

FINANCIAL REPORTING

POLICY: South Dakota Society of Health-System Pharmacists (SDSHP) shall comply with all State and Federal requirements regarding financial reporting of non-profit organizations. This includes filing annual tax returns, with the assistance of an outside accounting firm if needed, to meet all State and Federal requirements.

PROCEDURE:

1. Income Tax Preparation

- a. If SDSHP income is less than \$50,000 a year, the 990-EZ must be submitted online by May 31st by the Support Specialist.
 - i. IRS approval of the 990-EZ will be e-mailed to the SDSHP e-mail.
 - ii. If SDSHP provided any individual an honorarium in excess of \$600, a list of individuals and their social security numbers will be sent to a tax preparer to complete the IRS Form 1099 – Miscellaneous Income.
- b. If SDSHP income is \$50,000 or greater, the SDSHP Treasurer or Support Specialist shall gather all necessary information and reports to deliver to an accounting firm for tax form preparation.
 - i. Annual Income-Expense Balance Sheet
 - ii. Bank Statements
 - iii. List of current Board members including addresses
 - iv. List of people and social security numbers who received honorarium payment in excess of \$600 from SDSHP for IRS Form 1099 - Miscellaneous Income. The SDSHP Board will review the documents, the Treasurer or designated officer of SDSHP will sign the documents, and the forms will be mailed to the IRS prior to filing deadline.
- c. Copies of all completed tax forms shall be maintained on file by the SDSHP Office for the required period of time as specified by law.
- d. Upon request by the IRS, SDSHP shall provide all financial records and files for the purpose of an audit. SDSHP shall be represented at such audit by the SDSHP Treasurer, the SDSHP Support Specialist, and other members as deemed necessary. If an accounting firm assisted in the preparation of the tax forms, a representative of the firm will also be present at the audit.

Developed by: D. Sisson 08/2001

Revised by: Annette Brand 03/2003

Approved by: SDSHP Board of Directors 03/2003

Revised/Approved: SDSHP Board of Directors 11/14/05

Reviewed and Revised: J Opperman, J Kappes 3/2012

Approved: SDSHP Board of Directors 3/13/2012

Revised: N Hepper, R Thompson 9/2016

Approved by: SDSHP Board of Directors 11/1/2016