OHIO EDUCATION ASSOCIATION

FISCAL FITNESS AWARD PROGRAM

FISCAL YEAR 2020-2021

PROGRAM CRITERIA & EXAMPLES

FISCAL FITNESS INFORMATION SHEET

LOCAL NAME______________________________**LOCAL ID #**________________

District – Circle One

CENTRAL	ECOEA	EOEA	NCOEA	NEOEA
NWOEA	SEOWA		SWOEA	WOEA

LOCAL PRESIDENT____
Phone Number: ________________________Email Address: ___________________

LOCAL SECRETARY____
Phone Number: ________________________ Email Address: ___________________

LOCAL TREASURER____
Phone Number: ________________________Email Address: ___________________

Who do we contact regarding questions on this submission?

Name: ________________________________ Position: _______________________
Phone Number: ______________________Email Address: ____________________

If different from above

This sheet must be included in your packet. It is suggested that your material be submitted in a 3-ring binder, with each criterion separated with a tab.

2020-2021 Fiscal Fitness Award

Fiscal year 2020-2021 marks the eighteenth year of the OEA Fiscal Fitness Award Program. OEA is excited to continue this program which is designed to increase the Association's financial performance at both the state and local levels. The award consists of ten criteria of best financial practices. This booklet includes the form that must be completed for Criterion 1 and Criterion 2 along with examples of all ten criteria that must be submitted.

Along with the promotion of best financial practices for their own sake, the OEA intends to provide financial incentives for locals that establish and maintain these practices. Additionally, clear communication of these practices provides guidelines for all locals to follow. The establishment of best practices and criteria by which to measure them makes this program an example of OEA's commitment to continuous improvement.

As an incentive to promote best financial practices, $500 will be awarded to individual local treasurers who apply for the Fiscal Fitness Award and their local meets all the criteria! This is in addition to the existing 1st time award of a check for $2,000 and a plaque to the local for their accomplishment. Locals meeting all criteria on a continuing annual basis will receive $500 for as long as they meet the criteria. The $2,000 award can be earned only once every five years. (Note: Award amounts are subject to the annual OEA approved budget) The Fiscal Fitness Awards will be given at the May 2022 Representative Assembly, where locals will be recognized for their financial performance in 2020-2021.

As a further incentive to promote best financial practices by local associations, OEA will continue the giveaway started in the summer of 2008 by having a drawing at each OEA District Treasurer's Workshop. With two winners of a full year of OEA 2021-2022 dues, eligible only to participants present. (Note: Giveaway amounts are subject to the annual OEA approved budget)

Locals have the opportunity to meet the criteria for the award during the 2020-2021 fiscal year and the submission of applications for the award are due no later than January 31, 2022. This timeline has been adopted so that there is the greatest opportunity for all locals to be involved.

Completed applications and accompanying award criteria should be submitted to:

Ohio Education Association
Office of the Secretary-Treasurer
Fiscal Fitness Award
P.O. Box 2550
Columbus, OH 43216

Additional information or guidance can be provided by the office of the OEA Secretary-Treasurer.

OEA Fiscal Fitness Information Chart

Treasurer Workshops	School Fiscal Year	Submission Due Date	Award Date
July - September 2020	2020-2021	January 31, 2022	Spring 2022 OEA RA
July - September 2021	2021-2022	January 31, 2023	Spring 2023 OEA RA
July - September 2022	2022-2023	January 31, 2024	Spring 2024 OEA RA
July - September 2023	2023-2024	January 31, 2025	Spring 2025 OEA RA
July - September 2024	2024-2025	January 31, 2026	Spring 2026 OEA RA

Ohio Education Association
Fiscal Fitness Award Criteria
Fiscal Year 2020-2021

1) Membership criteria:
   A. The treasurer meets the criteria for Outstanding Local Treasurer.
      - The dues transmittal contract or letter outlining the local procedure for collecting and transmitting dues money to OEA must be postmarked to OEA headquarters no later than September 30th, 2020.
      - All membership forms for enrollment (initial, continuous or renewal), as well as a list of agency fee payers, must be postmarked to OEA headquarters by October 15th, 2020.
      - The **OEA Confirmation Form** verifying completion of Form 990 **and** include either a copy of the **IRS acceptance of the Form 990-N e-postcard or the signature page of the 990EZ or 990 long form filed**. Both must be postmarked to OEA headquarters by January 20th , 2021.
      - The local must not have incurred an interest penalty on outstanding billing statements due from the local association to OEA during the fiscal year.

