

# Handbook for Local League TEF Projects

*Revised 2002*

*League of Women Voters of Texas Education Fund*



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LEAGUE OF WOMEN VOTERS OF TEXAS EDUCATION FUND  
**HANDBOOK FOR LOCAL LEAGUE TEF PROJECTS**

2002

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## GENERAL INFORMATION

### **WHAT IS LWV-TEF?**

The League of Women Voters of Texas Education Fund (LWV-TEF) was established in 1966 as a publicly supported trust under Texas law. Contributions and bequests to the Education Fund may be deducted for income tax purposes. The Internal Revenue Service (IRS) classifies the Education Fund as a 501(c)(3) organization, federal identification number 74-6076962. An IRS letter confirming 501(c)(3) status appears in the addenda of this handbook.

The Education Fund operates exclusively **for educational purposes in the general area of government and public policy** in Texas. It must carry out its purposes through research, publication of educational materials, and other appropriate nonpartisan informational projects. The trust instrument, including 1970, 1971, and 1975 amendments, is recorded in Volume 3346, pages 1294-1300 of the Deeds Records of Travis County, TX.

### **RELATIONSHIP OF LWV-TEF TO LWV-TX**

The League's Education Fund is governed by a board of trustees whose members serve concurrently as the board of directors of the League of Women Voters of Texas. The trustees have an obligation to ensure that contributions to LWV-TEF are managed according to IRS requirements and LWV-TEF policies. Failure to comply could jeopardize LWV-TEF's 501(c)(3) status and the ability of local Leagues to accept tax-deductible donations.

### **WHAT THIS MEANS FOR LOCAL LEAGUES**, or *Why a Local League Needs to Complete Paperwork to Spend Its Own Money*

*Policies governing local League use of Education Fund money for educational projects and publications are designed to protect the 501(c)(3) status, not to make it difficult for local Leagues to use the money they work hard to raise.*

LWV-TEF's status as a 501(c)(3) organization extends to local Leagues, but specific guidelines must be followed in order to protect it. The designation of an organization as a 501(c)(3) entity by the IRS is an earned privilege, not a right.

***The IRS has no mercy for "a volunteer's best efforts."*** The capability of accepting tax-deductible donations extends to local Leagues only when they do not jeopardize the privilege and capability for the entire organization.

The federal government is steadily increasing scrutiny of the administration, policies, and procedures of 501(c)(3) organizations, especially in the wake of recent abuses by some large organizations.

Dual organizations, such as LWV-TX and LWV-TEF, are under close observation to prevent tax-deductible contributions to the Education Fund from funding non-tax-deductible activities of the League of Women Voters. Evidence of this was the on-site audit of LWV-TX and LWV-TEF by the IRS in 1988. Both organizations were found to be in compliance with regulations.

Tightening of 501(c)(3) rules and close observation of 501(c)(3) organizations' fund raising and spending procedures leaves no room for mistakes in those areas of activity by the League at the national, state, or local levels. The LWV-TX Education Fund follows strict guidelines in its use of 501(c)(3) funds and insists local Leagues do the same. **Use this handbook to ensure your local League meets these guidelines while carrying out the Education Fund's mission in your community.**

## GLOSSARY

**TRANSMITTAL FORM TO ACCOMPANY TEF CONTRIBUTIONS** is mailed with all tax-deductible checks sent by your League to the LWV-TEF state office. It ensures that contributions are credited to the appropriate local League's Education Fund account.

**PROJECT REQUEST FORM** outlines an activity or project proposed by a local League that requires approval of the TEF Trustees before expenses are initiated. ***It is required for many, but not all, types of projects. Be sure you understand before you begin whether your project requires this form*** (see "Types of Projects," pages 7-10). The form is submitted to TEF trustees AFTER your local League board approves the project. Thus, a second group of people (TEF trustees) double-checks that criteria for an Education Fund project are met.

**PROJECT DIRECTOR** is the **local League member** assigned by the local League board to administer a project funded by TEF monies.

**PROJECT SUPERVISOR** is assigned only to projects that require a Project Request Form. The supervisor is a **TEF trustee** assigned to help the Project Director shepherd the project through all phases to completion, and is available to answer questions or find experts you may need to answer questions. All printed materials, audio/video materials, special event details, and publicity plans must be reviewed by the Project Supervisor prior to distribution.

**PROJECT FINANCIAL REPORT** documents the use of tax-deductible money, including receipts, for project expenses. A complete report is required for a local League to receive reimbursement for project expenses from its TEF account.

**PROJECT DIRECTOR'S REPORT** is completed at the end of a TEF-funded project. It evaluates the project's impact and includes an estimate of how many people a project served.

**BASICS ABOUT LOCAL LEAGUE USE OF TEF**  
Easy Steps to Ensure Success for Your Project

**Remember that most projects may begin only after obtaining  
LWV-TEF trustee approval**

*Translation: Don't spend money you may not recover!*

**CRITERIA FOR EDUCATION FUND PROJECTS**

- The project must be in a government or public policy area of concern.
- The project must be purely educational in nature. If it focuses on an issue, e.g. Health Care, Juvenile Justice, etc., all major sides of the issue(s) must be presented fairly.
- The project must be factual, with no conclusions drawn from the facts.
- The project must not duplicate the efforts of another organization.
- The project must be of value to others besides League members.

