**
- The \$2,000 delivery charge is unreasonable and the person who gave you the award will ask for the \$2,000 back.
- Make sure all expenses are reasonable.
- Be frugal with your contract money, even more than you are with your own money. (ex, apple picking and holiday party)
- Talk among yourselves and make sure you are getting the best deal on turkeys. Check a couple of different places to compare pricing and get the best deal.
- Make sure you are not being charged sales tax. 501(c)3's do not pay sales tax. You will need to give the vendor your tax exempt certificate from the state.



How to keep track of expenses

- Make sure you are keeping track of all receipts and invoices. Invoice (or a bill) – a list of goods sent or services provided with a statement of the sum due.
- Receipt – Paper you receive after a bill is paid showing proof of payment.
- Cancelled Check – It's not enough that the person stamps paid or signs. You will need to keep a copy of the cancelled check.



Keep it simple
and be kind to
yourself!

	Budget
Revenue (Money In)	4,000
Expenses (Money Spent)	
Turkeys 30 turkeys at 20.00	600
Roast Chicken	50
Mashed Potatoes	100
Green Bean Casserole	100
Pumpkin Pies	150
Pecan Pies	150
Cranberry Sauce	20
Stuffing	100
Cornbread	100
Mac N Cheese	150
Corn	50
Dinner Rolls	50
Shepards Pie	150
Vegetarian Main Dish	150
Salad	150
Salad Dressing	20
Chocolate Turkeys for Dessert	300
Assorted Cookies	200
Non Alcoholic Beverages	150
Plates	200
Napkins	100
Cups	100
Forks	100
Knives	100
Spoons	100
Tablecloths	100
Decorations	100
Garbage Bags	100
Tinfoil Pans	100
Tinfoil	100
Takeout containers	60
Total	4,000

VS

	Budget
Revenue (Money In)	4,000
Expenses (Money Spent)	
Catering from restaurant w/ reasonable set price per person	4,000
Total	4,000

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Keep it simple
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Be kind to yourself and keep things simple!

- **If you are able to get everything from 1 vendor, expense tracking will be much easier.**

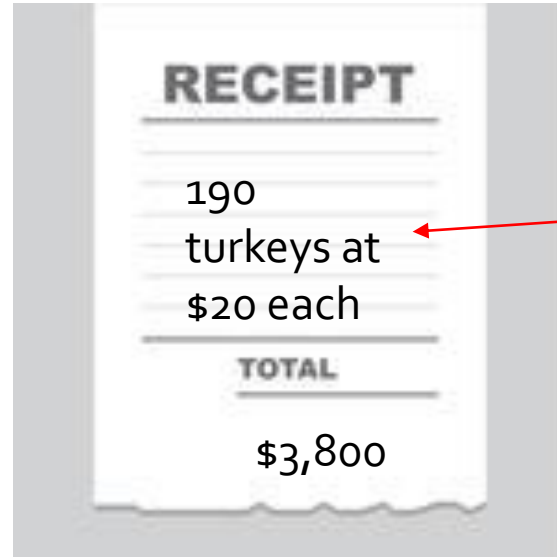


Invoice and Receipt Requirements

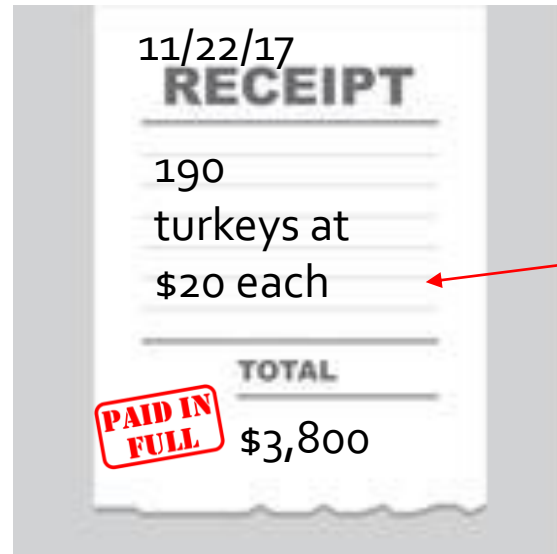
- Make sure invoices and receipts have a date, \$ amount, list of goods and services purchased, and show proof of payment.
- Let's look at some examples:



Good & Bad Invoice and Receipt Examples.



Incomplete receipt.
Missing date and proof of payment.