   B. Reconcile annual and monthly membership reports and submit changes to the OEA as needed.

   Completion of the "Fiscal Fitness Award Criteria – Membership" form required.

2) Financial criteria:
   A. Deposits are made within one week of receipt.
   B. All invoice and financial obligations are paid timely. (2 weeks suggested)
   C. No acts of fraud or dishonesty by the treasurer or any other officer.
   D. Compensation paid to officers or staff has been disclosed

   Completion of the "Fiscal Fitness Award Criteria – Financial" form required.

3) The treasurer must attend an OEA-sanctioned Treasurer's Workshop on an annual basis during his/her term in office. Treasurers with more than 2 years of experience have the option of sending another local officer or executive board member to a Treasurer's Workshop once every 3 years. If attended by a person other than the treasurer, please provide the name and title of the alternate along with confirming the current treasurer has been in office two years and has attended the last two Treasurer's Workshops. Local treasurers have the option of serving as an OEA-sanctioned trainer for a workshop to satisfy this criterion.

   Submission of the OEA issued certificate. (Please contact the OEA Secretary-Treasurer's office to obtain if necessary)

4) Present annual budgets. It is important not only to create annual budgets but also to involve the local in the development of the budgets so leaders understand the basis for the budgets. It is also important that local budgets are presented in a question and answer based forum which is open to any interested parties. The motion to approve or accept the annual budget is to be clearly stated in the minutes with passage of the motion highlighted.
(Budgets for FY 20-21 and FY 21-22 required)

Submission of the budgets and minutes documenting budget planning and approval of both budgets required. Motion to approve or accept the annual budget must be highlighted in the minutes.

5) Present monthly and annual financial reports to the governing body of the local association. Criterion #5 must begin with a statement of the period of the local's fiscal year and list each month that the governing body of the local meets. **The monthly financials need to include Revenue, Expenses and Fund Balances as well as including a comparison of actual financial results for the period to the budget for the period.** Submission of all monthly financials must be in chronological order by month with the corresponding minutes immediately following which documents the **approval, acceptance, or filed for audit** status of the financials at the local association meetings. The motion to approve or accept the monthly financial reports must be highlighted in the minutes. The minutes should include any discussion of variances from the budget and the reasons for the budget being favorable or unfavorable. The minutes should also include any discussions on projected year-end variances and any issues or areas of financial concern. (Financials for FY 20-21 required)

Submission of all monthly financials including all monthly minutes documenting approval at local association meetings required. The monthly financials with approval for each month must be presented in chronological order. Motion to approve or accept the monthly financial reports must be highlighted in the minutes.

6) Participate in an annual audit. It is preferable that locals establish an audit subcommittee that is comprised of two or more persons when possible. Members of the Audit Committee should be rank and file members who do not have bank signatory abilities. The local is required to submit a list of subcommittee members and their roles. Suggestions for an auditor include a business community CPA, retired CPA, or an accountant who would volunteer. An audit can be performed by any independent person(s). An example would be a math teacher. **Please see Chapter 2 of the OEA Treasurer's Handbook for tips on how to conduct a Do-It-Yourself audit.** (FY 20-21 audit required)

Submission of audit documentation is required. The documentation must indicate a favorable opinion by the auditor.

7) Maintain an itemized record of all receipts and expenditures. The itemized list could be a check register, a computer worksheet or computer program, such as Quicken, Quickbooks, or a manual green ledger sheet. (FY 20-21 required)

Submission of itemized record of receipts and expenditures required. This must be organized and presented in a chronological, user-friendly manner.

8) Submit proof of proper payroll tax withholdings for paid officers and staff working on behalf of association. Regardless of what the compensation is called e.g. salary, stipends, honorariums, paid dues, grants, etc. Instead of paying officers directly or through paying their dues which are taxable, locals can establish an accountable expense plan to reimburse officers for legitimate business expenses such as cell phone reimbursement. **Please see Accountable Plan Practical Advice in Chapter 2 of the OEA Treasurer's Handbook for information related to this requirement.**

Submission of copy of payroll withholding forms filed with appropriate governmental agencies. (e.g. Federal Form 941, Ohio Form IT941) Proof can also include a copy of a TPO agreement with the local school district or an invoice from a third party payroll processor. Submit proof of the accountable plan, evidence can be the minutes of Executive Committee approving the plan or the local's C&B where documented.

