

## **Donor Acknowledgement**

### **Donations of \$50 or more**

*Policy* – The President of the Grand Canyon Historical Society will acknowledge all donations in the amount of \$50 or more.

*Procedure* – On a regular and timely basis, at least Quarterly, the Membership Chair will notify the President of donations in the amount of \$50 or more. The President, in a timely manner, will then write a note of thanks to the donor. A hand written note is preferred for the acknowledgement but a personally written e-mail may serve this purpose as well.

### **Donations of \$250 or more**

*Policy* – The President of the Grand Canyon Historical Society will acknowledge all donations in the amount of \$250 or more.

*Procedure* - The IRS requires charitable organizations to formally acknowledge donations in the amount of \$250 or more. This acknowledgement must contain the donor name, the charitable organization name and EIN number and if the donor received any benefit from their donation. The Treasurer of the Grand Canyon Historical Society will prepare a letter of acknowledgement that complies with IRS regulations. This letter will be given to the President who will sign it and then mail it to the donor.

## Reserve Policy

*Policy* – Good fiscal responsibility requires an organization to keep a cash reserve in order to survive unusual economic times. It is the policy of the Grand Canyon Historical society to keep cash reserves equal to no less than two years of normal operating expenses.

*Procedure* – It shall be the responsibility of the Treasurer to ensure that a minimum cash reserve equal to two years of normal operating expenses be maintained. The Treasurer shall report on the status of our cash position/reserve at each formal Board meeting. At any time that projections suggest that this standard is not being met the Treasurer shall immediately notify the full Board.

Two years of normal operating expenses shall be determined by adding the last three full years of operating expenses, dividing this by 3 and multiplying this by 2. For the purposes of this calculation, in years where there is a symposium, expenses for the symposium shall be separated and one half of these expenses will also be included in the reserve calculation.

An example of this calculation follows:

	Total Expenses	
2013	6,498	
2014	7,118	
2015	7,359	
Total	20,975	
Average (total/3)	6,991	
Minimum Reserve (average*2)		13,983
Assume a symposium in 2015		
Total Expenses	6,195	
½ of Total Expenses		<u>3,097</u>
Total Required Minimum Reserve		17,080

## **IRS 990 Filing**

*Policy* – It is a requirement of the IRS that all charitable organizations (501(c)3) file a 990 annually.

*Procedure* – It shall be the responsibility of the Treasurer to file the required 990.

If a charitable organization has annual gross receipts of \$50,000 or less they can satisfy their annual reporting requirement by electronically submitting Form 990-N. The 990-N filing due date is the 15<sup>th</sup> day of the 5<sup>th</sup> month after the close of our tax year. In our case this would be May 15<sup>th</sup> of each year. Failure to make this reporting for three consecutive years will result in loss of our tax-exempt status.

## **Special Funds**

*Policy* - From time to time and at the will of the Board, the Grand Canyon Historical Society will find the need to establish special funds. These are not “restricted” funds in that there are not specific conditions applied to the donation by the donor. The use of these funds shall remain the sole purview of the Board. However these funds have been established to serve a special purpose and shall not be used for general operating expenses.

### **Lee Albertson Fund**

*Procedure* – Upon the death of Lee Albertson several donations were made in Lee Albertson’s memory. At the direction of the Board a Special Fund was established for these donations. It is the direction of the Board that these funds will be used in a special way to honor Lee Albertson. The spending of these funds can only be made by majority vote of the Board. [Possible suggestions for use: Plaques for Lee Albertson Awardees; funds to pay an honorarium for a Lee Albertson Invited Paper at future symposiums]

### **1956 Mid-Air Collision National Historical Landmark**

*Procedure* – On June 30, 2016 several families of the 1956 mid-air collision formed a group to “*serve to encourage fellowship and support among the families who lost a loved one in the tragedy; and to preserve and teach the history of the accident itself and the profound and lasting effects it had on everyone it touched.*”

It is during this formation that the Families of the 1956 Mid-Air Collision at the Grand Canyon request that the Grand Canyon Historical Society steward any donations received by the group. As a result a Special Fund was established for any donations to the Families of the 1956 Mid-Air Collision organization.

The spending of these funds shall be in keeping with the mission, made in consultation with the Families of the 1956 Mid-Air Collision organization and only by a majority vote of the Board of the Grand Canyon Historical Society.

