

BETMAR OWNERS, INC.
A 55+ Older Community
Operating Policy and Procedure
123

Club/Activities Financial Policy and Procedures

Effective Date: 1-11-2021

Last Revision: 11-16-23

Version 123.1

SCOPE: Clearly defines what is expected of all parties involved in the handling of funds and accounting for the financial affairs of Betmar Owners, Inc. IRS rules and regulations, Florida Statute 617, Articles of Incorporation, bylaws and Betmar Owners, Inc. Finance Policy 138 and the Florida State Sales Tax and Chapter 849 of Florida Statutes, gambling laws, shall guide the development of the policy and procedural steps. It applies to the Betmar Owners, Inc. Treasurer, Betmar Finance Councilor and Club Treasurers and other parties as outlined in each section.

PURPOSE: The purpose of this policy is to set guidelines/steps for:

1. Club/Group Activities Bank Accounts
2. Monthly Financial Reports
3. Sales Tax
4. Member and Guest Fees Reporting Requirements
5. Charitable Contributions
6. Payments to Entertainers
7. Petty Cash
8. Transfer of Funds between Clubs
9. Selling of Event Tickets
10. Handling Cash
11. Prohibited/Allowed Activities
12. Budgeting
13. Club Financial Records
14. Purchasing
15. Club Funds and Owners Reserve Fund
16. Donations to Betmar Owners, Inc.

POLICY:

1. Betmar Owners, Inc. is a social club with 501c Tax-exempt status; therefore, it may generate income and not pay income tax.
2. The Finance Councilor will maintain a current financial workbook for club treasurers to use when in orientation, during annual club treasurer meetings and as a step-by-step guide for completion of tasks. The workbook shall reflect this policy processes.

DEFINITIONS:

1. **Clubs** are organized with officers, support a membership, and are classified as “tax-exempt”.
 - a. Have bylaws reviewed by the Bylaws committee and approved by Betmar Owners Inc. Board of Directors.
 - b. Conduct monthly business meetings
 - c. Maintain meeting minutes
 - d. Report monthly income and expenses
2. **Group Activities** do not have an executive board, membership, or monthly business meetings.
 - a. If using the Betmar name and handling money, a checkbook will be issued with the Betmar address and Betmar Tax ID.
 - b. If given a checking account, monthly reporting of income and expenses is required
 - c. Most rely on small donations to facilitate operations.
 - d. In lieu of a checking account, funds may be placed in a designated account held by Betmar Owners Inc. and reimbursement accomplished via receipts.

PROCEDURE:

1. CLUB and GROUP ACTIVITY BANK ACCOUNTS
 - a. Bank accounts will be at Board designated FDIC insured Banks.
 - b. The Treasurer will assure amounts do not exceed the FDIC \$250,000.00 limit. If so, funds will be transferred to a Board approved financial institution in accordance with Betmar Owners, Inc Finance Policy 138 procedures.
 - c. The Betmar Owners’ Federal Tax ID number and address will be on all accounts. The address cannot be changed.
 - d. The office manager will print bank statements at the beginning of each month and place in club mail trays.
 - e. The Finance Councilor will also receive a copy of all bank statements.

- f. All club/group activity checkbooks must remain on Betmar premises or if gone for the season, stored in the office vault.
- g. To make changes to designated persons authorized to write/sign checks or withdraw club monies, the bank must receive a copy of club meeting minutes listing new or removed authorizations.

2. MONTHLY FINANCIAL REPORTS

- a. Club and group activities treasurers issued check books will submit financial worksheets to the Finance Councilor by the 8th of each month.
- b. The club/activity treasurers will:
 - Reconcile checking accounts every month.
 - Record expense information (Receipts for reimbursement of members are required and shall be attached to the worksheet)
 - Record income with enough detail to identify source.
 - Interest income must be reported even if no other income.
 - Report at monthly club meetings and submit a report for their minutes.
 - If the club does not meet or is inactive, no report is required.
 - If the club is actively meeting; but no financial transactions occurred, record a zero (0)
 - Keep a copy of the report along with bank statements.

