1.1 Finance

1.1.1 The Job

The class is financially responsible for most costs related to its reunion. The job of the Finance Chair is to prepare a budget, and collect, manage, disburse and track all reunion money. The main functions are:

1. Determine if your class has an existing reunion account and/or any available funds from past reunions.

2. Work with members of the reunion committee to prepare a budget. The Office of Alumni Affairs has several tools to help you create your budget, including financial data from previous reunions. It is also a good idea to review past financial reports, and talk with reunion planners from previous classes to help estimate expenses and revenues.

3. Establish a cash flow and payments calendar. Many classes build reserves by soliciting classmates for early payment of fees and investing in interest bearing accounts.

4. Consider additional sources of income:

   - Classes sometimes seek contributions from carefully selected members well ahead of Reunions to underwrite financial assistance for classmates who might not otherwise be able to attend. If you consider this, be sure to coordinate with your Class President and Annual Giving Class Agent. **Note that reunion contributions are NOT tax deductible. This must be clearly communicated to all donors.**

   - Some classes provide a mechanism for all classmates to contribute to a reunion fund for a very special reunion, such as the 25th or 50th. **Again, note that reunion contributions are NOT tax deductible. This must be clearly communicated to all donors.**

   - Consider income from souvenir sales: t-shirts, caps, glassware, etc., some of which may be left over from prior reunions and are therefore already paid for.

   - Other types of fundraising must be screened carefully in regard to New Jersey gaming statutes and the IRS non-profit regulations. Check with the Office of Alumni Affairs on any and all fundraising ideas. **Note that fundraising not related directly to Reunions is NOT PERMITTED at Reunions.**

5. Collect, manage, disburse and track all reunion money.

6. Complete the Reunions Financial Report after Reunions and submit it to the University for tax purposes by August 15th. **The University will prepare the necessary tax forms but must have your information by August 15th.** The Office of Alumni Affairs can help answer your questions and provide you with previous financial report forms.
1.1.2 Related Information

Class Treasurer. Your class treasurer may be able to provide you with financial advice, tax exempt information and certificates, and even a temporary loan from the class fund. Note that all loans from the class MUST be repaid by the end of the fiscal year (June 30).

Please note that while the reunion may, and often does, donate money to the class, the class, which is tax exempt, may not donate money to the reunion, which is not tax exempt.

Setting your break-even point. Reunions are intended to be a break-even venture. According to the IRS, losses are not permitted to be absorbed by class funds, so you need to be careful. Have the various reunion committee chairs submit a tentative budget to you at least a year before Reunions so that you can determine a fee schedule to be announced in your first mailing (the summer or early fall before the reunion). You need to project a conservative break-even attendance figure for your budget. This figure should be broken down into full-fee payers, estimated fees from spouses, children and other guests, less the projected discount from any early registration offer, Saturday-only fees, and classmate assistance. Estimate your costs for the highest possible attendance, and your income from the lowest. A contingency expense category is a prudent idea as well. A deficit can be covered with funds carried over from prior Reunions. If your Reunion runs at a surplus, consider keeping the balance in the Reunions account as a cushion for future reunions. Surplus reunion funds moved to a class account may not be used for future reunions. However, class funds may be used to fund endeavors benefitting all classmates, such as the publication of a yearbook that is sent to every class member.

Previous Financial Reports. The Office of Alumni Affairs has copies of budgets from previous financial reports from major reunions, as well as extensive attendance information and a budgeting tool. It is very useful to review the past few reports of a similar major reunion to get an estimate of possible expenses.

NJ Sales Tax Exemptions. Each class has federal 501(c) (3) tax-exempt status. Most have applied for sales tax exemption in the State of New Jersey. Copies of your class certificates are available from the Office of Alumni Affairs. Check early whether your class has a sales tax exemption certificate on file as it takes 6-8 weeks to process.

Student Crew finances. You should plan to budget for student t-shirts and meals, headquarters golf cart rentals, and base pay and bonuses. The pay scale for the Student Crew is set by the University and can be found in the Student Crew Payroll Guidelines document, which is available on the Reunions Volunteers web site. More detailed information can be found in the Student Crew section of this handbook.

Financial assistance to classmates. Classes have discretion as to what kind of financial assistance they would like to offer classmates and how it is financed (because of legal considerations, we recommend you avoid the term “scholarship”). Some classes have a special fund or class benefactor(s) for this, while others allow some surplus in the reunion budget to cover it.
Credit card acceptance and merchant services. Using PayPal or similar credit card payment processing services for advanced payments and on-site registration is becoming standard practice. Because technology is constantly changing, it is a good idea to consult with recent majors and coordinate with the Registration and Technology Chairs on this issue. We encourage all classes to review Payment Card Industry Data Security Standard (PCI-DSS) requirements and process credit and debit card transactions in accordance with these rules, established by the payment card industry (PCI).