Amplifying Our Voice: Leading Boldly for Our Students, Our Professions, and Our Union

Compliance 101: What Every Leader Needs to Know About Regulatory Filings and Recordkeeping Requirements

Kristen N. Butler, CPA
COMPETENCY: STRATEGY AND FISCAL HEALTH

• NEA Leadership Competency progression level:
  • Level 3: Agenda Driving

• NEA Leadership Competency theme:
  • Promotes stewardship and financial integrity of the organization
NEA Strategic Goal and NEA Organizational Priority:

- **NEA Strategic Goal**
  - Building the capacity of the local, state and national union to ensure the success of public education.

- **NEA Organizational Priorities**
  - Early Career Educator
  - Supporting Professional Excellence
Course Objectives

• Define fiduciary obligations to be fulfilled
• Discuss the life-cycle of an organization
• Identify association’s regulatory and recordkeeping requirements
• Recognize importance of maintaining association’s good reputation
Definition of Fiduciary

• A fiduciary is a person or organization that owes to another the duties of good faith and trust. The highest legal duty of one party to another, it also involves being bound ethically to act in the other's best interests.

• ...often it involves finances – managing the assets of another person, or of a group of people...

Source: Investopedia
What is my role?

• Ensuring the “Tone at the Top” is ethical
• Providing financial oversight
• Acting as an approver/authorizer
• Being responsible for actual financial transactions – cutting checks, preparing tax return
• Maintaining financial & legal records
• Preparing payroll or acquiring/renewing insurance
• Hiring, evaluating, or overseeing the association’s auditor
Opening Activity –
Would You Rather?
Would YOU rather?

How Seat Belts Prevent Injuries and Save Lives?

Seat belts are the safety belts that are designed to prevent the occupants of the vehicle from getting hit or collide with the inside features of the vehicle itself caused due to sudden hit or harmful collision.

For More Information:
Visit: www.epainassist.com
Would YOU rather?
Would YOU rather?

What union membership does for you.

As a member of NJEA, NEA, your county association and your local association, you are part of a community of education professionals — three million members strong — devoted to advocating for students, educators and great public schools.

A voice: NJEA gives you a voice on issues that affect you in your school district, in New Jersey and in Washington D.C. By speaking up together, we ensure that our professional expertise helps guide the decisions that affect our lives.

A representative: With NJEA, you are never alone, whether you are negotiating a contract, defending your rights or advocating for positive change. NJEA’s highly trained staff of experts is with you every step of the way, supporting your success.

A community: NJEA is 200,000 members, committed together to great public schools for every child. As an NJEA member you have access to advocacy training, professional development and a community of dedicated professionals who share your passion for public education.

The value of NJEA membership

My voice, my choice.
Moral of the Story

Fiduciary Duty
Duty of Loyalty
Avoid conflict of interest
Act in the client's best interest

Duty of Care
Provide clarity
Be objective
Act rationally
LIFE-CYCLE OF AN ORGANIZATION

Mission/Purpose
Tax Exemption
Protecting Exemption
Establishing the Association

• Organized/Determined Mission

• Established Constitution and Bylaws

• Incorporated in State

• Requested EIN and Tax Exempt Status from IRS

• Preserved all original establishment documents in safe place for future reference
It is essential that all organizing documents are safeguarded and passed on to future leaders.
Life-cycle of an Organization

1. Gather Formation Documents
2. File Articles of incorporation with State
3. File Bylaws with State (if applicable)
4. Apply for an Employer’s Identification Number
5. Do you have an Employer’s Identification Number?
   - NO
   - YES
6. Will your organization self-declare as tax-exempt?
   - NO
   - YES
   - Is your organization a Private Foundation?
   - NO
   - YES
   - Are gross receipts ≤ $50,000?
     - NO
     - YES
     - Gross receipts ≤ $200,000, and total assets < $500,000?
       - NO
       - File 990-EZ or 990
       - YES
       - File 990
6. File Form 1024, include Form 8718
7. File 990-PF
8. File 990-N
9. File 990 or 990-EZ
State Incorporation

• Not every association incorporates
  • Shifts liability from personal to corporate

• Research Secretary of State website
  • Shows all filings, corporate status and incorporation documents

• To incorporate:
  • Submit Articles of Incorporation
  • Name Statutory Agent
  • File annually or every (x) years to maintain active status
IRS Registration

• Employer Identification Number (EIN) Application
  • Unique tax identity number assigned to the association by the IRS
  • Business equivalent of a social security number
  • Easy online submission process to obtain

• DO NOT APPLY FOR A SECOND EIN!!!!
  • Often done when tax exempt status lost to “Start Over”
  • Will make matters worse with all future IRS filings and dealing with the IRS
IRS Registration (cont.)