**ACCOUNTABILITY**

Strict accountability must be maintained throughout the entire process of soliciting, receiving, and spending Education Fund money. Trustees must be able to document that all funds meet the above criteria and will educate the public about government and public policy.

**PAYING THE PROJECT BILLS**

Your local League is expected to pay all project expenses from local operating funds first, when the expenses are incurred. At the completion of the project and all TEF reports, the local League will receive reimbursement from its TEF account.

If your League wants the TEF treasurer to pay a bill directly (printer, room rental, etc.), or to advance funds to your League for the project, state this clearly on the ***Project Request Form*** so the request is part of the original project approval process.

**HOW TO RAISE \$\$ FOR YOUR TEF ACCOUNT**

A local League may solicit and accept contributions from donors who wish to deduct their gift from their income tax, and corporations wishing to make a charitable contribution to the League.

Here is what happens when your League receives such tax-deductible donations:

- You forward donors' checks to the state League office as soon as possible; **DO NOT** deposit them in a local account.
- The donations are deposited in an Austin bank.
- The money is credited to your local League's LWV-TEF account.
- An ***individual*** donor can deduct the gift from income tax to the extent allowed by law;
- A ***corporate*** donor can designate the donation as *charitable*.

*This process helps ensure that tax-deductible funds are being used by your League in a manner that will pass IRS examination.*

Local Leagues are encouraged to offer prospective contributors the often-appealing option of making a contribution that is tax deductible. In addition to donations for **general support** of a League's educational projects, these tax-deductible gifts can be in recognition of special events, as memorials for relatives and friends of League members, or for many other reasons. (See *Capital Ideas: Fund Raising Tips for Local Leagues*. LWV-Texas, \$4.50 + shipping.)

Also, tax-deductible donations or foundation grants can be solicited for **specific projects**, such as publication of a *Guide to Elected Officials, Voters Guides*, or sponsorship of a forum or debate. These donations for designated projects are called *restricted funds* and can **ONLY** be used for the project a donor is expecting to support. All TEF contributions, accompanied by a *Transmittal Form*, are sent to the LWV-TEF state office in Austin. They will be credited to the local League's LWV-TEF account.

If expenses for an Education Fund project are lower than anticipated, leftover funds must remain in the Education Fund account; they cannot be transferred to a local League's general operating account. If leftover funds are substantial, the donor should be notified. It is appropriate to outline other Education Fund projects the donor may wish to support and ask permission to apply the funds in question to one or more such projects.

**Matching funds** from both donors in a "match" are usually deposited in the Education Fund. In other words, a donation from an individual expecting his or her gift to be augmented by a donation from an employer, the employer's corporate foundation, another individual, or a foundation's challenge grant, in most cases, is deposited with the Education Fund **and the matching funds are deposited there as well**. If the individual donor wishes that his/her gift go to the 501(c)(4) general fund and the matching gift to the 501(c)(3) TEF account, check with the corporation or foundation that is matching to determine if this is permitted under their regulations.

## **RECEIVING AND TRANSMITTING TAX-DEDUCTIBLE FUNDS**

*This is a very important section!*

- Be sure to keep TEF contributions separate from your League's general operating account. **Don't deposit TEF checks or cash in any local account.** This could cause a loss of tax-deductibility for the donor.
- The donor should make out checks to 'LWV-Texas Education Fund.' If a check intended for LWV-TEF is inadvertently made payable to the local League, endorse it as the donor wrote in the "Pay to the order of" line on the front of the check, and write "Pay to LWV-Texas Education Fund" under the endorsement. Please write small; LWV-TEF must fit its name and account number in the limited space allotted for endorsements.
- Mail checks and Transmittal Form (a reproducible copy is in the Addenda of this handbook) immediately to the state League office in Austin for credit to the local League TEF account. Here is the procedure:
  1. Do not endorse the checks. The words "For deposit only" may be written very small at the top of the endorsement space.
  2. Fill out a TEF Transmittal Form and make copies of the form and the checks for the local League treasurer's records.
  3. Mail the Transmittal Form with tax-deductible checks to the state League office.
- Contributions to be matched by a donor's employer, the employer's corporate foundation, another individual, or a challenge grant are usually intended for the TEF account, not the League's local operations. When the matching funds are received, they are always sent to the state office for LWV-TEF deposit if the matching entity was asked to make a tax-deductible donation. Such gifts will be credited to the local League's TEF account.
- The local League is responsible for thanking contributors to its TEF account.

## **TYPES OF PROJECTS**

Trustees must be able to document that all TEF funds were used exclusively for educational purposes in the general area of government and public policy. Projects must be purely educational and of public benefit.

