



A primary mission of the Pennsylvania Parks and Forest Foundations is to assist with the creation of citizen support groups (friends groups). These groups provide a means for the supporters and users of Pennsylvania's state parks and forests to contribute to the conservation and upkeep of our publicly-owned land.

Becoming a chapter of the Pennsylvania Parks and Forests Foundation allows friends groups to solicit donations to be used exclusively for their park or forest without the burden of acquiring tax exempt status, conducting audits, or filing taxes. All the energy of the group can be focused on support of their park or forest. To become a "PPFF Friends Group", a memorandum of understanding and other paperwork must be completed and approved by the PPFF Chair and Secretary. The complete information is available from the PPFF President, Marci Mowery at mmowery-ppff@pa.net.

Participation as a friends group also requires that the following procedures governing financial matters be followed.

So that you and the Foundation can comply with auditing, tax and other legal requirements, it is essential that we have the necessary information for all income received and expenses paid. All income received for the PPFF friends group must be forwarded to the Foundation as soon as possible, where it will be kept for the exclusive use of the friends group less the applicable fees set forth below. Likewise, any expense requiring payment from the account should be sent to the Foundation for payment.

PPFF financial functions are currently performed by the Foundation office at 704 Lisburn Avenue, Suite 102, Camp Hill, PA 17011. The normal Foundation point of contact is Bernadette Howard at bhoward@paparksandforests.org or 717-236-7644.

To minimize confusion, only one person from the chapter, normally the treasurer, along with the park manager or district forester (unless otherwise appointed) should conduct financial transactions with the Foundation. The name and contact information must be kept current with the bookkeeper at the above email address.

Deposits

Deposits into accounts should be made using the standard PPFF Deposit Form found on our website at <https://paparksandforests.org/friends-groups/friends-resources/#Fundraising-Policies-Forms-and-Acknowledgments>, or available from PPFF. This is in an Excel spreadsheet format and is available electronically from the website or via email. A paper version can also be provided upon request. We ask that you assign a deposit ID number to each deposit so it will be easier to reference at a later time. When sending deposits to PPFF, send both the hard copy of the deposit form (keep a copy for your records) with the deposit as well as email an electronic version of the spreadsheet.

- I. On the deposit form, indicate the account and a deposit id (such as 02-2007 or FORCSP 01-07, etc.).

2. Complete, in detail, the specific information from each check. This is then forwarded to our database and/or, if applicable, used for thank you letters. This information should be the name and address of who the check is from (not to), check number, amount and type of revenue.
3. In the lower right corner of the form is a deposit summary. Fill this out for every deposit, making sure to break out amounts for merchandise that is taxable, non-taxable and the amount of sales tax. Vendor payments go in "Other".

Send your deposits to PPF at 704 Lisburn Road, Suite 102, Camp Hill, PA 17011. All checks should be endorsed with the PPF "For Deposit Only" endorsement stamp that will be provided to the individual responsible for the account. Check with PPF if you have not received your stamp. NOTE: Checks made payable to "Commonwealth of Pennsylvania;" "Department of Conservation and Natural Resources;" or to the park, forest, or chapter cannot be accepted and will be returned to you.

As noted above, be sure to maintain accurate records for deposit transactions. Deposits should be in the form of checks or money orders made payable to "PA Parks and Forests Foundation" or "PPF" with the chapter name listed in the memo line. It is important that the checks be made out to the Foundation and not you, as a chapter, as security scanners may reject a check not made out properly. Be sure to add the money order or cashier check on the deposit form and add it in with the other checks for the total.

When making the deposit, double check your math by adding up the physical checks separately from the deposit form to get a total and then add the deposit form, the two totals need to match, and that needs to match the total in the Summary.

CASH deposits will not be accepted. Please convert cash to a money order payable to PPF. When converting cash, DO NOT deposit it into a personal account—convert it to a money order. Depositing funds into a personal account puts you at risk with the IRS and potentially could be misinterpreted by donors/board members.