- Good Receipt!
- ✓ Date
 - ✓ Description
 - ✓ Amount
 - ✓ Proof of Payment



How to close out the budget

- At the end of the contract year it's time to close out your budget and make sure you have spent the exact amount that you are awarded. TPA Funds MUST be closed out quarterly.
- Sometimes it's OK to adjust categories. You may need to get pre-approval. The budget can be an estimate and as long as the total money in = total money out expenses can be changed with pre-approval.
- Make sure you have spent the exact amount of money that you were awarded. Not only will you have to give back what you don't spend, if you can't prove out that you needed all of the money you probably won't get as much money from your funder next year.



Close out the Budget-2 examples

Example 1		Budget	Actual
Revenue (Money In)		\$4,000	\$4,000
Expenses (Money Spent)			
Turkeys (190 Turkeys at \$20 each)		\$3,800	\$3,800
Delivery Fees		\$200	\$200
Total		\$4,000	\$4,000
Net Income			\$0

Example 2		Budget	Actual
Revenue (Money In)		\$4,000	\$4,000
Expenses (Money Spent)			
Turkeys (200 Turkeys at \$20 each)		\$3,800	\$4,000
Delivery Fees		\$200	\$0
Total		\$4,000	\$4,000
Net Income			\$0

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No “Double Dipping” with awarded money



- If you are lucky enough to be awarded 2 grants from 2 different funders, make sure you are not reporting the same expenses on each contract/grant.
- For example – if 2 different funders give you \$1,000 each for educational books you need to spend \$2,000 on educational books. You cannot keep \$1,000 and report the \$1,000 of expenses on each contract.
- This fraud will be discovered during an audit which can happen at any time as well as on your 990 which shows reporting for all of your grants on one document. This is serious and you can be shut down for that, lose your funding and position.



Annual Spending Plan and TPA Calculation

- By July, 31 2017 NYCHA will send to Resident Councils notice of their annual allocations for the upcoming Fiscal Year. (Jan 1 – Dec 31 see page 21)
- **Action Item – You should know what amount of money you are receiving from NYCHA for TPA. Funds by July 31, 2017 each year.**
- Complete Tenant Participation Fund Spending Plan Form – planned TP activities and amount.
- Agreement Renewal – signed form given by NYCHA once notice of annual allocation is provided by NYCHA.
- Must be recognized by NYCHA in your capacity (Resident President etc.)
- Once approved you should fill out the Tenant Participation Activity Proposal Forms which are provided by NYCHA via email. **MUST use the Proposal Form.**



Annual Spending Plan and TPA Calculation

- Content of Proposal and Required Attachments:
- - how you are recognized
- -detail of activities
- -target population that will benefit
- -location of activity
- -schedule
- -goals
- How TP Funds will be spent:
- -cost estimates
- -procurement process
- -ID all vendors – businesses and consultants that will provide goods or services.
- -Itemized breakdown with vendor quotes
- -attach supporting/backup documents
- **Summary – Scope of work, independent cost estimate, appropriate procurement method.**



Annual Spending Plan and TPA Calculation

- If NYCHA disapproves the proposal, NYCHA will return proposal within 10 days of receipt with an explanation as to why the request failed.
- Vendors must have insurance and provide Certificate of Liability that is current and meets NYCHA standards.
- Must use ICE – independent cost estimate. See page 28 of TPA Guidebook.
- Procurement Method – Uniform Guidelines – federal
- Micro Purchase - up to \$5,000.
- Small Purchase - \$5,000-\$150,000
- Competitive Proposals – RFP requests for proposals more than \$150,000.
- -RC must have it's own tax-exempt status
- Cash advances under limited circumstances for FAMILY DAY ONLY may be provided by NYCHA (Provide proof within 7 days)



Annual Spending Plan and TPA Calculation

- Do your due diligence - Ask NYCHA how many units are in your development and how many of them are occupied.
- The TPA funding is based on total units occupied not total units in the development. For example \$25/ occupied unit.
- Resident Councils are required to submit an Annual Spending Plan to budget for activities.
- See page 14 of TPA Guidebook for a list of eligible and ineligible activities for TPA funds.



Reconciling Your Expenses

- Quarterly Reports to NYCHA Timeline
 - January-March -- Provide by early April
 - April-June -- Provide by early July
 - July-September – Provide by early October
 - October-December –Provide by early January
- * If RC fails to properly or timely submit a quarterly reconciliation, NYCHA will suspend TPA funds until all expenses are accounted for and all supporting documents are received.



At-Risk Community Services, Inc.

Upcoming Trainings and Contact Us

- Upcoming Trainings:
 - 1. How to Become a 501(c)3 through NY State
 - 2. Bookkeeper Training 101 Part 2
- If you have further ideas for trainings or additional questions
- Visit us at <http://atriskcommunityservices.org/>
- **Contact us at info@atriskcommunityservices.org**

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