9) Maintain IRS tax exempt status and supporting documentation.

Submission of tax-exempt determination letter from the IRS, or other proof from the IRS such as 990 submission confirmation, that the local has tax exempt status with the IRS.

10) Use of dual signatories on all local association checks.

Submission of a copy of a cancelled check indicating dual signatures used dated within the Fiscal Fitness Award filing year.

Note: The award criteria documentation must be submitted in an organized manner with each criterion clearly separated and identifiable using a tab system and notebook(s). Criteria documentation will not be returned to the local.

Criteria 1 & 2 Form

Fiscal Fitness Award
Criteria 1 & 2 Form
Fiscal Year 2020-2021

Local Association Name: ______________________________ Local ID: ______________

Criterion 1 - Membership:

Local Association - Date **Dues Transmittal Agreement** sent to OEA. ____/____/____
- Postmark date on or before September 30th.

Local Association - Date **Membership Enrollment Materials** sent to OEA including applicable list of Agency Fee Payers. ____/____/____
- Postmark date on or before October 15th.

Local Association - Date **990 - Filing Confirmation Form** sent to OEA ____/____/____
- Postmark date on or before January 20th, 2021.
- Provided copy of **990-N (e-Postcard) IRS acceptance form**
- **or** signature page of **990 Long\EZ form filed.**

Local Association - **Initial** to verify **No Interest Penalty** was incurred on any billing statement for the local association during the membership year. ______________

Local Association - **Initial** to verify that all **Memberships are Correct** and recorded with the OEA, and that all membership dues are paid in full. ______________

Note: There are a total of ten criteria the local must meet for the Fiscal Fitness Award.

Fiscal Fitness Award Criteria 1 and 2 Form - continued

Local Association Name: ______________________________ Local ID: ____________

Criterion 2 - Financial:

1) All deposits were made within one week of receipt during the fiscal year.

Any exceptions to be documented: ______________________________

2) All invoices and financial obligations have been paid timely during the fiscal year. (2 weeks suggested)

Any exceptions to be documented: ______________________________

3) There have been no acts of fraud or dishonesty by the treasurer or any other officer.

Any exceptions to be documented: ______________________________

4) All compensation paid to officers or staff by the local association has been disclosed in the submission for criterion #8.

Any exceptions to be documented: ______________________________

The enclosed criteria documentation has been approved for release to the Ohio Education Association for consideration in meeting the standards of the **OEA Local Association Fiscal Fitness Award.** The officers of the local hereby attest that the above information submitted to meet the membership and financial criteria, and the enclosed criteria documentation, are true and accurate to the best of their knowledge. The officers of the local understand that the enclosed criteria documentation will not be returned to the local by the OEA.
(All officers of the local must sign)

Signed by:
Local Association President: ______________________________ Date: ____________
Local Association Treasurer: ______________________________ Date: ____________
Local Association Secretary: ______________________________ Date: ____________
Other Officers: ______________________________ Date: ____________

Criteria 1 & 2

EXAMPLE

Fiscal Fitness Award
Criteria 1 & 2 Form
Fiscal Year 2020-2021

Local Association Name: ABC Education Association Local ID: Eight Digits

Criterion 1 - Membership:

Local Association - Date **Dues Transmittal Agreement** sent to OEA. XX / XX / XX
- Postmark date on or before September 30th.

Local Association - Date **Membership Enrollment Materials** sent to OEA including applicable list of Agency Fee Payers. XX / XX / XX
- Postmark date on or before October 15th.

Local Association - Date **990 - Filing Confirmation Form** sent to OEA XX / XX / XX
- Postmark date on or before January 20th, 2021.
- Provided copy of **990-N (e-Postcard) IRS acceptance form**
- **or** signature page of **990 Long\EZ form filed.**

Local Association - **Initial** to verify **No Interest Penalty** was incurred on any billing statement for the local association during the membership year. Treasurer Signature

Local Association - **Initial** to verify that all **Memberships are Correct** and recorded with the OEA, and that all membership dues are paid in full. Treasurer Signature

Note: There are a total of ten criteria the local must meet for the Fiscal Fitness Award.