3. SALES TAX

- a. Categorized as athletic clubs, Swim, Golf, Pickleball/Tennis and Shuffle are required to pay Florida sales tax.
- b. Sales tax must be paid on income from golf membership, guest fees, golf pro shop, “What Not Barn “sales and golf cart fees.
- c. The Owner’s Treasurer will provide these four club treasurers a sales tax worksheet to record total income.
- d. The club treasurers will write and submit, by the 10th of the month, a check payable to Betmar Owners, Inc. for the amount of the sales tax.
- e. The Betmar Owners, Inc. Treasurer pays the total Florida sales tax by the 15th of each month.

4. MEMBER AND GUEST FEES

- a. Betmar Owners, Inc. is a private club for members only and their guests as approved in the bylaws.
- b. Reasonable guest fees may be charged; but cannot exceed what a member pays.

- c. Member paid guest fees are not taxable whereas guest paid guest fees are taxable. Thus, members will pay the guest fees.
- d. ALL CLUBS WHO ALLOW GUESTS MUST COMPLETE A MEMBER GUEST FORM WITH MEMBER'S NAME, GUEST'S NAME AND THE DATE.
- e. All member guest forms will be submitted to the Finance Councilor and kept for three (3) years per IRS requirements.

5. CHARITY

- a. Tax-exempt status allows clubs to raise tax free funds to support their club and to donate to Betmar Owner's, Inc. to offset its expenses.
- b. No club or activity shall conduct charity events on Betmar Property or "tie" an event to a charity.
- c. All funds donated to charity will be processed through Betmar Owners, Inc. Treasurer or his/her designee.

6. PAYMENTS TO ENTERTAINERS/INSTRUCTORS

- a. Persons who receive \$600.00 or more in a calendar year must be given a 1099 form not later than Jan 31st.
- b. Entertainers must complete a W9, available in the office, prior to any performance. (Only one per year required).
- c. Clubs will not engage anyone who refuses to complete a W9
- d. Payments will be recorded as an expense in club reports.
- e. By Jan 15th, the club treasurers and Owners Treasurer will develop a list of 1099 recipients. The list will be forwarded to our CPA who in turn mails the 1099s to the individuals based upon information on their W9.
- f. NO cash payments to any entertainer/instructor are allowed. An invoice and check support the expense taken on the corporate tax return.

7. PETTY CASH

- a. Clubs may have a petty cash fund as long as the funding and expenses paid show on the club's monthly financial report.
- b. \$200.00 is the recommended limit.
- c. "Slush" funds (unrecorded funds collected and not recorded on monthly financial records) are not allowed.

8. TRANSFER OF FUNDS BETWEEN CLUBS

- a. The transfer of funds to financially support another club is not allowed.
- b. Purchasing items from another club or group activity is allowed.
- c. Payment of services is not allowed. (Ex: Purchasing of material for an apron is allowed; but paying to have aprons made is not)

9. SELLING TICKETS TO EVENTS

- a. *When turning money into the club treasurer, the person selling tickets must reconcile tickets sold with money received.*
- b. Event tickets created and sold will not exceed posted building occupancy limits.
- c. Members selling tickets will use a tracking form to record number of tickets sold and file in club treasurer records.
- d. The club treasurer will record on the income worksheet the date, name, and income for each event.

10. HANDLING CASH

- a. Two-person integrity shall be exercised whenever possible such as:
 - (i) Coffee hour sales
 - (ii) Sales at the door for large events. .
- b. Two people will:
 - (i) Count the money together
 - (ii) Put the money in an envelope with the club's name on it, seal and both initial prior to deposit.
- c. During transfer of money, two people should attend each other for safety.
- d. The envelope will be given to the club Treasurer or deposited in the office mail slot.
- e. Large sums of money should not be taken home (exception is petty cash limited to no more than \$200.00)

11. PROHIBITED /ALLOWED ACTIVITIES

- a. Prohibited:
 - i. Alcohol will not be sold at any event.
 - ii. No Betmar resident owner or renter shall receive monetary compensation as a result of action undertaken on behalf of any Betmar Owners Sub-organization.
 - iii. Raffle tickets or drawings must state "Donation" on the ticket.

