



# DREAM

The Village Mentoring Organization

Treasurer Training  
dreamprogram.org

 The DREAM Program

 @DREAMprogram

## Accounting in DREAM

The Central Office and all of the Local Programs make up an organization which is a 501(c)(3) non-profit recognized as a tax exempt organization by the IRS. To receive the benefits of that status, we must spend the money we receive in a charitable way. That means we need to be able to demonstrate to the IRS where our money has gone using complex accounting procedures such as keeping receipts.

The Central Office is taking the lead on reporting to the IRS everything that we do with our money. We therefore need to make sure that Local Programs keep accurate records, and the Central Office needs to collect those records (in the form of receipts) from the Local Program on a regular basis. The Central Office also provides a bank account for all of the Local Programs: so any money collected has to be accounted for and delivered securely to the Central Office to be accounted for and deposited.

## Local Program Spending - “Responsible Citizenship”

The Central Office will never tell the Local Program that it is not allowed to spend its money in a certain way. It is the responsibility of the Local Program to raise its own money and decide how that money is spent. The Local Program decides what mentors get reimbursed for, and what expenses come out of their own pocket.

There are a few minor exceptions to this rule:

- 1.) DREAM's money can never be spent on something illegal. DREAM money may never be used to purchase alcohol.
- 2.) Mentors should never be compensated for work that they do as a mentor in DREAM. This is the important distinction between volunteer work and paid work.
- 3.) Before you spend the Local Program's money, consider where that money came from, and what it was intended for when it was given to you. For example, while celebrating mentors and using DREAM money for that purpose is fine, buying all the mentors filet mignon and caviar—probably not how the people who paid money for the fundraiser meant for their money to be spent. DREAM's money is for the kids and for the program. Keep this in consideration when deciding how to use funds.

## DREAM Office Financial Support

Each local program receives funds from the DREAM Central Office to use for general operation of the program. The local programs receive \$25 per mentor/mentee match each semester. This money provides a solid base to operate a successful mentoring program. Other funds are available through the Central office in the form of alumni grants.

## Local Program Funds Roll Over

To encourage Local Programs to use the funds provided to them and to prevent cash flow issues, DREAM has an account roll over policy. This roll over policy does not impact funds raised by the program itself through fundraising activities. At the beginning of each academic year (September), Local Program accounts will automatically be set to zero. Unused funds provided to program from the Central Office the previous academic year will not be rolled over to the new academic year.

- Funds raised by the program through fundraising activities and from directed individual or organization gifts are not subject to this roll over policy
- Programs can request a waiver to roll over funds from one academic year to the next if there is sufficient reason to do so. It is the responsibility of the program to request a waiver from the Central Office and to detail why the waiver is appropriate.
- Funds that are rolled-over must be spent during the first semester or term of the new academic year and cannot be rolled over to the second term or semester

Sufficient reason will include the following

- Planned savings of funds to support a big trip, large culminating event or other program or community event in the next academic year
- Need for additional funds early in the academic year to support an expected large growth in the program

The following will not be considered sufficient reason for a waiver

- Not using funds during the academic year
- Planned future High Adventure

## General Accounting Info

### Google Account

All programs have a Google account. A shared spreadsheet located within this account is where all records of spending should be logged. Access to each account is granted to the Program Treasurer, the Program Co-Chairs, DREAM's Executive Director and the Program Empowerment Director (PED) assigned to each Local Program. *The Google spreadsheet is set up to add and subtract all of your income and expenses as you enter them, so you will always know your balance and you will always know when more fundraising is needed.*

### Your Google Account Info →

Login:

Password:

## **DREAM PEX Card**

All programs also receive a DREAM PEX card. The PEX card will be issued to the treasurer at the beginning of each semester and collected at the end of each semester. The Central Office will preload this card with funds for the program. A program will always know how much money they have in their account by keeping up with their Google account.

## **Checks**

If a check is needed to pay for something one can be written by the Central Office and delivered to the treasurer. Please ask for these as soon as possible as they may take up to a week or two to process.

## **Deposits**

Deposits will be made by the Central Office to the primary bank account. Money should be counted by two individuals and given to the office by hand. *Deposits should be made in a timely manner – holding on to money that needs to be deposited (whether it's a check or cash) is not as safe as keeping it in the bank.* Money that is fundraised needs to be deposited *directly into the account* and *not* used as petty cash.

## **How to Account for your Money**

All of your income and all of your expenses must be accounted for in order for DREAM to keep its books correctly. This starts with accurate and timely reporting. Use these guidelines in order to log everything correctly.

### **Income**

- log all of your income on your Google account promptly and in the appropriate place
  - o locate the semester you received the money
  - o log the dollar amount in the first column
  - o log a description of where the money came from or what it was for in the next column
- income includes:
  - o money from fundraisers
  - o money received from grants
  - o money received through general donations
  - o money from selling t-shirts
  - o money received from the DREAM Central office for mentor-mentee matches

### **Expenses**

- log all of your expenses on your Google account promptly and in the appropriate place
  - o locate the semester you received the money
  - o log the dollar amount in the first column
  - o log a description of what the money was spent on in the next column
- expenses include:
  - o money spent on DREAM Friday's
    - DREAM PEX card purchases
    - mentor purchases for reimbursement
  - o money spent on transportation or to reimburse mentors for driving

- t-shirt transfers from DREAM
- other expenses as decided on by the program

## The Next Step

All receipts from purchases should be saved and turned into your PED. Your PED is your link to the office. The PED will be in constant contact with treasurers and with the Executive Director to make sure that all Local Program budgets are balancing. To do this, follow these steps:

1. save all receipts – always ask for a receipt
  - a. DREAM credit card receipts
  - b. cash receipts
  - c. receipts made with DREAMer’s personal credit or debit cards
2. fill out a “Receipt Info Form” and be sure to include all information
  - a. program name
  - b. DREAMer name
  - c. mark the box for reimbursement, deposit or PEX card
  - d. date
  - e. amount
  - f. notes on the purchase
3. staple the receipt to the “Receipt Info Form”
4. turn in the receipt to your PED

PED will be collecting receipts at least once a month. Arrange a date with the PED for collection and please communicate with your program the importance of turning receipts into the Central office. Arrange a number of dates and times to collect receipts from DREAMers in your program.

## Other Items

### T-Shirts and other gear

DREAM T-Shirts (other than yellow shirts) can be purchased from the office and sold as fundraisers or to mentors. Once the t-shirts are sold to a program, it is the program’s responsibility to keep track of the shirts. A log to track shirt inventory and sales is available from your PED.

Gear	Cost	Suggested Sale Price
t-shirt	\$7	\$12-\$15
hoodie	\$20	\$25
sticker	Free	\$1