Fiscal Fitness Award Criteria 1 and 2 Form - continued

Local Association Name: ABC Education Association Local ID: Eight Digits

Criterion 2 - Financial:

1) All deposits were made within one week of receipt during the fiscal year.

Any exceptions to be documented: As needed

2) All invoices and financial obligations have been paid timely during the fiscal year. (2 weeks suggested)

Any exceptions to be documented: As needed

3) There have been no acts of fraud or dishonesty by the treasurer or any other officer.

Any exceptions to be documented: As needed

4) All compensation paid to officers or staff by the local association has been disclosed in the submission for criterion #8.

Any exceptions to be documented: As needed

The enclosed criteria documentation has been approved for release to the Ohio Education Association for consideration in meeting the standards of the **OEA Local Association Fiscal Fitness Award**. The officers of the local hereby attest that the above information submitted to meet the membership and financial criteria, and the enclosed criteria documentation, are true and accurate to the best of their knowledge. The officers of the local understand that the enclosed criteria documentation will not be returned to the local by the OEA.
(All officers of the local must sign)

Signed by:
Local Association President: __________ Date: ______
Local Association Treasurer: __________ Date: ______
Local Association Secretary: __________ Date: ______
Other Officers: __________ Date: ______

Examples for Part III of Criterion 1

IRS

Confirmation

Home Security Profile Logout

Your Form 990-N(e-Postcard) has been submitted to the IRS

- **Organization Name:** ABC EDUCATION ASSOCIATION
- **EIN:** 123456789
- **Tax Year:** 2020
- **Tax Year Start Date:** 09-01-2020
- **Tax Year End Date:** 08-31-2021
- **Submission ID:** 10065520163230639300
- **Filing Status Date:** 11-18-2021
- **Filing Status:** Accepted
-

MANAGE FORM 990-N SUBMISSIONS

Form **990-EZ**

Department of the Treasury
Internal Revenue Service

Short Form
Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ **Do not enter social security numbers on this form, as it may be made public.**

▶ **Go to *www.irs.gov/Form990EZ* for instructions and the latest information.**

OMB No. 1545-0047

2020

Open to Public Inspection

A For the 2020 calendar year, or tax year beginning , 2020, and ending , 20

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization

Number and street (or P.O. box if mail is not delivered to street address) | Room/suite

City or town, state or province, country, and ZIP or foreign postal code

D Employer identification number

E Telephone number

F Group Exemption Number ▶

G Accounting Method: ☐ Cash ☐ Accrual Other (specify) ▶

H Check ▶ ☐ if the organization is **not** required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

I Website: ▶

J Tax-exempt status (check only one) — ☐ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

K Form of organization: ☐ Corporation ☐ Trust ☐ Association ☐ Other

L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are $200,000 or more, or if total assets (Part II, column (B)) are $500,000 or more, file Form 990 instead of Form 990-EZ . . . ▶ $

Part I **Revenue, Expenses, and Changes in Net Assets or Fund Balances** (see the instructions for Part I)

Check if the organization used Schedule O to respond to any question in this Part I . . . ☐

Revenue	1	Contributions, gifts, grants, and similar amounts received			1	
	2	Program service revenue including government fees and contracts			2	
	3	Membership dues and assessments			3	
	4	Investment income			4	
	5a	Gross amount from sale of assets other than inventory	5a			
	b	Less: cost or other basis and sales expenses	5b			
	c	Gain or (loss) from sale of assets other than inventory (subtract line 5b from line 5a)			5c	
	6	Gaming and fundraising events:				
	a	Gross income from gaming (attach Schedule G if greater than $15,000)	6a			
	b	Gross income from fundraising events (not including $ ______ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds $15,000)	6b			
	c	Less: direct expenses from gaming and fundraising events	6c			
	d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)			6d	
	7a	Gross sales of inventory, less returns and allowances	7a			
	b	Less: cost of goods sold	7b			
	c	Gross profit or (loss) from sales of inventory (subtract line 7b from line 7a)			7c	
	8	Other revenue (describe in Schedule O)			8	
	9	**Total revenue.** Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8 ▶			9	
Expenses	10	Grants and similar amounts paid (list in Schedule O)			10	
	11	Benefits paid to or for members			11	
	12	Salaries, other compensation, and employee benefits			12	
	13	Professional fees and other payments to independent contractors			13	
	14	Occupancy, rent, utilities, and maintenance			14	
	15	Printing, publications, postage, and shipping			15	
	16	Other expenses (describe in Schedule O)			16	
	17	**Total expenses.** Add lines 10 through 16 ▶			17	
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 9)			18	
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)			19	
	20	Other changes in net assets or fund balances (explain in Schedule O)			20	
	21	Net assets or fund balances at end of year. Combine lines 18 through 20 ▶			21	