- File IRS Form 1024 to obtain tax exempt status
  - Makes association exempt from federal taxes
  - The term “tax exempt” is used interchangeably with “non-profit”
  - Does not make association exempt from state, local and sales taxes
  - Once application reviewed and approved by the IRS, a Determination Letter is issued
IRS 501(c)(5) Organizations

501(c)(5) - Labor, Agricultural and Horticultural Organizations

• A labor organization is an association of workers who have:
  • Combined to protect and promote the interests of the members
  • Bargain collectively with their employers to secure better working conditions
  • Improve the grade of their products
  • Develop a higher degree of efficiency in their respective occupation. No net earnings of the organization can inure to the benefit of any member
IRS 501(c)(6) Organizations

501(c)(6) - Business Leagues

• A business league, in general, is:
  • An association of persons having some common business interest
  • The purpose of which is to promote the common business interest
  • Not to engage in business a for profit organization
  • Trade associations and professional associations are considered business leagues
IRS FORM 990 AND TAX EXEMPT STATUS

• IRS Form 990
  • Reports the association’s financial information
  • Is publicly available to your members and outside parties
  • It is important the information is accurate and complete

• The review process by the board:
  • Ensures transparency and accountability
  • Encourages proper stewardship of association resources
  • Ensures association is compliant with laws and regulations
Revocation of Tax Exempt Status

• Organizations that do not file for **three consecutive years** automatically lose their tax-exempt status

• Automatic revocation is effective on the original filing due date of the third annual return

• If tax-exempt status is automatically revoked:
  • Member dues revenue is now taxable revenue to the association
  • Must file IRS Form 1120 US Corporation Income Tax Return
  • Potential state and local tax implications

• The law prohibits the IRS from undoing a proper automatic revocation and does not provide for an appeal process
How to Check if Association Lost Its Tax-Exempt Status?

EO Select Check

- Exempt Organization Select Check is an online search tool on the IRS.gov page that allows organizations to search for federal tax status and filings.
Applying for Reinstatement 990-N and 990-EZ Filers Only

Streamlined retroactive reinstatement for organizations that were eligible to file 990-EZ or 990-N, and:

• Must be within 15 mos. of receiving revocation letter
• Have not previously had tax-exempt status automatically revoked
• Submit missing tax returns no later than 15 mos. after the revocation letter
Applying for Reinstatement 990 and 990-PF Filers

Retroactive reinstatement (within 15 mos. of receiving revocation letter)

• Submit missing tax returns not later than 15 mos. after the revocation letter
• Include statement explaining reasonable cause for not filing for at least one of the three consecutive years in which it failed to file
• Include statement confirming completion of all incomplete filings causing revocation
Applying for Reinstatement for All Filers After 15 Months of Revocation

• Satisfy all requirements under retroactive reinstatement before 15 mos. AND:
  • Establish reasonable cause for failure to file ALL THREE consecutive years in which it failed to file

• Post-mark date reinstatement
  • Organization chooses to reinstate tax-exempt status based on the post-mark date of their application
Reasonable Cause Statement

• Statement should include:
  • Detailed description of all the facts and circumstances about why the organization failed to file
  • How it discovered the failure
  • Steps it has taken or will take to avoid or mitigate future failures
  • Signature by an officer, director, trustee or other authorized official

Section 8: Revenue Procedure 2014-11

“I, (Name), (Title) declare, under penalties of perjury, that I am authorized to sign this request for retroactive reinstatement on behalf of [Name of Organization], and I further declare that I have examined this request for retroactive reinstatement, including the written explanation of all the facts of the claim for reasonable cause, and to the best of my knowledge and belief, this request is true, correct and complete.”
Costs for Getting Tax Exempt Status Back

• Filing fee based on revenue
  • Sliding fee based upon assets (either $400 or $850)
• Fees if professional assistance required to complete forms
• Penalties and interest for failure to file
• Bank fees for requesting bank statements for several years
• Potential damage to the association’s reputation
  • Potential for the media and public to find out
  • Loss in confidence of leadership by the members
• Significant amount of time required to complete forms and file documents
FEDERAL REGULATIONS

IRS Form 990
DOL OLMS LMRDA
Employer Tax
Federal Regulations – Form 990

- Return of Organization Exempt from Income Tax
- 990, 990-EZ, 990-N, Group 990
- 990-T (Exempt Organization Business Income Tax Return)
- Due 15\textsuperscript{th} day of the 5\textsuperscript{th} month after fiscal year-end
- 3 month extension (Form 8868)
- Public document
Federal Regulations – Form 990 (cont.)

