

USS TURNER JOY REUNION GROUP (TJRG)

NOTES TO CALENDAR YEAR 2024 (CY 2024) FINANCIAL STATEMENTS—Audited

Ending December 31, 2024

1. **NOTE on Unconditional Promises to Give.** The TJRG By-Laws and Guidelines (BL&G's) were finalized on December 16, 2019 and started distribution to the membership on December 26, 2019. We continue the policy of cheerfully asking members to pay dues as their budgets allow. Out of the current 348 members, some 81% have their dues paid up to date and we hope to continue increasing that percentage.
2. **Compensation.** All the Executive Committee (EXCOM) staff are non-paid volunteers as well as TJRG Members! Dave Leverenz has joined the EXCOM as the TJRG 21MC Newsletter Editor and worked with Jim Chester to get out the 21MC Newsletters.
3. **EXCOM Mailing Fees.** After we were granted official 501 (c) 7 status on 7/23/19, to work on maintaining FULL Compliance with IRS RR&G's; certain Postage Expenses were either directly allocated or re-allocated for FULL DISCLOSURE of EXCOM mailing costs and are delineated in the 2024 TJRG Financial Statements. Proof of EXCOM interaction is required by the IRS RR&G's!
4. **Donations.** Before we were required by the IRS to become a separate 501 (c) 7 Veterans Social Group, it is my understanding the unregulated TJRG would send in donations for the Drydocking Maintenance funds for the USS Turner Joy, which are run by the Bremerton Historic Ships Association (BHSA), a 501 (c) 3 non-profit Corporation. Under the past unregulated setup, it is my understanding Drydocking Maintenance funds donated were tax deductible. All donations to our 501 (c) 7 non-profit, tax exempt Veterans Social Group are **NOT** tax deductible per the IRS. However, the donations received have made our large Veteran's Group financially healthy, which was our goal!
5. **Two differing TJRG Statement of Activities are submitted to give a "better" FULL DISCLOSURE picture to the TJRG membership.** The TJRG finished CY 2024 with \$-0- in Designated Funds and \$600.00 in Temporary Restricted Funds, for previous authorized honorarium for Mr. Dale Byhre and a resolution for a historic artifact to be purchased-Still TBD. **NO** expenses for CY 2024 were carried over for payment in CY 2025! The \$500 Honorarium reserved for Mr. Dale Byhre may or may not be paid in CY 2025, depending upon circumstances. Subsequent financial information for 12/23/24 to 12/31/24 are included in the 12/23/24 to 12/31/24 column and the Total column. It is also included in the CY 2024 internal audit package developed for the EXCOM as it pertains to yearly financial disclosure to the membership, which is an IRS internal audit check and yearly requirement.
6. **WA State Charitable Registration.** Washington State Office of the Secretary of State Charitable Organization Registration under WA State Statue RCW 19.09 Informed the TJRG on January 26th, 2021, that we have maintained FULL (100%) Compliance. Reports are made every year!
7. **EXCOM approved financial protection!** The entire EXCOM had decided in 2019, to do our best NOT to fall below \$10,000 of TJRG Funds in our NFCU Checking and Savings accounts. This is still our financial management policy! Status of Un-Audited to Audited balances will be reported to membership at a future date.

8. **Statement of CASH FLOWS and BALANCES for CY 2023/CY 2024** General Member Donations help pay for the new web site. The new web site has legal protections built into it; thus, it is still highly improbable this web site can be stolen.

9. **STATEMENT OF NON-CASH ASSETS PURCHASED BY MEMBERS DONATED FOR FUTURE USE AT REUNIONS.** These TJRG assets are not part of TJRG Fund Accounts. They are:

Stand/Podium	\$ 86.00
Microphone	\$ 85.00
Cash Box	<u>\$ 29.00</u>
Total	<u>\$ 200.00</u>

10. **CASH DONATION SUMMARY FOR CALENDAR YEAR 2024 ACCURATELY REPORTED IN 21MC FOR ACCOUNTING DATA HELD AT CUTOFF OF 12/23/24.** Subsequent accounting activity from 12/24/24 to 12/31/24 had multiple problems between NFCU and TJRG as later discovered by independent multiple account reconstructions completed on 2/17/25 and January 2025 bank reconciliation, finally completed on 2/17/25. On 12/24/24, a General Deposit without documentation from NFCU and with no documentation existing with TJRG, but reported on NFCU Bank Statement ending 12/27/24, thus we classified this as General Income, not tied to TJRG membership. Furthermore, there was multiple accounting problems stemming from membership deposit on 12/19/24 where signature on the TJRG Membership check was omitted. The 2/17/25 special reconstruction reconciliation identified \$100 too much in our NFCU checking account and produced an Adjusting Journal Entry (AJE) for Prior Period Adjustment (PPA) to be entered in January 2025. This is NOT considered a material misstatement of trust funds for CY 2024.
11. **Cost of CY 2024 Internal Audit:** The total cost of the CY 2024 Audit is about \$231.36. A total of \$170.51 is imbedded in accounts of: Postage; GEN Mail to Membership; Office Supplies; EXCOM Mailings and Mileage. Also, the Fees to TAX 990 Inc., for IRS Form 990n Postcard is \$20.85 and the Washington State Filing Fee for our yearly report is \$40.00. Cost increases due to inflation in nearly all aspects were unavoidable by the EXCOM.