### **Password Retention**

*Policy* – A master list of all user names and passwords shall reside with the President and Vice-President of the Grand Canyon Historical Society.

*Procedure* – Annually each member with any access to any websites related to the Grand Canyon Historical Society will provide the President and Vice-President with a list of current user names and passwords. At this time the Board will review and approve who has access to each of these sites.

Examples of such sites are:

Fatcow

Web server

GCHS Email accounts

Chase

Checking Account

Chase

Debit Card

IRS 990

Filing our 990-N

PayPal

Membership and donations

Symposium Registration sites

Others

## **Bill Paying**

*Policy* – It is the responsibility of the Treasurer to pay all bills from known vendors of the Grand Canyon Historical Society in a timely basis. The Treasurer shall have the authority to pay all bills amounting to \$1,000 or less. Any bills greater than \$1,000 require the additional approval of either the President or Vice-President. [

Any bills received, regardless of amount, from vendors not previous known to the Grand Canyon Historical Society require approval from the President or Vice-President.

*Procedure* – Any bills received from established known vendors of the Grand Canyon Historical Society that are \$1,000 or less shall be paid by the Treasurer immediately without any additional approval.

Any bills received that are greater than \$1,000 will be forwarded by email to both the President and Vice-President. Once email approval is obtained from either the President or Vice-President, the Treasurer shall pay the bill immediately.

Any bills regardless of amount, received from vendors not previous known to the Grand Canyon Historical Society will be forward by email to both the President and Vice-President. Once email approval is obtained from either the President or Vice-president, the Treasurer shall pay the bill immediately.

The President, Vice-President nor Treasurer may approve payments to themselves.

Once a year, at a time prior to the annual board meeting, a person designated by the President shall make an audit of all accounts. This person must be someone other than the Treasurer. A report shall be made to the Board at its annual Board meeting on the results of this audit.

## **Corporation Commission**

*Policy* – It is required by the Arizona Corporation Commission for a Corporation Annual Report to be submitted by May 20<sup>th</sup> of each year.

The statutory agent of the corporation is required to file this report. Currently the statutory agent is Al Richmond. But ultimately it shall be the treasurer's responsibility to ensure that this requirement is fulfilled.

*Procedure* – In April (but no later than May 20<sup>th</sup>) of each year the following steps need to be completed.

Go on line to [AZCC.gov](http://AZCC.gov) (Arizona Corporation Commission).

- Click on eCorp
- Click on File
- Click on Maintain
- Click on Submit a Corporation Annual Report
- Enter 01673380 (Our file number)
- Make changes as necessary as to officers, addresses, etc
- Make sure all appropriate boxes are checked
- Pay \$10 nonprofit filing fee with GCHS credit card
- Submit

Audit Worksheet  
DRAFT

- 1.) Where all payments made supported by actual billings?
- 2.) Where all payments made in the exact amount billed?
- 3.) Where all payments sent to know vendor addresses?
- 4.) Where all PayPal payments transferred to the GCHS bank account?
- 5.) Did these transferred occur in a timely basis?
- 6.) Where membership payments and sponsorship payments made to the PayPal account credited to the proper accounts?
- 7.) Were checks for membership and sponsorship deposited to the GCHS bank account in a timely manner?

Note: This is the greatest vulnerability in that I handle all the checks with no oversight or requirement to balance to anything. This is a hard one to solve and I do not know the right answer.

- 8.) Were proper approvals obtained for payments over \$1,000?
- 9.) Were IRS donor acknowledgement letters sent out on donations over \$250?
- 10.) Were Presidential notes of thanks sent out on donations over \$50?
- 11.) Was the proper 990 filed within the required time limit?
- 12.) Was the Arizona Corporation Commission annual fee paid on time?
- 13.) Was the Arizona Corporation Commission notified of Officer changes in a timely manner?
- 14.) Does the President and Vice-President have a list of current logon IDs and passwords to all of the organization's website relationships?
- 15.) Is the cash reserve requirement being fulfilled?
- 16.) Are there any payments being made directly to the President, Vice-President or Treasurer?  
If so, are there required independent approvals of each payment?
- 17.) Were there any expenditures from any of the special funds? If so were these funds spent in keeping with the spirit under which these funds were established?