What information is contained on the 990?

Mission

Board of Directors

Auditor Insights: Policies and Procedures Are Better Than Gold
Federal Regulations – Form 990 (cont.)

<table>
<thead>
<tr>
<th>Form 990</th>
<th>Return of Organization Exempt From Income Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong></td>
<td>For the 2018 calendar year, or tax year beginning, 2018, and ending, 2020</td>
</tr>
<tr>
<td><strong>B</strong></td>
<td>Check if applicable:</td>
</tr>
<tr>
<td></td>
<td>Address change</td>
</tr>
<tr>
<td></td>
<td>Name change</td>
</tr>
<tr>
<td></td>
<td>Initial return</td>
</tr>
<tr>
<td></td>
<td>Final return/terminated</td>
</tr>
<tr>
<td></td>
<td>Amended return</td>
</tr>
<tr>
<td></td>
<td>Application pending</td>
</tr>
<tr>
<td><strong>C</strong></td>
<td>Name of organization</td>
</tr>
<tr>
<td><strong>D</strong></td>
<td>Employer identification number</td>
</tr>
<tr>
<td><strong>E</strong></td>
<td>Telephone number</td>
</tr>
<tr>
<td><strong>F</strong></td>
<td>Name and address of principal officer</td>
</tr>
<tr>
<td><strong>G</strong></td>
<td>Gross receipts $</td>
</tr>
<tr>
<td><strong>H(a)</strong></td>
<td>Is this a group return for subsidiaries?</td>
</tr>
<tr>
<td><strong>H(b)</strong></td>
<td>Are all subsidiaries included?</td>
</tr>
<tr>
<td><strong>H(c)</strong></td>
<td>Group exemption number</td>
</tr>
</tbody>
</table>

**Part I**

Summary

| 1 | Briefly describe the organization's mission or most significant activities: |

Activities & Governance

<p>| 2 | Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets. |
| 3 | Number of voting members of the governing body (Part VI, line 1a) |
| 4 | Number of independent voting members of the governing body (Part VI, line 1b) |
| 5 | Total number of individuals employed in calendar year 2018 (Part V, line 2a) |
| 6 | Total number of volunteers (estimate if necessary) |
| 7a| Total unrelated business revenue from Part VIII, column (C), line 12 |
| 7b| Net unrelated business taxable income from Form 990-T, line 38 |</p>
<table>
<thead>
<tr>
<th></th>
<th>Prior Year</th>
<th>Current Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Contributions and grants (Part VIII, line 1h)</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Program service revenue (Part VIII, line 2g)</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Investment income (Part VIII, column (A), lines 3, 4, and 7d)</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)</td>
<td></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Grants and similar amounts paid (Part IX, column (A), lines 1–3)</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Benefits paid to or for members (Part IX, column (A), line 4)</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)</td>
<td></td>
</tr>
<tr>
<td>16a</td>
<td>Professional fundraising fees (Part IX, column (A), line 11e)</td>
<td></td>
</tr>
<tr>
<td><strong>b</strong></td>
<td>Total fundraising expenses (Part IX, column (D), line 25)</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Revenue less expenses. Subtract line 18 from line 12</td>
<td></td>
</tr>
<tr>
<td><strong>Net Assets or Fund Balances</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Total assets (Part X, line 16)</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Total liabilities (Part X, line 26)</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Net assets or fund balances. Subtract line 21 from line 20</td>
<td></td>
</tr>
</tbody>
</table>

**Beginning of Current Year** | **End of Year** |
Federal Regulations – Form 990 (cont.)

<table>
<thead>
<tr>
<th>(A) Name and Title</th>
<th>(B) Average hours per week (list any hours for related organizations below dotted line)</th>
<th>(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)</th>
<th>(D) Reportable compensation from the organization (W-2/1099-MISC)</th>
<th>(E) Reportable compensation from related organizations (W-2/1099-MISC)</th>
<th>(F) Estimated amount of other compensation from the organization and related organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Section B. Policies

(This Section B requests information about policies not required by the Internal Revenue Code.)

