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INFORMATION REQUIRED TO FILE 2017 IRS FORM 990/990-EZ

The following categories of information are required. Each category is
addressed below in detail.

1. Prior year tax returns (for new clients only)
2. Names and titles of all corporate officers **and** board members as of 12/31/2017 and their average hours worked **per week**.
3. A breakdown of any fundraising activities during 2017 showing the total amount of money raised, the costs of the fundraising and the net total of funds received.
4. A list of charitable contributions made during 2017 including the amount, the relationship of the donee, the identity of the donee, and the complete address of the donee.
5. Answers to questions which are set forth on Forms 990/990-EZ.
6. A completed Cash Flow Statement showing expenses paid as of 12/31/2017
7. A completed balance sheet showing balance sheet values as of 1/1/2017 and 12/31/2017.
8. The attached reconciliation sheet balanced out.

Note that certain responses may trigger further questions because they will require more detailed responses to the Form 990/990EZ questions.

Please do not send any additional checking account, or other statements. Do not send any transaction records. Just send the documents described in this letter. If more detail is needed we will notify you.

Thanks,

Tim Kelly

1. ~~Prior year tax returns for new clients ONLY.~~

~~Please send a complete copy of the federal Form 990/990-EZ and the California Form 199 for 2015.~~

2. Please send a list of all officers and directors of the organization as of 12/31/2017, along with an approximate numbers of hours each week that each officer or director devotes to the organization.

3. A breakdown of any fundraising activities during 2017 showing the type, total amount of money raised, the costs of the fundraising and the net total of funds received.

Example of Telephone/Mail Fundraising Activity

Total amount collected through all fundraising activity \$_____

Total fees and costs charged by professional fundraiser \$_____

Net amount received by organization \$_____

Indicate whether fundraiser had custody or control of contributions, YES or NO.

Example of Fundraising Event (concert, charity golf/basketball game)

Note: This is from Form, Schedule G, and all of these fields, where applicable, are required.

Total amount collected through all fundraising activity \$_____

Portion representing straight contributions
(as opposed to buying tickets for example) \$_____

Total fees and costs charged by professional fundraiser \$_____

Amount of Cash Prizes \$_____

Amount of Non-Cash Prizes \$_____

Rent/Facility Costs \$_____

Food & Beverages \$_____

Entertainment \$_____

Other Direct Expenses \$_____

Indicate whether fundraiser had custody or control of contributions, YES or NO

4. Charitable Contributions Made in 2017 –We need ALL of this information!

- a. Name of donee
- b. Address of Donee
- c. FEIN (only if the donation to the entity is over \$5000)
- d. Relationship to the DSA/POA
- e. Type of entity (individual, public school, public charity, government organization, labor union, etc)
- f. Amount of donations in total during 2016.

5. Questions for IRC § 501(c)(5) Organizations

- a. How many employees does the organization have? _____
This does not mean members but paid employees who work for you.
- b. How many volunteers (estimate) does the organization have? _____
- c. Did the organization undertake any significant program services during the year that were not listed on the prior Form 990/990Z? YES NO
- d. Did the organization cease conducting, or make significant changes in how it conducts, any programs? YES NO
- e. Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? YES NO
- f. Did the organization make only in-house lobbying expenditures of \$2000 or less? YES NO
- g. What is the total amount of dues and assessments collected from members? YES NO
- h. What is the total of nondeductible lobbying and political expenditures? \$_____
- i. Were notices issued to members under IRC § 6033(e)(1)(A) to advise them of the amount of their dues that were non-deductible? YES NO
- j. If YES, then what was the aggregate value of the amount reported? \$_____
- k. Did the organization obtain an independent financial review? YES NO
- l. Did the organization conduct any business with, or loan money or make a grant to a current or former director or officer? YES NO
- m. Did the organization (or its agent) solicit any contributions from the public? YES NO
- n. Did the organization (or its agent) include an express statement that the contributions are not tax deductible? YES NO

- o. Does the organization operate a PAC with a segregated fund? YES NO
- p. Does the organization have a written whistleblower policy? YES NO
- q. Does the organization have a written document retention and destruction policy? YES NO
- r. Does the organization have a written conflict of interest policy? YES NO
- s. Did the organization hire any independent contractors? YES NO