**Most eligible projects require specific approval by LWV-TEF trustees BEFORE they are started. Some pre-approved projects do not require such individualized attention, and others are not eligible for TEF funding. Examples are given below. If unsure about the eligibility of a proposed project, contact the state League office.**

### **PROJECTS NOT ELIGIBLE FOR TEF FUNDING:**

- Projects failing to state that the Education Fund handled the funding.
- Projects designed to reach only League members.
- Projects that do not deal with Voters Service or Citizen Education on public policy.
- Projects advocating an LWV position or drawing a conclusion on public policy issues.
- Projects that duplicate the efforts of other organizations.

### **ELIGIBLE PROJECTS THAT REQUIRE TEF TRUSTEES' SPECIFIC APPROVAL PRIOR TO INITIATION, AND ARE ASSIGNED A PROJECT SUPERVISOR:**

- Preparing/publishing/distributing a local or regional *Voters Guides* in a pro-con format for ballot issues.
- Preparing/publishing/distributing other educational material.
- Sponsoring or participating in Voters Service projects, i.e. voter registration drives and Get Out The Vote campaigns.
- Sponsoring candidates' forums and debates.
- Sponsoring public educational meetings on public policy issues.
- Attending educational workshops or conferences on government or public policy, which are not sponsored by LWV-TX.
- Reprinting LWV-TEF materials. Permission to reprint all or part of publications must be obtained from the state League office.

### **ELIGIBLE PROJECTS THAT DO NOT REQUIRE SUPERVISION OR TEF TRUSTEES' SPECIFIC CONSIDERATION**

#### **Preparing/publishing/distributing a local or regional candidate *Voters Guide***

*Procedure: Complete project according to all TEF guidelines listed in this handbook. Submit Project Director's Report, Project Financial Report, and their attachments to the State Office or directly to the TEF secretary.*

### **Preparing/publishing/distributing a *Guide to Elected Officials* or similar publication**

*Procedure: Complete project according to all TEF guidelines listed in this handbook. Submit Project Director's Report, Project Financial Report, and their attachments to the State Office or directly to the TEF secretary.*

### **Purchasing LWV-TEF publications.**

*Procedure: Order directly from the state League office and include a signed statement from the local president or treasurer requesting that costs be deducted from the local League account. Eligible publications are those that list LWV TEF as publisher.*

### **Purchasing LWVEF (LWVUS Education Fund) publications.**

*Procedure: Either 1) order directly from LWVUS. Eligible publications are indicated in the LWVUS Catalog by the words "Education Fund." Send the paid receipt listing materials purchased and a reimbursement request to the state League office. Or, 2) send completed order form to the LWV-Texas office with a request to send a check with the order to LWVEF. The second option takes longer.*

### **Paying a portion of the per-member payment (PMP) to LWVUS or LWV-Texas to the extent allowed by either level of the League.**

*LWVUS PMP: The local League treasurer sends a letter and copy of the PMP invoice to state office requesting that TEF funds on deposit be used to pay the allowable percentage (currently 25%) of the national PMP. The LWV-TEF treasurer will send a check to LWVUS for that percentage. NOTE — Do not pay LWV-US 100% from operating funds and then request a 25% reimbursement from TEF.*

*LWV-TX PMP: The local League treasurer sends a request to the LWV-TEF treasurer requesting that the allowable percentage (currently 15%) be reimbursed from TEF funds.*

### **Attending LWV-TX gatherings and workshops**

*Procedure: Keep receipts for all expenditures. Allowable travel expenses (within LWV-Texas policy limits) include transportation, lodging, meals, childcare, and tips. Submit Project Financial Report and attachments to the State Office or directly to the TEF secretary. Reimbursements may be requested in the following proportions:*

- 100% for LWV-TEF workshop registration and travel expense, IF the registration forms or promotional materials offer the 100% option.
- 90% for other LWV workshops (travel expense and registration fees)
- 75% for Council or Convention travel expense
- 75% for Council registration fees
- 33% for Convention registration fees
- 0% for advocacy workshops on specific issues (however, general workshops on HOW to advocate are reimbursable at 90%)

### **Making a contribution to LWV-TEF for state use from local funds on deposit**

*Procedure: The local League sends a letter of instruction to the state League office indicating the amount to be deducted from its funds on deposit, and stating whether the contribution is for general use or for a specific project of LWV-TEF. In either case, if it is a memorial or a tribute (e.g., the Sustainers Plaque), include information the state office will need for notifying survivors or the honoree.*

**Reselling publications purchased with funds on deposit**

*Procedure: Call the state League treasurer to work out accounting details and the best way to present the project, since projects differ greatly. Concerns to be addressed include TEF payment of bills before project paperwork is completed, collecting sales tax, and commingling Education Fund and general operating funds.*

**Reimbursing a documentable portion of general operating funds spent for office expenses for Voters Service/Citizen Education efforts**

*Procedure: Carefully tabulate expenses according to one of the methods recommended in the Addenda of this Handbook. Submit tabulations with copies of appropriate receipts, along with a request for reimbursement signed by local League president AND treasurer to the state League office or directly to the TEF secretary.*

