Solutions for Charter Group
Money Management

Rutgers University Alumni Association Finance Committee
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Goal

Provide guidelines for Charter Groups
To manage their finances

Current Methods
Finances are currently self-managed
by the President or Treasurer of the group
Proposed Solution #1

- Chartered organizations can open a bank account*
  - Most banks will require an EIN (Employer Identification Number) number
  - EIN number obtained via online form at IRS.gov, social security number required
  - Rutgers Tax ID number not needed to obtain EIN
  - Requires an easy 990N postcard tax return (if less than $5000 in annual profits)

*We encourage organization leaders to research the best financial institution for their needs.
Proposed Solution #2

• Chartered organizations can utilize the Rutgers Foundation accounting office to manage funds for them
  • Rutgers Tax ID number, social security number or EIN not needed
  • A portion of event charges through iModules can be a tax deductible donation
• Petty cash and credit card deposits available
• Best suited for start-up groups
• Advanced planning necessary
Proposed Solution #3

• Chartered organizations can continue to operate by whatever methods they have been utilizing
  • Existing accounts set up with the Federation’s Tax ID number will not be valid once that Tax ID has been terminated
  • Best suited for legacy charter groups
Next steps…

• Solutions reviewed with Alumni Leaders Committee August 10, 2010

• After shared with the RUAA board, these guidelines will be communicated in detail on the Rutgers University Alumni Association website under the *Resources for Alumni Leaders* section as well as in the Alumni Leaders Manual
End result…

A variety of viable, researched methods that Charter Groups can utilize to be successful in managing their finances and thereby running successful groups.