

The Garden Project of Southwest Colorado Financial Policy for Community Gardens

3.28.18

Fiscal Agent Option

Many community gardens are located on property owned by entities (such as churches, organizations, schools, etc.) that are willing to manage the garden's financial activities. These types of property owners are willing to manage garden funds because they are typically responsible for other costs associated with the property – specifically, water and other property maintenance. In most cases, the community garden is not in itself an “entity,” and thus is not able to establish a bank account for receiving and disbursing garden funds. TGP recommends that garden leaders do not establish a bank account in their name, due to the potential liability involved. In cases where another entity is not an option, TGP can take on this role of holding the garden's funds.

The following expectations concern those gardens in which TGP serves as the fiscal agent.

TGP Responsibilities

- TGP will hold a garden's funds, and then disburse funds as directed by the Treasurer of the garden (herein referred to as the Treasurer) upon receipt of an Expense Reimbursement Request form and copy of the itemized receipt(s), or upon a petty cash fund request. TGP is unable to reimburse for taxes associated with purchases. All items must be purchased tax-free using TGP's Tax Exempt Certificates.
- At no time will funds be disbursed to the Treasurer that exceed the balance of the funds available in the garden account.
- TGP will provide the Treasurer an accounting that itemizes the funds received, disbursements made and account balance upon request.
- If donations or payments are made online through TGP, the balance will be adjusted for credit card fees. The balance will be member fees and donations, minus any credit card fees and expenses.
- TGP will hold a garden's monetary donations, and will provide donors appropriate tax documentation for their charitable contributions. Seasonal plot fees are not charitable contributions.
- At the end of each season, the garden account will be reviewed by TGP and the Treasurer to reconcile the account with all income and expenses for the year.
- All necessary documents, including Tax Exempt Certificates and Expense Reimbursement Request forms, are available on the TGP's website:
www.thegardenprojectswcolorado.org/garden_leader_resources
- TGP will not charge the garden a fee for acting as the fiscal agent of the garden funds. TGP may charge the garden account for check supplies necessary for reimbursement of expenses.
- TGP will hold a debit card for the account in order to pay for garden expenses as described in “Options for Reimbursement or Payment” below. Only TGP staff are cleared

to use the debit card on behalf of the garden, and only for purchases which are approved by the Treasurer.

Community Garden Responsibilities

- Each garden should appoint a person to act as the TGP financial liaison responsible for authorizing all garden fund expenditures (hereafter called the Treasurer). The Treasurer will also be responsible for maintaining a separate financial record for their garden.
- The Treasurer shall collect the majority of plot fees and provide a single delivery to TGP for deposit within 1 month of the garden's opening date. Additional deposits may be delivered to TGP monthly thereafter.
- The Treasurer may request a financial accounting statement from TGP as needed, up to once per month, by emailing TGP's Executive Director. (As of 3/26/18: Sandhya Tillotson, sandhya@thegardenprojectswcolorado.org). Please allow up to two weeks for the request to be fulfilled.
- Options for reimbursement or payment:
 - Garden Members can request TGP to pay for expense directly by Debit Card, by submitting an invoice from the vendor and approval from the Treasurer (via email, or signature on the invoice) OR by submitting the Expense Reimbursement form, signed by the Treasurer (with vendor contact information and note to pay vendor.) Payment will be submitted by TGP within 2 weeks. Please plan accordingly.
 - Garden Members who have made approved purchases on behalf of the garden, should submit a completed Expense Reimbursement Request form signed by the Treasurer, with copies of the itemized receipt(s) for all expenses needing reimbursement. Submit to: TGP Staff Member (As of 3/26/18: Mia Carrasco-Songer, Community Garden Program Manager, mia@thegardenprojectswcolorado.org). All items must be purchased tax-free, using TGP's Tax Exempt Certificates.
 - The Treasurer may request to keep a petty cash fund for up to \$200 (pending available funds in their garden account) to buy nominal supplies and materials for the garden. The check must be made out to a garden leader who then cashes the check, as TGP cannot make checks out to "cash". At the end of the season, the Treasurer will need to submit to TGP (1) itemized receipts for all petty cash purchases, and (2) remaining cash. All items must be purchased tax-free, using the Tax Exempt Certificates
- If gardens are enlisting a service for the garden (construction, entertainment, etc.) then the individual(s) providing the service(s) must be paid directly by TGP. Garden leaders do not have the option of paying the vendor directly and then being reimbursed by TGP for services provided. The individual(s) providing the services must complete a TGP-issued W-9 and claim the income on their taxes. TGP will provide vendors with 1099 forms at the end of the calendar year as required by the IRS. Vendors must submit invoices to Mia Carrasco-Songer, Community Garden Program Manager, mia@thegardenprojectswcolorado.org.

- Individuals who are donating their time and/or service(s) to the garden are not required to complete a W-9. Any material costs requiring reimbursement, must be submitted with the Expense Reimbursement form, signed by the Treasurer, along with itemized tax-exempt receipts.
- If the garden is to receive a monetary donation, the Treasurer needs to make the donor aware of TGP's relationship with the garden as fiscal sponsor. Monetary donations can be accepted as cash, check (payable to The Garden Project of Southwest Colorado), or credit card on our website (www.thegardenprojectswcolorado.org). The donor should specify which garden it is for, or if it is meant to support TGP's general operating fund.

Plot Fees

Plot fees help gardens cover seasonal expenses including water, compost, tool replacement, pathway maintenance, plants, and minor repairs to the garden infrastructure. Plot fees are sometimes used for garden improvements, or garden events. Plot fees are established by the Garden Steering Committee based on input from TGP, and are collected annually from every garden member. Plot fees may be adjusted each year on the basis of projected costs.

Adjusted Fees

No gardener should be turned away from a TGP garden due to inability to pay a plot fee. Gardeners who cannot pay their plot fees in full will be offered scholarship or work-trade options to either pay on a sliding scale or to contribute something in-kind to the garden based upon their skill set or interests. Gardens should strive to cover the costs of these plot fees by asking for support from their other gardeners, nearby businesses or restaurants, or members of the community who enjoy the garden, but don't actually garden in the plots.

Collection

The Garden Steering Committee should collect all the applications and plot fees so that they can track them prior to sending them to TGP. This allows the Garden Steering Committee to keep a record of every gardener's contact information as well as a checklist of who has and has not paid plot fees.

Closure of a Garden

If a community garden closes, for any reason, the remaining funds in the garden account will be reviewed by TGP and the Garden Steering Committee in a timely fashion, to determine the best use of the funds. Priority use of funds will include: 1) covering the cost of removing any garden infrastructure or returning the site to its original state as dictated by the property owner, 2) donating the funds to TGP's general operating fund, other gardens or programs, and 3) donating the funds to another non-profit organization or cause. Funds will not be distributed between individual garden members.