**Reimbursing a documentable portion of general operating funds spent for finance drive expenses**

*Procedure: Reimbursement percentages must equal the percentage of tax-deductible donations raised when figured as a part of total finance drive income. For example, if one-third of the money raised is for the Education Fund, then one-third of documentable expenses paid by the general operating fund can be reimbursed from the LWV-TEF account. This type of project requires copies of all deposit slips and expense receipts before reimbursement is made. Submit tabulations, copies, and a request for reimbursement signed by local League president AND treasurer to the state League office or directly to the TEF secretary.*

## **YOUR TEF PROJECT FROM BEGINNING TO END**

### *LIFE CYCLE OF A LOCAL LEAGUE TEF PROJECT*

#### **Unsupervised Projects not requiring Project Request Form and pre-approval by TEF trustees**

- Step 1:** Local League Board approves project.
- Step 2:** Project is initiated and completed, adhering to all TEF rules and guidelines.
- Step 3:**
- a. Project director tabulates income and expenses according to Handbook guidelines and prepares a reimbursement request.
  - b. LL president (and treasurer, if required) gives signature of approval.
  - c. Report is sent to state office (or directly to TEF secretary) with all receipts and printed materials attached.
- Step 4:** TEF secretary reviews paperwork, and if approved, forwards it to TEF treasurer.
- Step 5:** TEF treasurer reviews paperwork and, if approved, sends reimbursement to local League.

#### **Supervised Projects requiring Project Request Form, TEF trustees' approval prior to initiation, and assignment of a TEF Project Supervisor**

- Step 1:** Local League board approves project.
- Step 2:** Project director completes Project Request Form, obtains signature of president, and sends to LWV-TEF via mail, email, or fax.
- Step 3:** State office emails the request to TEF trustees.
- a. If normal request, trustees have one week to comment and vote. The project is officially approved after seven days if it has received 8 votes of approval.
  - b. If urgent request, the project is officially approved as soon as it has received 8 votes of approval.
- Step 4:** State office contacts project director and emails trustees to advise approval status. If approved, a project supervisor is assigned.
- Step 5:** Project is initiated and completed, adhering to all TEF rules and guidelines. Project director works closely with project supervisor, who must approve all printed materials.
- Step 6:** Project director completes Director's Report and Financial Report, obtains signature of local League treasurer, and forwards all reports, with receipts and printed materials attached, to project supervisor.
- Step 7:** Project supervisor completes Supervisor's Report and forwards paperwork to TEF secretary.
- Step 8:** TEF secretary reviews paperwork, and if approved, forwards necessary documents to TEF treasurer.
- Step 9:** TEF treasurer sends reimbursement to local League.

## LOCAL PROJECT DIRECTOR'S GUIDE FOR TEF PROJECTS

### 1. The Local League Project Director

The local League project director must be a member of the local League. He or she should review and be familiar with the *Education Fund Handbook for Local League TEF Projects*. The local project director, if not a League board member, may be paid a stipend when deemed necessary. If the project director is a League board member, *only expenses* may be reimbursed. Care must be taken to avoid a conflict of interest.

**2. Definition of an Education Fund Project** Projects must be educational (not advocating a League position), involve the public, and reflect unquestionably the League's nonpartisanship.

**3. Types of Education Fund Projects** The TEF requires different procedures for different types of projects. Be sure you understand before you begin the type of project you are responsible for, since a misstep may mean you League cannot be reimbursed from TEF funds.

Supervised projects include, but are not limited to: *Voters Guides* in a pro-con format, preparing and distributing educational material, sponsoring candidates' forums and educational meetings, voter registration drives, and Get Out the Vote campaigns. Refer to the Handbook for Local League TEF Projects for a more comprehensive list.

Unsupervised projects include, but are not limited to: regional candidates' *Voters' Guides*, preparing *Guides to Elected Officials*, reselling publications purchased with funds on deposit, reimbursing a portion of office overhead expenses for voter service/citizen education efforts and for finance drive expenses.

### 4. Obtaining approval for eligible projects

Supervised projects require that you submit a Project Request Form to the TEF Trustees:

- a. Compute the proposed budget generously, within the limits of money on deposit with TEF or money that you realistically expect can be raised. If expenses exceed the TEF-approved budget by a substantial amount, expenses may need to be reviewed by TEF trustees. Be sure the proposed project income and expense columns are equal. Income can be from charges, sales, fees, etc., and from your EF funds on deposit.
- b. Send the Project request form to the state League office. This may be done by mail or electronically. If your timeline is short, mark it "Urgent." Expenses incurred prior to receiving approval will not be reimbursed from your EF fund.

Unsupervised projects do not require a Project Request Form or TEF Trustee approval.

Obtaining approval for supervised TEF Projects (cont.)

Obtaining approval for unsupervised projects (cont.)

- c. The state office will electronically distribute your request to TEF Trustees, who are given 7 days to reply. If your request is marked "Urgent," the project may be approved in a shorter period of time. Include your email address to speed up notification.

-- no further steps --

## 5. Working with your TEF Project Supervisor

Supervised projects: after you receive project approval, you will be assigned a project supervisor, who is also a TEF trustee. This person should always be available when you have questions, and must approve all printed materials and arrangements before they are finalized. The supervisor must also review your final reports in order to prepare a Project Supervisor Evaluation prior to sending your paperwork to the state office for reimbursement.