All donations and payments for chapter memberships amounting to \$100 or more will receive an acknowledgment letter from PPF. Your donors want to hear from you. We encourage you to acknowledge donations under \$100. A template acknowledgement letter may be found on the Friends Resources page of our website at <https://paparksandforests.org/friends-groups/friends-resources/#Fundraising-Policies-Forms-and-Acknowledgments>. Please note that if the money is generated for an advertisement, merchandise, or vendor space, etc., the payer will not be getting a letter for tax deduction purposes.

If a check is returned by the bank for any reason, the amount of the check and any fees will be deducted from the friends account. You will be charged a \$5 fee from PPF to correct statements. You will be notified of the returned check and may need to follow through with the individual who gave the money to try to get another check issued. PPF is not responsible for ensuring the replacement of bad checks.

Expenses

Purchases: To reduce the amount of "out of pocket" expenses for a chapter, park, or forest, we advise friends/parks/forests to request a quote or invoice for items needed, which can then be submitted to

the Foundation following the protocol below. Supplying a quote or invoice not only ensures that the expenses are confirmed by the treasurer and the park/forest manager, it reduces any burden of liability related to the purchase. Additionally, PPFf paying from a quote reduces the responsibility of the volunteer or staff member tracking receipts and reduces the potential for the IRS to construe reimbursements as income.

Check requests must be submitted using the standard PPFf check request form found on our website at <https://paparksandforests.org/friends-groups/friends-resources/#Fundraising-Policies-Forms-and-Acknowledgments> or available from PPFf. The request must be accompanied by the original invoice or other appropriate documentation such as a musician contract. Checks will be sent to the vendor unless otherwise indicated on the request form. Please allow time for checks to be processed as they must be circulated for two signatures. If special mailing is needed, the cost of the mailing will be billed to the group account. No checks will be written on an account where the transaction would place the account into a deficit situation. Please avoid multiple payees on a single request form.

All check requests must contain documentation for the expense (invoice, contract, etc.) or, in the case of a reimbursement, receipt for the expense. If the expense is for reimbursement, the receipt/invoice must show as PAID, preferably with the method of payment. The cover form must also include an original signature from the park manager or district forester.

Invoices may also be submitted, with signed check request form, by email to Bernadette Howard at bhoward@paparksandforests.org. The original copies should be kept in your file to produce upon request.

Checks should be submitted by Wednesday at 2:00 PM, and every effort is used to mail signed checks on Thursday of the same week, barring holidays and vacations.

If checks are needed in advance for special event, please allow time for the processing such as in the case of a check being needed to pay a musician at an event, we recommend 2-3 weeks to allow for mailing.

Sales Tax Reconciliation

For those groups who intend to sell items or run a concession as a means of raising funds, the Foundation must submit monthly sales tax returns and payment to include all the sales by chapters. Please contact PPFf to let us know that you will be conducting sales so we can coordinate the proper reporting to the PA Department of Revenue. Please check with us if you have a question about the taxable status of a particular item you intend to sell.

To complete the PA Sales Tax Return, we must know the total amount of sales conducted, total amount of taxable sales, and the amount of tax collected every month. This information should be notated in the Deposit Summary of each deposit form that includes sales. Funds for any sales made in a particular month should be received by the PPFf office for deposit before the 15th of the next month. PPFf completes this deposit on behalf of all groups.

PPFF has sales receipt books available to groups to help track sales tax. Contact the office if you would like sales receipt books. Please check with PPFF if you need clarification of any sales tax issue. The Sales Tax Checklist outlining taxable and nontaxable items is found on the Chapter Resources page of the website as linked above, as is the Department of Revenue's REV-717, "Retailers' Information" for sales and use tax (among other issues).

If you are doing sales, you must complete an inventory form at the end of each year and in June of each year. Send the inventory to Bernadette at Bhoward@paparksandforests.org. You can find the form at: <https://paparksandforests.org/friends-groups/friends-resources/#Fundraising-Policies-Forms-and-Acknowledgments>.

Solicitation of Funds

Any time a group is soliciting funds, the following language MUST be included:

The Friends of _____ is a Chapter of the Pennsylvania Parks and Forests Foundation, which is a 501(c)(3) nonprofit organization - contributions to which are tax deductible to the fullest extent permitted by law. The official registration and financial information of the Pennsylvania Parks and Forests Foundation may be obtained from the PA Department of State by calling toll-free within Pennsylvania 1-800-732-0999. Registration does not imply endorsement.

