

## **Projects/Programs Memo**

DATE: December 18, 2007

TO: All Group, Chapter, Council & Club Managers & Officers

FROM: Headquarters Accounting & Finance Department

SUBJECT: Meeting Expense Accounting Policy

EFFECTIVE: January 1, 2008

Many Chapters, Councils and Clubs have shifted the focus of their face-to-face meetings away from purely social events to include education and training. The good news with this new direction is that the IRS allows some of your meeting/event expenses to be allocated to Projects and Programs activity.

Beginning January 1, 2008, Chapters, Councils and Clubs can allocate a portion of the cost of meetings/events when it is determined that a percentage of the time can be classified as “mission based” or programmatic activity. There are certain guidelines that must apply and they are explained below.

This change in strategy will assist each Chapter, Council or Club’s ability to reach the 60% goal of funds used for charitable projects and programs.

**Therefore, meetings/events that include elements of training and/or educational value, a portion of those expenses should be classified as programmatic expenses.**  
(Projects & Programs)

In order to assign certain meeting expenses to projects and programs accounts, one of the following qualifiers must apply:

- A portion of the meeting must be spent conducting Pioneer business (i.e., business planning, officer training, volunteer training, introduction to a new project or program, an outside speaker re: business of Pioneering)
- A portion of the meeting time is dedicated to a Pioneer program or project (i.e., packing boxes to send overseas, gathering toiletries for a women’s shelter, wrapping Christmas toys for underprivileged children, etc.)

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Once you have determined that your meeting expenses meet the qualifications, the following should be used to assign the expenses:

1. Calculate percentage of time spent on projects and programs:

$$\frac{\text{Time spent on projects and programs activities}}{\text{Total meeting time}} = \% \text{ Projects \& Programs}$$

2. Multiply percentage calculated above by the total meeting expenses:

$$(\% \text{ Projects \& Programs}) \times \text{Total expenses} = \text{Projects \& Programs expense}$$

3. Code Projects and & Programs expenses to the 6050 series of accounts:

6051 Educational  
6052 Environmental  
6053 Health and Human Services

4. The remaining meeting expense should be coded to the 6020 series of accounts:

6021 Group  
6022 International  
6024 Unit  
6025 Committee

NOTE: See attached for an example of calculating programmatic expenses.

## Calculation Example

Using the upcoming Annual Meeting as an example, the portion of meeting costs that would be classified as Projects & Programs expense would be calculated as follows:

### Annual Meeting Event Descriptions

#### THURSDAY, Feb. 28

##### **Pioneer U Pep Rally & EXPO Opening\***

Time: 4 p.m. to 6 p.m. (2.00 hrs), (1.00 hr P&P)\*  
Location: EXPO Area (Governor's Ballroom, 4<sup>th</sup> Floor)  
Description: "Back to School" welcome event to generate excitement for the days ahead, includes educational & program booths.

#### FRIDAY, Feb. 29

##### **Friday Breakfast**

Time: 6:30 a.m. to 7:30 a.m. (1.00 hr)  
Location: EXPO Area (Governor's Ballroom, 4<sup>th</sup> Floor)  
Description: Continental Breakfast, coffee, tea, juices.

##### **Freshman Orientation (Business Session)\***

Time: 8 a.m. to 9:30 a.m. (1.50 hrs), (1.50 hrs P&P)\*  
Location: Austin Grand Ballroom (6<sup>th</sup> Floor)  
Description: Welcome, Roll Call  
Guest Speaker

- Motivational/educational message for leaders of Pioneers
- Share methods for improving their effectiveness as leaders

##### **Bowl-a-thon Field Trip\***

Time: Shift 1: 10:45 a.m. to 12:15 p.m. (1.50 hrs), (1.50 hrs P&P)\*

- Lunch: 12:15 to 1:30 (All) (1.25 hrs)

Shift 2: 1:45 to 3:15 (1.50 hrs), (1.50 hrs P&P)\*  
  
Location: 300 Austin Bowling Center  
Description: **Hands-on learning experience** as model for conducting mass marketing event.

**Freshman Fundamentals: Core Learning in the Classroom\***

Time: Shift 1: 10 a.m. to 11:30 (1.50 hrs), (1.50 hrs P&P)\*  
Shift 2: 2:15 to 3:45 (1.50 hrs), (1.50 hrs P&P)\*

Location: Austin Grand Ballroom

Description: **Classroom training; learn** the core principals of executing a Pioneer project or fundraising event as a public charity.

**SATURDAY, March 1**

**Honor Society Breakfast\***

Time: 8 a.m. to 9:30 a.m. (1.50 hrs), (1.00 P&P)\*

Location: Austin Grand Ballroom (6<sup>th</sup> Floor)

Description: All are invited to this special breakfast in honor of the good works of Pioneers throughout the year.

**Breakouts\***

Time: 10:a.m. to 11:30 a.m. (1.50 hrs), (1.50 hrs P&P)\*

Location: Austin Grand Ballroom (6<sup>th</sup> Floor)

Description: A series of 5 breakouts designed to educate Pioneer leaders on issues pertaining to the following Pioneers products, services and programs:

- Accounting and Finance
- Power Up To Read
- Project Connect
- Awards and Granting Writing
- Pioneer Tech “How To”

**Lunch**

Time: 11:30 a.m. to 12:30 p.m. (1.00 hr)

Location: **Room TBD**

**Class of 2008 Commencement\***

Time: 12:45 p.m. to 2:15 p.m. (1.50 hrs), (1.50 hrs P&P)\*

Location: Austin Grand Ballroom (6<sup>th</sup> Floor)

Description: Chairman’s Address; Awards Presentations

**FELLOWSHIP BANQUET**

**Pioneer House Toga Party**

Time: 7 p.m. to 9 p.m. (2.00 hrs)

Location: Austin Grand Ballroom

Description: School’s out! Dining, dancing and fun! Wear a toga if you’d like, or just dress casual and enjoy the evening with friends!

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Total Meeting hours.....19.25 hrs  
\* Annual Meeting events with educational focus/emphasis.....12.50 hrs  
Percentage of time spent on “mission based” Projects & Programs.....64.9%

Assuming the following expenses in this example:

Travel to/from airport	\$100
Airfare	\$400
Taxi to/from hotel	\$ 50
Lodging	\$800
Registration fee	\$250
Food	\$300
Incidentals	<u>\$100</u>
Total	\$2,000
Mission based percentage (above)	<u>64.9%</u>
Projects & Programs expense	\$1,298 code to the 6050 series of accounts
Remaining meeting expense	\$702 code to the 6020 series of accounts