- iv. No Resident may receive any part of the net earnings from club fund-raising projects.
- b. Allowed:
 - i. In accordance with Florida Statute 849.085, “penny-ante” games are allowed. “Penny-ante” includes poker.
 - ii. In accordance with Florida Statute 849.0935 drawings 50/50 drawings are allowed.
 - iii. Gifts, either cash or material, to honor or show appreciation.
 - iv. Tickets may be called tickets with a price; but, as above raffle tickets must say Donation.
 - v. Tip jars without coercion permitted.

12. BUDGETING

- a. Each club will submit a budget on a form provided by the Treasurer.
- b. Club treasurers, to the best of their ability, formulate a budget based on prior years, budgets, approved club projects, completed worksheets, bank statements, projected income and expenses and donations.
- c. Once completed
 - i. Submit to club members for approval.
 - ii. Submit to the Finance chair by Jan 26th
- d. The Finance chair will submit all club forms to the Treasurer.
- e. The Treasurer will:
 - i. Create an overall Owners’ budget including all club and group activities.
 - ii. Submit the budget to Betmar Owners, Inc. Board of Directors for approval in February.
 - iii. Present to the membership for approval in March at the General Assembly.

13. CLUB FINANCIAL RECORDS

- a. Club Treasurers must keep copies of monthly financial reports.
- b. Club record retention is seven (7) years and no more.
- c. The Treasurer will conduct an annual review and post on the corporate bulletin board and website.
- d. The Finance Chair and corporate Treasurer both review Club finances every month.
- e. To view club records and receipts, contact the Finance Chair.

14. ITEM PURCHASING

- a. A club may pay for purchases with a check from the club’s checking account or reimburse a member if a valid receipt is presented.
- b. The club must approve reimbursement for non-budgeted items.
- c. Betmar Owners, Inc. or Betmar Acres Club, Inc. must approve any non-budgeted expense exceeding \$2500.00
- d. Annual and Purchase Inventory record keeping will be done in accordance with Betmar Owners, Inc. and Betmar Acres Club, Inc. Asset Acquisition and Disposition Policy 139.

15. CLUB FUNDS and OWNERS RESERVE FUNDS

- a. A club’s checking account should not exceed the FDIC insured amount of \$250,000.00.
- b. Clubs may invest money in accordance with Betmar Owners, Inc. financial policy 138.

16. DONATIONS to BETMAR OWNERS, INC

- a. Betmar sub-organization donations to Betmar Owners help offset facility operating costs. .
- b. Clubs or group activities will include donations as part of their budget planning.
- c. When the club votes and approves their annual budget, the donation amount will be included and reflect an amount to cover club usage.
- d. The club treasurer will write a donation check payable to Betmar Owners, Inc. and forward to the Betmar Owners, Inc. Treasurer.
- e. The check will be deposited, and Quick book entries made to reflect the amount and name of club making the donation.

VERSION	APPROVED BY	REVISION DATE	DESCRIPTION OF CHANGE	AUTHOR
123	Owners Board of Directors	1-11-2021	original	Finance committee
123.1	Owners Board of Directors	11-16-23	Replaces 123 dated 1-11-21	P & P committee

123.1 Approved

Policy and Procedure Chairperson: _____ Date: _____

President Betmar Owners Inc. _____ Date: _____

Three (3) Year Policy and Procedure Committee Review Date: 2026

Signed: _____

Three (3) Year Policy and Procedure Committee Review Date: 2029

Signed: _____

APPROVED