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>10a</td>
<td>Did the organization have local chapters, branches, or affiliates?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10b</td>
<td>If “Yes,” did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization’s exempt purposes?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11a</td>
<td>Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11b</td>
<td>Describe in Schedule O the process, if any, used by the organization to review this Form 990.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12a</td>
<td>Did the organization have a written conflict of interest policy? If “No,” go to line 13</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12b</td>
<td>Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12c</td>
<td>Did the organization regularly and consistently monitor and enforce compliance with the policy? If “Yes,” describe in Schedule O how this was done.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Did the organization have a written whistleblower policy?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Did the organization have a written document retention and destruction policy?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15a</td>
<td>Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15b</td>
<td>The organization’s CEO, Executive Director, or top management official</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15c</td>
<td>Other officers or key employees of the organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Federal Regulations – Form 990 (cont.)

Signing the 990...

“Under penalties of perjury...”
Federal Regulations – Form 990 (cont.)

Penalties for NOT filing the 990...

• Perjury
• $20/day not to exceed the lesser of $10,000 or 5% of gross receipts
• If organization has gross receipts of over $1mill:
  Penalty = $100/day not to exceed $50,000
• If 990 not filed for 3 consecutive years, tax exempt status is **REVOKED** (reinstatement takes time & money)
Federal Regulations – LMRDA Forms

• DOL – OLMS
• Labor Management Reporting & Disclosure Act of 1959
• Private Sector labor unions
• LM-2, LM-3, LM-4
• Due 90 days after fiscal year-end
• No extensions
• Public document
Federal Regulations – LMRDA Forms (cont.)

What information is contained on the LM-2?

• All Officers & Governing body members (named individually)
• Employees paid > $10,000 (named individually)
• Vendors paid $5,000 or more (named individually)
• Sources of certain receipts of $5,000 or more (named individually)
• Wages, expense reimbursements, indirect expenses
• Dues rates, fidelity bonding status, non-cash transactions, changes to constitution or bylaws
Federal Regulations – LMRDA Forms (cont.)

Penalties for NOT filing LMRDA Forms...

- Perjury
- Criminal penalties
- Civil prosecution
- A fine not to exceed $100,000
- Imprisonment for not more than 1 year
- Both: A fine & prison
Federal Regulations – Employer Tax

• Any company who employs workers
• Federal Income Tax, Social Security, Medicare, Federal Unemployment
• Compensation = salaries, wages, fringe benefits, bonuses, tips
• Forms I-9, W-4, W-3, W-2, 1099, 1096, 940, 941
Federal Regulations – Employer Tax (cont.)

- Employee vs. Independent Contractor
  - **CONTROL** – What will be done and how it will be done
  - 4 types of Statutory Employees
  - 3 types of Statutory Non-Employees
- Association is liable for Federal Income Tax, SS, and Medicare Tax for misclassifying employees as nonemployees
- If incorporated, corporate officers working in the business are Employees.
Federal Regulations – Employer Tax (cont.)

• IMPORTANT DATES
  • January 31<sup>st</sup>
    • File Form 940 & Pay (FUTA Tax) for 4<sup>th</sup> Q of previous year
    • File Form 941 & Pay (Income, SS & Medicare Tax) for 4<sup>th</sup> Q of previous year
    • Provide W-2’s and 1099’s to payees
    • File W-2’s with SSA & 1099-Misc’s with IRS
    • File Form 945 for any non-payroll federal income tax withheld
  
  • February 28<sup>th</sup>
    • File paper 1099’s and 1096’s (not 1099-Misc)
  
  • March 31<sup>st</sup>
    • File electronic 1099’s (not 1099-Misc)
  
  • April 30<sup>th</sup>, July 31<sup>st</sup>, October 31<sup>st</sup>, January 31<sup>st</sup>
    • File Form 940 & Pay (FUTA Tax) for previous quarter
    • File Form 941 & Pay (Income, SS & Medicare Tax) for previous quarter
Federal Regulations – Employer Tax (cont.)

• IMPORTANT DATES
  • April 15\textsuperscript{th}, June 15\textsuperscript{th}, September 15\textsuperscript{th}, December 15\textsuperscript{th}
    • UBIT (unrelated business income tax) estimated tax payment due dates
    • Applies only if estimated taxes are more than $500 for the year
Federal Regulations – Employer Tax (cont.)

- **Reporting**
  - Association Budget
  - Association Financial Statements
  - Association Tax Return
  - Association LMRDA Form
Activity –
Fun with Legos!
RECORDKEEPING

Types of Records
Record Retention
Recordkeeping—Types of Records

- Financial statement line items
  - Assets
    - Cash
    - Investments
    - Fixed Assets
    - Receivables
    - Prepaids
    - Deposits
Recordkeeping—Types of Records (cont.)