Unsupervised projects do not need a project supervisor, but if questions come up, the TEF secretary is always available to work with you and help you find the experts or answers you need.

## 6. Project execution and changes

### Supervised Projects:

Be sure the project execution is in substantial agreement with the project that was approved. A local League has some flexibility in executing the project so long as the original description and budget presented in the Project Request Form are followed substantially. Close communication between the local project director and the TEF project supervisor during the project will help ensure smooth progress.

Example A: Local League requested \$450 to sponsor a candidates forum with a proposed budget of \$200 for room rental, \$200 for advertising and programs, and \$50 for refreshments. After approval and execution, the actual room rental was \$250. The Financial Report requesting a reimbursement of \$500 instead of the projected \$450 is approved since (a) the project was essentially as described in the original request; and (b) the amount requested exceeded the original budget estimate by a reasonable amount.

### Unsupervised Projects:

Substantial project changes should be approved by your Local League board. Ensure that the project alterations do not change it into the type of project that requires TEF trustee approval and supervision.

## Supervised Project execution (cont.)

Example B: Local League B requested \$450 to sponsor a candidate forum with the same budget as above and TEF trustees approved the project. After learning the PTA was sponsoring a similar forum. League B decided to use the funds for a voter registration booth at the local fair instead. Reimbursement is denied because the actual project differed substantially from the approved activity.

Note that the voter registration booth would have been eligible for TEF funding if approval had been granted in advance. A phone call to the TEF project supervisor could have meant the difference between receiving reimbursement and the money being denied.

**7. Document as much as possible.** Keep copies of all printed, audio, and video materials: programs, tapes, advertisements, publicity, publications, etc.

### **8. Oversee project finances:**

- a. Collect receipts for all expenses.
- b. The Local League Treasurer pays bills from the local operating account and helps you complete a Project Financial Report.

### **9. Printed Material** All printed material must be factual and nonpartisan.

- a. Credit for LWV-TEF handling of finances **MUST** appear on publications, conference programs, or any printed material, as well as in any publicity for such a project.  
Examples:

Published by the League of Women Voters of [local city] and funded by the League of Women Voters of Texas Education Fund through donations from [local city] citizens

Published by the League of Women Voters of Texas Education Fund through a contribution (or gift, or grant) from [corporation, foundation, individual]

- b. Local Leagues are urged to copyright their publications, including Voters Guides. To do so, add the words, "Copyright 200\_" or "© 200\_" in an easily visible place on the publication.

Supervised Projects: a draft copy of any project material being printed must be sent to the TEF project supervisor and approved before printing begins.

## Unsupervised project execution (cont.)

-- no further notes --

Unsupervised Projects: Follow all established League procedures for production, as outlined in LWV-TEF publication *Making Democracy Work: A Guide to Voters Guides for Local Leagues*.

**10. Reporting** The local project director is charged with ensuring that all reporting requirements are met. Records of each project must be complete: In case of an IRS audit, these files are proof that all gifts claimed by donors as tax-deductible were properly used for tax-deductible purposes. Keep a copy of everything for local League files. Within a month after a project is completed, the local project director should prepare:

*Project Financial Report*, with receipts attached.

*Project Director's Report*, with copies of all printed material. Samples of any material developed or published as part of the project must accompany the report.

Supervised Projects: Send reports to your project supervisor, who will review your paperwork, write up a Project Supervisor's Evaluation and send everything to the TEF Secretary for recording.

Unsupervised Projects: Send reports to the State Office (or directly to the TEF secretary).

## 11. Cancellation

Supervised Projects: If a local League decides not to complete a TEF-approved project, the local project director informs the TEF project supervisor in writing. The local project director then writes "Project Canceled" on the *Project Financial Report*, completes a *Project Director's Report*, and submits them to the project supervisor. If, after cancellation, a local League later decides to carry out the project, it is considered a new project and requires new project approval by TEF trustees.

Unsupervised Projects: no interaction with the TEF is necessary.

**12. Payment by TEF Treasurer** A reimbursement check for documented expenses is sent to the local League after the *Project Financial Report* and *Project Director's Report* (and a *Project Supervisor's Report*, if necessary) are completed and filed with the TEF Secretary. No reimbursement from LWV-TEF can occur unless these reports are filed.

- a. Project expenses will be paid up to the amount of actual funds on deposit for the local League. If TEF funds in a local League's account are not sufficient to cover the costs of the project, the local League must supply the balance from other sources.
- b. The local League is expected to pay all project expenses from local operating funds when expenses are incurred. At the completion of the project and all TEF reports, the local League will receive reimbursement from its TEF account. If the local League wants the TEF treasurer to pay a bill directly (printer, room rental, etc.), or advance funds to the local League for a project, this must be stated on the *Project Request Form*.
- c. Local Leagues may fund an activity partially with funds on deposit and partially by a charge or fee for participating in the activity. Income from such an activity will be considered income to a local League TEF account, and reimbursement will be made for project expenses less the income. After reimbursement for project expenses, any excess of income over expenses must be deposited in the local League's TEF account. The exact nature of the accounting and transfer of money depends on the project, and advice on logistics is available from the LWV-TEF treasurer.