6. Attach a Cash Flow Statement

EXAMPLE (YOUR ORGANIZATION MAY HAVE DIFFERENT CATEGORIES)

CAUTION – AVOID LARGE ENTRIES FOR “MISCELLANEOUS” AS THIS IS A FAVORITE IRS TARGET!

| | |
|----------------------------------|----------|
| <u>Income</u> ¹ | |
| Member dues | \$ _____ |
| Interest on savings | \$ _____ |
| Investment income | \$ _____ |
| Fundraising revenue ² | \$ _____ |
| | |
| Total Income ³ | \$ _____ |
| <u>Expenses</u> ⁴ | |
| Bookkeeping | \$ _____ |
| BCN | \$ _____ |
| Contributions | \$ _____ |
| Disability Insurance | \$ _____ |
| LDF Dues | \$ _____ |
| Legal Fees | \$ _____ |
| Member recreation | \$ _____ |
| PORAC Dues | \$ _____ |
| Retirement expenses | \$ _____ |
| State tax fees | \$ _____ |
| Telephone expense | \$ _____ |
| Training for members | \$ _____ |
| Travel and entertainment | \$ _____ |
| | |
| Total Expenses ⁵ | \$ _____ |

**THIS IS AN
EXAMPLE OF
WHAT A
CASH FLOW
STATEMENT
LOOKS LIKE**

CREATE AND USE CATEGORIES APPROPRIATE FOR YOU

¹ This section must include income across all accounts, including checking, savings and investment accounts but do not include transfers between accounts.

² Fundraising means the total raised, not the amount actually received if a professional fundraiser was used

³ This amount should be entered on the reconciliation sheet, line A

⁴ This section includes expenses across all accounts

⁵ This amount should be entered on the reconciliation sheet, line B

7. Attach a Balance Sheet

THIS IS AN EXAMPLE ONLY - PREPARE YOUR BALANCE SHEET ON A SEPARATE PAGE

| <u>Assets as of</u> | <u>JAN 1ST</u> | <u>DEC 31ST</u> |
|-------------------------|---------------------------|-----------------------|
| Checking | \$ _____ ⁶ | \$ _____ |
| Savings | \$ _____ | \$ _____ |
| CDs | \$ _____ | \$ _____ |
| Securities ⁷ | \$ _____ | \$ _____ |
| Total Assets | \$ _____ | \$ _____ |
| <u>Liabilities</u> | | |
| Unrestricted Net Assets | \$ _____ | \$ _____ ⁸ |
| Total Liabilities | \$ _____ | \$ _____ |

LIABILITIES MUST EQUAL ASSETS



IMPORTANT: THE OPENING
BALANCES FOR 2017 MUST
MATCH THE CLOSING
BALANCES FOR 2016 AS
REPORTED ON THE 2016 TAX
RETURN - IF YOU ARE UNSURE
THEN CONTACT OUR OFFICE

⁶ This number must match line D on the reconciliation sheet

⁷ This includes stocks, bonds or mutual funds held in an investment account.

⁸ This number must equal line E on the reconciliation sheet

8. RECONCILIATION

A. ENTER THE TOTAL AMOUNT OF INCOME FROM ALL ACCOUNTS FROM THE CASH FLOW STATEMENT \$ _____

B. ENTER THE TOTAL AMOUNT OF EXPENSES FROM THE 2016 CASH FLOW STATEMENT \$ _____

C. INCOME LESS EXPENSES (A-B) \$ _____

D. ENTER THE TOTAL BALANCE OF ALL ACCOUNTS AT THE BEGINNING OF THE YEAR (01/01/2017) WHICH MUST ALSO EQUAL THE END OF 2015 (12/31/16) \$ _____

E. TOTAL BALANCES OF ALL ACCOUNTS AT THE END OF THE YEAR. COMBINE LINES C & D. \$ _____

LINE "E" MUST EQUAL THE NETASSETS AS SET FORTH ON THE BALANCE SHEET (AS OF 12/31/2017)

IF THEY DO NOT MATCH THERE IS AN IMBALANCE IN THE BOOKS.

In other words, when you take the amount of opening balances, add in revenue, subtract expenses as listed in the cash flow statement, the result should equal the closing balance of the balance sheet.