• Financial statement line items
  • Liabilities
    • Accounts Payable
    • Accrued expenses
    • Deferred revenue
    • Long and short-term debt
    • Accrued sick/vacation leave
    • Accrued postretirement benefit obligation
    • Accrued pension cost
Recordkeeping—Types of Records (cont.)

- Financial statement line items
  - Revenue
    - Membership Dues
    - NEA Grants & Reimbursements
    - Investment income
  - Expenses
    - Program services
    - Depreciation
    - Admin expenses
Recordkeeping—Types of Records (cont.)

• Accounting Summary / Accounting System
  • Transaction level detail is recorded
    • Type of transaction
    • Date
    • Source of income
    • Vendor/payee
    • Amount
    • Description
• Examples of accounting system software
  • QuickBooks
  • Sage
  • Great Plains
  • PeopleSoft
Recordkeeping—Types of Records (cont.)

**ASSETS**

- **Cash**
  - Bank statements
  - Bank reconciliations (outstanding checks, deposits-in-transit)
  - Authorized signor records

- **Investments**
  - Investment Policy Statement
  - Investment statements
  - Investment reconciliations
  - K-1s for applicable investments
  - Quarterly and annual investment advisor/consultants reports
Recordkeeping—Types of Records (cont.)

**ASSETS**

- Fixed Assets
  - Detailed list of all assets
    - By category
    - Date acquired
    - Cost
    - Accumulated depreciation
    - Net book value
  - Purchase/sales/improvement documents
    - Settlement sheets
    - Signed contracts
    - Paid invoices & receipts
  - Ongoing valuation docs
    - Appraisals
    - Property tax statements
    - Kelly blue book
Recordkeeping— Types of Records (cont.)

LIABILITIES

• Accounts payable/Accrued expenses
  • Paid invoices
  • Unpaid invoices
  • Documentation of time period expense incurred

• Long/short-term debt
  • Signed loan documents
  • Loan account statements
  • Amortization schedule (principal, interest, period of loan, interest rate)

• Accrued sick/vacation leave
  • Time & attendance records
  • Compensation records
  • Applicable collective bargaining agreements
Recordkeeping—Types of Records (cont.)

EXPENSES *(always document business purpose)*

• Program services
  • Invoices
  • Signed contracts
  • Purchase orders
  • Budget vs. Actual reports
  • Attendance/registration records

• Depreciation
  • Purchase documents (date, cost, type of asset, method of depreciation, period of depreciation)
  • Invoices/receipts
  • Documentation of recurring depreciation
Recordkeeping—Types of Records (cont.)

**EXPENSES** *(always document business purpose)*

- Administrative expenses
  - Signed service provider contracts
  - Invoices/receipts
  - Proof of payment (cancelled check, credit card statement)
  - Detailed payroll records (gross wages, reimbursements, healthcare, taxes, deductions, I-9, W-4)
Recordkeeping–Record Retention

• Permanent Records – Kept forever
  • Application for recognition of tax-exempt status, the determination letter recognizing tax-exempt status, and organizing documents, such as articles of incorporation and by-laws, with amendments, as well as board minutes.


• Employment Tax Records
  • Must keep for at least four years after the date the tax becomes due or is paid, whichever is later.

Recordkeeping—Record Retention

• Records for federal tax purposes
  • Generally, must keep records that support an item of income or deduction on a return until the statute of limitations for that return runs. Generally, statute of limitations runs **three years after the date the return is due or filed**, whichever is later. An organization **may be required to retain records longer** for other legal purposes, including state or local tax purposes.

• Records for non-tax purposes
  • Should keep them until they are no longer needed for non-tax purposes. For example, a grantor, insurance company, creditor, or state agency may require that records be kept longer than the IRS requires.
Where can I go for more information?
Resources

• IRS Compliance Guide for Tax Exempt Organizations (Other than 501(c)(3) Public Charities and Private Foundations)

• Federal Filing Requirements

• IRS (Circular E) Employer’s Tax Guide

• State Filing Requirements
  • http://www.hurwitassociates.com/states-reporting-requirements
Session Outcomes

The content from this session can be used in the following ways in your current position/role:

- Understand certain business requirements of the organization
- Ensure compliance with IRS regulations
- Maintain accountability for members
- Provide data to State/National regarding financial health of the Local/State organization
Closing

• Please complete the evaluation for this breakout session by using the NEA Summit Mobile App! (Allow at least 5 minutes at the end of the session.)

• Please visit the Leadership Development Resources website at www.nea.org/leadershipdevelopment