## ***POLICIES FOR LOCAL LEAGUE TEF ACCOUNTS***

The LWV-TEF will follow these policies regarding stewardship of local League TEF accounts:

1. An account is set up for each local League that sends its 501(c)(3) donations to LWV-TEF for credit. These funds are available when the local League chooses to use them according to IRS regulations and TEF policies.
2. At least twice each fiscal year the LWV-TEF treasurer will send a statement to local Leagues listing their TEF account's debits, credits, and current balance.
3. LWV-TEF trustees may withhold reimbursement if
  - a. a local League project does not have trustees' approval before it begins;
  - b. the project deviates markedly from the scope of the project plan presented for approval;
  - c. material printed for a TEF project does not list LWV-Texas Education Fund as the conduit of funds.
4. Trustees may disapprove new projects for a local League delinquent by more than six months in submitting final reports for previous projects.
5. LWV-TEF trustees may cancel approval of a local League project that has not been completed within a year of the intended completion date.
6. Interest earned remains the property of LWV-TEF.
7. When LWV-TEF receives a donation that is to be shared with a local League, the local League will be notified and the money credited to its TEF account.

## ADDENDA

### GUIDELINES FOR KEEPING RECORDS OF OFFICE EXPENSES

#### How to request reimbursement for TEF-project office expenses

Local Leagues may be reimbursed for the percentage of office expenses attributable to a specific TEF project, or TEF activities during an entire year. Standard procedures for LWV-TEF as explained in *LWV-Texas Education Fund Handbook for Local League TEF Projects* will be followed.

Guidelines follow for documenting and then summarizing TEF-related office expenses.\*

Common TEF-related office expenses include a documented portion of an administrative assistant's salary, office rental, and telephone charges.\*

When a project (or the fiscal year) is completed, the local League's project director submits:

1. A summary sheet of office expenses generated by the project, signed by the local League treasurer.
2. Documentation, based on project time logs, to support the request for reimbursement.

**Example #1: Summary Sheet** A typical summary sheet would include the following:

<u>Month</u>	<u>Local Phone</u>	<u>Long Distance</u>	<u>Admin. Asst.</u>	<u>Office</u>	<u>Other</u>	<u>TOTAL</u>
10/2002	8.05	3.28	124.00	139.00	8.40	282.73
11/2002	14.90	9.30	183.00	149.45	9.53	366.18
12/2002	<u>25.05</u>	<u>14.67</u>	<u>216.00</u>	<u>162.25</u>	<u>11.14</u>	<u>429.11</u>
<b>PROJECT</b>						
<b>TOTALS</b>	48.00	27.25	523.00	450.70	29.07	1,078.02

**So \$1,078.02 is the amount the local League would ask to be reimbursed.**

**Example #2: Supporting Documentation** Based on time logs.

#### **Local Phone**

**Eligible for reimbursement:** A percentage of the bill for telephone service, based on time spent on a specific LWV-TEF project or TEF activities in general during a year.

**How to document:** Keep an office telephone log. Calculate the percentage of calls related to the TEF project or TEF in general. If 36% of all calls were TEF related, then 36% of the phone bill is eligible for reimbursement. Submit a copy of the bill, phone log, and calculations.

#### **Long Distance**

**Eligible for reimbursement:** Actual costs of TEF calls.

**How to document:** Highlight applicable long distance calls on phone bill. List all calls by *date, destination, cost, and subject*.

\*These sentences were revised in August 2005 to reflect no need for prior approval.

**Example #3:**

<u>Date</u>	<u>To</u>	<u>Cost</u>	<u>Subject</u>
10/10/02	State League office	1.05	Voters Guides
10/29/02	County voter registrar	<u>.39</u>	Registration drive

October TEF long distance: 1.44

Submit the list of calls showing all information and the total amount requested, along with a copy of the phone bills with applicable calls highlighted.

***Administrative Assistant***

**Eligible for reimbursement:** Percentage of salary attributable to TEF project or TEF activities in general.

**How to document:** Keep a time sheet showing TEF and non-TEF categories. List specific TEF activities. Submit time sheets and calculations.

**Example #4:**

<u>Date</u>	<u>Total hours worked</u>	<u>TEF hours</u>	<u>Non-TEF hours</u>	<u>TEF activity</u>
10/4/02	6.0	3.5	2.5	Voters Guides - 1.5 hr. Election calls -.75 hr. Debate - 1.25 hrs.

( - data for more dates - )

Total hrs.	60.0	38.0	24.0
Wage:		<u>x 9.00/hr.</u>	
Amount attributable to TEF:		\$342.00	

**Example #5** (a different way to calculate):

<u>Date</u>	<u>Total hours</u>	<u>Elections</u>	<u>Voters Guides</u>	<u>Debate</u>	<u>Non-TEF hours</u>
10/4/02	6.00	2.50	.75	1.00	1.75

***Office Rent***

**Eligible for reimbursement:** Percentage of monthly rent attributable to TEF activities in general or a specific TEF project.