A hard copy or electronic memo describing the solicitation effort must be sent to the PPFF Camp Hill office so that we can be apprised of donation efforts and be prepared to answer any questions which might be generated.

PPFF, in turn, maintains the annual Charitable Solicitation Registration with the PA Bureau of Charitable Organizations (BCO). If you need copy of any paperwork or require certain registration numbers sometimes needed in fundraising efforts, contact PPFF and we will provide you with these documents.

According to PA Law, fundraisers hired to assist with raising funds must be registered with the PA Bureau of Charitable Organizations. Be sure to check on this and communicate with the PPFF President regarding the hiring of a professional fundraiser. Before hiring any contractor, it is important to have the funds in your account to cover all costs.

Account Reports

Quarterly statements will be forwarded for each account. If you require additional reports, please contact the accounting office and one will be forwarded to you. All accounts are audited annually by a certified public accountant.

Closing Accounts

Notify PPFF if you need to close the account for any reason. Please note your recommendation as to how any remaining funds should be dispersed for your park/forest purposes. Use of all funds must be consistent with the purposes of the donor/PPFF/DCNR and are subject to the approval by the PPFF President.

Inventory

Beginning in 2022, Chapters who offer items for sale (apart from firewood and ice) are required to perform a twice-yearly inventory of the merchandise on hand. This became necessary because of the amount of cumulative sales for PPF and the Chapters reaching the IRS threshold for an additional filing in the annual 990 accounting for sales. The necessary form (which should be submitted before July 31 and January 31 each year) can be found in the Chapter Resources page of the website under Fundraising-Policies, Forms, and Acknowledgments.

Gift Cards

The purchase of gift cards to give as gifts to colleagues, departing staff, volunteers, etc. is prohibited. The IRS looks at this as using non-profit funds for private gain. Gift cards for awards may be permitted, but you will need to document who receives the gift card and have the recipient sign a note of receipt. A sample of a payout report that includes space for the recipient's signature can be found in the Appendix.

Cash Prizes

If a chapter offers cash or gift cards as prizes as part of an event or competition (race, photo contest), the names and signatures of the winners must be collected and submitted for reimbursement and/or as proof of disbursement. Reimbursement requests without proper verification as described in the previous sentence will not be reimbursed. See a sample of a payout report in the Appendix.

Setting Up Credit and Tax Exemption

Friends do not have the legal authority to set up credit at local stores or places of business. If there is a need to establish credit, please reach out to Bernadette so that we can discuss the request. Likewise, setting up tax exempt accounts at regional and national chains needs to be completed by PPF, as there needs to be only one account assigned to an EIN number, otherwise it can cause confusion or lead to the loss of the use of sales tax exemption.

Supporting Friends Group Operational Costs

While PPF covers the major costs of friends operations (account management with our financial institutions, audits, insurance), it is necessary for us to charge a small fee for financial transactions. To do this, modest fees and interest remain with PPF as indicated below. Fees will be applied to the friends' group accounts annually at the end of the fiscal year.

Fees

- A new group shall pay to PPF a one-time affiliation fee of \$40. All monies collected by the group shall be maintained and disbursed by PPF, pursuant to the MOU.
- The following account fees will be effective January 1, 2026, replacing the previous fees set forth on July 1, 2014:

- \$3 per check (up from \$2) written
- \$3 per deposit (check deposits or online donations) (up from \$2 per deposit)
- \$5 per returned check
- An hourly rate of \$30.00 will be charged when an error occurs because of failure to follow established procedures that results in the bookkeeper needing to expend time in excess of normal processing to resolve the error.
- PPF retains all interest on accounts.

These fees cover not only the check, but postage and other related costs.

Questions and Suggestions

The financial policies and procedures for PPF will continue to evolve as we strive to make the organization more efficient and effective with the least cost to all concerned. Your questions and suggestions are always welcome and should be addressed to PPF President Marci Mowery at mmowery-ppff@pa.net.