**How to document:** Keep a calendar noting all days and hours the office is in use. Compile a list of dates and total hours open, TEF hours, non-TEF hours, and activities. Calculate the percentage of total time that was attributable to TEF use and multiply this times the rent. Submit the list and calculations.

**Internal Revenue Service  
Director, Exempt Organizations  
Rulings and Agreements**

**Department of the Treasury  
P.O. Box 2508  
Cincinnati, Ohio 45201**

**Date:** AUG 01 2007

League of Women Voters of Texas  
Education Fund  
c/o Valerie G Standifer, CPA  
1212 Guadalupe St, Ste 107  
Austin, TX 78701

**Employer Identification Number:**  
74-6076962  
**Person to Contact - ID#:**  
Sirijun Mayi - #31-07372  
**Contact Telephone Number:**  
877-829-5500 Phone  
**Public Charity Status:**  
509(a)(1) and 170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated October 1966 stated that you were exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code and classified as a public charity under section 509(a)(3) of the Code.

Based on the information you submitted, we have modified your public charity status to the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, 800-829-3676. Information is also available on our Internet Web Site at [www.irs.gov](http://www.irs.gov).

Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

If you have any questions, please call our toll free number shown in the heading of this letter.

Sincerely,



Robert Choi  
Director, Exempt Organizations  
Rulings and Agreements



## TEXAS SALES AND USE TAX EXEMPTION CERTIFICATION

Name of purchaser, firm or agency	
Address (Street & number, P.O. Box or Route number)	Phone (Area code and number)
City, State, ZIP code	

I, the purchaser named above, claim an exemption from payment of sales and use taxes (for the purchase of taxable items described below or on the attached order or invoice) from:

Seller: \_\_\_\_\_

Street address: \_\_\_\_\_ City, State, ZIP code: \_\_\_\_\_

Description of items to be purchased or on the attached order or invoice:

Purchaser claims this exemption for the following reason:

I understand that I will be liable for payment of all state and local sales or use taxes which may become due for failure to comply with the provisions of the Tax Code and/or all applicable law.

*I understand that it is a criminal offense to give an exemption certificate to the seller for taxable items that I know, at the time of purchase, will be used in a manner other than that expressed in this certificate, and depending on the amount of tax evaded, the offense may range from a Class C misdemeanor to a felony of the second degree.*

 Purchaser	Title	Date
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NOTE: This certificate cannot be issued for the purchase, lease, or rental of a motor vehicle.

**THIS CERTIFICATE DOES NOT REQUIRE A NUMBER TO BE VALID.**

Sales and Use Tax "Exemption Numbers" or "Tax Exempt" Numbers do not exist.

This certificate should be furnished to the supplier. Do **not** send the completed certificate to the Comptroller of Public Accounts.



**LEAGUE OF WOMEN VOTERS OF TEXAS  
EDUCATION FUND**

*1212 Guadalupe St. #107  
Austin, Texas 78701-1800  
512-472-1100*

**Transmittal Form for Tax-Deductible Contributions**

Send to state office with any checks received by your local League that are tax-deductible contributions. All checks will be deposited by LWV-TEF. PLEASE DO NOT ENDORSE THE CHECKS.

Name of League: \_\_\_\_\_

Contribution(s) to be used for (check only one):

- Local League TEF account, for use in local projects.
- Local League TEF account, as a restricted grant for the following project:  
\_\_\_\_\_
- LWV Texas Education Fund for general statewide use in TEF projects.
- Memorial gift or tribute for use by LWV-TEF in general statewide TEF projects or the following specific project:

Name of project: \_\_\_\_\_

Name of honoree: \_\_\_\_\_

Name of deceased: \_\_\_\_\_

Person to be notified (include address): \_\_\_\_\_  
\_\_\_\_\_

Name of donor (include address): \_\_\_\_\_  
\_\_\_\_\_

- Other (please specify): \_\_\_\_\_

**DONORS:**

**AMOUNT:**

\_\_\_\_\_

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\_\_\_\_\_

TOTAL

\_\_\_\_\_



**LEAGUE OF WOMEN VOTERS OF TEXAS  
EDUCATION FUND**

1212 Guadalupe St. #107  
Austin, Texas 78701-1800  
512-472-1100

*For state use only*

Supervisor \_\_\_\_\_ Project # \_\_\_\_\_

- Approved \_\_\_\_\_
- Disapproved \_\_\_\_\_
- Cancelled \_\_\_\_\_

***Project Request Form***

LWV of \_\_\_\_\_ Project Name \_\_\_\_\_

Anticipated Starting Date \_\_\_\_\_ Response needed by \_\_\_\_\_

Anticipated Completion Date \_\_\_\_\_

Local League Project Director: \_\_\_\_\_ Email: \_\_\_\_\_

Address: \_\_\_\_\_ Day phone: \_\_\_\_\_ Eve. \_\_\_\_\_

Describe proposed project (see *Types of Projects* on reverse side). Explain plans for execution, including distribution of any printed material. Be specific about ways the public will be educated regarding government or public policy issues. Use additional sheet if necessary:

***Expenses and Income must be equal!***

**Criteria for Approval**

- *Must be in a government or public policy area of concern.*
- *Must be purely educational, with all sides of the issues fairly presented.*
- *Must be factual, with no conclusions drawn from the facts.*
- *Must not duplicate efforts of another organization.*
- *Must be of value to others besides LWV members.*
- *Must not have been started; it can begin only after approval is received.*

**Sources of Income**

From LL Ed Funds already on deposit: \$ \_\_\_\_\_

Additional sources expected from:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Total Income:** \$ \_\_\_\_\_

**Project Expenses**

1. \_\_\_\_\_ \$ \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

6. \_\_\_\_\_

7. \_\_\_\_\_

**Total Expenses:** \$ \_\_\_\_\_





**LEAGUE OF WOMEN VOTERS OF TEXAS  
EDUCATION FUND**

*1212 Guadalupe St. #107  
Austin, Texas 78701-1800  
512-472-1100*

**Project #** (if required)

*For EF Secretary Use:*

*For EF Treasurer Use:*

Approved \$ \_\_\_\_\_

Check Amount \$ \_\_\_\_\_

Date

Check Number

Date

Signature

Signature

***Project Financial Report***

LWV of \_\_\_\_\_ Project Name \_\_\_\_\_

Local Project Director \_\_\_\_\_

Day phone \_\_\_\_\_ Evening phone \_\_\_\_\_

Email address \_\_\_\_\_ or mail address \_\_\_\_\_

**EXPENSES** Complete all lines that apply to project:

Printing, copying, typesetting \$ \_\_\_\_\_

Communications: postage, phone, fax (attach list) \_\_\_\_\_

Supplies \_\_\_\_\_

Advertising and publicity \_\_\_\_\_

Site rental, insurance, etc. \_\_\_\_\_

Honoraria \_\_\_\_\_

Other \_\_\_\_\_

Other \_\_\_\_\_

Other \_\_\_\_\_

Allowable percentages of LWV travel,  
registration, and workshop fees (attach lists) \_\_\_\_\_

**TOTAL EXPENDITURES** \$ \_\_\_\_\_

**AMOUNT REQUESTED FROM LOCAL  
LEAGUE EDUCATION FUNDS ON DEPOSIT:** \$ \_\_\_\_\_

Signature of Local League Treasurer

Date

**MAIL TEF REIMBURSEMENT CHECK TO:**

- Local League office or president
- Local League treasurer

Name

Address

*Attach receipts justifying all expenditures and send with Project Director's Report to Project Supervisor. Keep copies for your files.*

Instructions  
Project Financial Report

1. The local League project director:
  - a. Collects receipts for all project expenditures\*
  - b. Completes the Project Financial Report form
  - c. Obtains signature of the local League treasurer
  - d. Submits the Project Financial Report form, receipts, and copies of printed materials within 30 days of project completion
    - i. For supervised projects: Submit to project supervisor
    - ii. For unsupervised projects: Submit to state TEF secretary
  - e. Files a copy of the report, receipts, and printed materials with local League
  
2. The state League project supervisor:
  - a. Reviews paperwork for supervised projects for compliance with TEF requirements
  - b. If the project meets TEF requirements:
    - i. Completes the Project Supervisor Report form
    - ii. Submits the following to the state League TEF secretary
      - a) Project Supervisor's Evaluation
      - b) Project Director's Report
      - c) Project Financial Report, with receipts attached
  - c. If the project does not meet TEF requirements:
    - i. Keeps all paperwork submitted
    - ii. Presents an evaluation of the project to the Board of Trustees
    - iii. Following approval or denial of payment by the Board of Trustees, submits the following to the TEF secretary:
      - a) Project Supervisor's Evaluation
      - b) Project Director's Report
      - c) Project Financial Report, with receipts attached
  
3. The state League TEF secretary:
  - a. Reviews project reports to determine whether or not
    - i. TEF requirements have been met
    - ii. All reports were submitted within 30 days of project completion
  - b. Notifies the state League TEF treasurer that final release of project funds to the local League (for reimbursement of expenditures) is in order for projects that meet TEF requirements and were submitted on time

\*To eliminate sales tax on expenditures, a copy of the local League Texas Sales and Use Tax Exemption Certificate must be presented to the vendor at time of purchase.



1212 Guadalupe St. #107  
Austin, Texas 78701-1800  
512-472-1100

***Project Supervisor's Evaluation***

LWV of \_\_\_\_\_ Project \_\_\_\_\_

1. Have you received copies of the following from the local League Project Director?

- Project Director's Report
- Project Financial Report
- Receipts supporting Project Financial Report
- All relevant printed material

If not, why not?

2. Printed material proofing:

- Received in timely manner
- LWV-TEF credited properly

Comments

3. Project implementation:

- Implemented as planned
- Changes were required

Explanation

4. Other comments:

\_\_\_\_\_  
Signature of TEF Project Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Daytime phone

\_\_\_\_\_  
Evening phone

\_\_\_\_\_  
Email address

*Mail this form as soon as possible after completion of the project to the TEF Secretary, along with the Project Director's Report and the Project Financial Report, with all receipts and printed materials attached.*