Part II **Balance Sheets** (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II . . . . ☐

		(A) Beginning of year		(B) End of year
22	Cash, savings, and investments		22	
23	Land and buildings		23	
24	Other assets (describe in Schedule O)		24	
25	**Total assets**		25	
26	**Total liabilities** (describe in Schedule O)		26	
27	**Net assets or fund balances** (line 27 of column (B) **must** agree with line 21)		27	

Part III **Statement of Program Service Accomplishments** (see the instructions for Part III)

Check if the organization used Schedule O to respond to any question in this Part III . . ☐

Expenses (Required for section 501(c)(3) and 501(c)(4) organizations; optional for others.)

What is the organization's primary exempt purpose?

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

28	(Grants $) If this amount includes foreign grants, check here . . . . ▶ ☐	28a	
29	(Grants $) If this amount includes foreign grants, check here . . . . ▶ ☐	29a	
30	(Grants $) If this amount includes foreign grants, check here . . . . ▶ ☐	30a	
31	Other program services (describe in Schedule O) (Grants $) If this amount includes foreign grants, check here . . . . ▶ ☐	31a	
32	**Total program service expenses** (add lines 28a through 31a) . . . . ▶	32	

Part IV **List of Officers, Directors, Trustees, and Key Employees** (list each one even if not compensated—see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV . . . . ☐

(a) Name and title	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC) (if not paid, enter -0-)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation

Part V **Other Information** (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V.) Check if the organization used Schedule O to respond to any question in this Part V . ☐

			Yes	No
33	Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O	33		
34	Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O. See instructions	34		
35a	Did the organization have unrelated business gross income of $1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?	35a		
b	If "Yes" to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O	35b		
c	Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III	35c		
36	Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N	36		
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ 37a			
b	Did the organization file **Form 1120-POL** for this year?	37b		
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee; **or** were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?	38a		
b	If "Yes," complete Schedule L, Part II, and enter the total amount involved 38b			
39	Section 501(c)(7) organizations. Enter:			
a	Initiation fees and capital contributions included on line 9 39a			
b	Gross receipts, included on line 9, for public use of club facilities 39b			
40a	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ ______ ; section 4912 ▶ ______ ; section 4955 ▶ ______			
b	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	40b		
c	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶			
d	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization ▶			
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e		

41 List the states with which a copy of this return is filed ▶

42a The organization's books are in care of ▶ ______ Telephone no. ▶ ______
Located at ▶ ______ ZIP + 4 ▶ ______

			Yes	No
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	42b		
	If "Yes," enter the name of the foreign country ▶ See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
c	At any time during the calendar year, did the organization maintain an office outside the United States? If "Yes," enter the name of the foreign country ▶	42c		

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041**—Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43

			Yes	No
44a	Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44a		
b	Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44b		
c	Did the organization receive any payments for indoor tanning services during the year?	44c		
d	If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	44d		
45a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	45a		
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ. See instructions	45b		

			Yes	No
46	Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	46		

Part VI **Section 501(c)(3) Organizations Only**

All section 501(c)(3) organizations must answer questions 47–49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI ☐

			Yes	No
47	Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	47		
48	Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	48		
49a	Did the organization make any transfers to an exempt non-charitable related organization?	49a		
b	If "Yes," was the related organization a section 527 organization?	49b		

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees, and key employees) who each received more than $100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation

f Total number of other employees paid over $100,000 ▶

51 Complete this table for the organization's five highest compensated independent contractors who each received more than $100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation

d Total number of other independent contractors each receiving over $100,000 ▶

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A ▶ ☐ Yes ☐ No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer | Date

Type or print name and title

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

May the IRS discuss this return with the preparer shown above? See instructions ▶ ☐ Yes ☐ No

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2020

Open to Public Inspection

A For the 2020 calendar year, or tax year beginning , 2020, and ending , 20

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) | Room/suite

City or town, state or province, country, and ZIP or foreign postal code

D Employer identification number

E Telephone number

G Gross receipts $

F Name and address of principal officer:

H(a) Is this a group return for subordinates? ☐ **Yes** ☐ **No**

H(b) Are all subordinates included? ☐ **Yes** ☐ **No**

If "No," attach a list. See instructions

I Tax-exempt status: ☐ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶

H(c) Group exemption number ▶

K Form of organization: ☐ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation:

M State of legal domicile:

Part I Summary

Activities & Governance

1	Briefly describe the organization's mission or most significant activities:		
2	Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.		
3	Number of voting members of the governing body (Part VI, line 1a)	3	
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	
5	Total number of individuals employed in calendar year 2020 (Part V, line 2a)	5	
6	Total number of volunteers (estimate if necessary)	6	
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	
b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	

			Prior Year	**Current Year**
Revenue	8	Contributions and grants (Part VIII, line 1h)		
	9	Program service revenue (Part VIII, line 2g)		
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)		
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)		
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)		
	14	Benefits paid to or for members (Part IX, column (A), line 4)		
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)		
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)		
	19	Revenue less expenses. Subtract line 18 from line 12		

			Beginning of Current Year	**End of Year**
Net Assets or Fund Balances	20	Total assets (Part X, line 16)		
	21	Total liabilities (Part X, line 26)		
	22	Net assets or fund balances. Subtract line 21 from line 20		

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer | Date

▶ Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

May the IRS discuss this return with the preparer shown above? See instructions ☐ **Yes** ☐ **No**

Criterion 3

TREASURER'S WORKSHOP ATTENDANCE

Workshop(s) Attended:

SEOEA Treasurer's Workshop; July 18th, 2020; OU-Inn in Athens 331 Richland Ave, Athens Ohio 45701; Presenter – Mark Hill - OEA Secretary-Treasurer

2020-2021 Treasurer's Workshop Dates

June 15, 2020 **CENTRAL Virtual Treasurer's Workshop**
Novice Treasurer Training: 2:00pm – 3:30pm
Experienced Treasurer Training: 4:00pm – 5:00pm
Registration: www.centraloeanea.org

July 15, 2020 **ECOEA Virtual Treasurer's Workshop**
Novice Treasurer Training: 9:00am – 10:30am
Experienced Treasurer Training: 11:00am – 12:00pm
Registration: www.ecoea.ohea.us

July 20, 2020 **NWOEA Treasurer's Workshop**
Novice Treasurer Training: 9:00am – 10:30am
Experienced Treasurer Training: 11:00am – 12:00pm
Registration: Forms available at www.nwoea.org. Deadline July 14th

July 22, 2020 **NEOEA Treasurer's Workshop**
Novice Treasurer Workshop: 2:30pm – 4:00pm
Experienced Treasurer Training: 4:30pm – 5:30pm
Registration: Form will be available online at www.neoea.org/slc

July 23, 2020 **SEOEA Treasurer's Workshop**
Novice Treasurer Training: 9:00am – 10:30am
Experienced Treasurer Training: 11:00am – 12:00pm
Registration: Forms available at www.seoea.org. Deadline July 15th to southeastoea@gmail.com or to Greg Potter, 4386 C H and D Road, Oak Hill, OH 45656.

July 29, 2020 **NCOEA Treasurer's Workshop**
Novice Treasurer Training: 9:00am – 10:30am
Experienced Treasurer Training: 11:00am – 12:00pm
Registration: Becky Cashell at ncoeabecky@gmail.com

August 3, 2020 **EOEA Treasurer's Workshop**
Novice Treasurer Training: 1:00pm – 2:30pm
Experienced Treasurer Training 2:45pm– 3:45pm
Registration: Jack Boyd at (740) 453-2186 or jboyd.eoea@gmail.com

August 4, 2020 **WOEA Treasurer's Workshop**
Novice Treasurer Training: 9:00am – 10:30am
Experienced Treasurer Training: 11:00am – 12:00pm
Registration: www.woea.org

August 5, 2020 **SWOEA Treasurer's Workshop**
Experienced Treasurer Training: 1:00pm – 2:00pm
Novice Treasurer Training: 3:00pm – 4:30 pm
Registration: Veria Maxberry at sec-swoea@cinci.rr.com

Criterion 4

EXAMPLE

ABC Education Association
Budget - Fiscal Year 2020-21

Revenue				
Membership dues	3,500.00			
Interest Income	125.00			
Donations	750.00			
Total Revenue				**4,375.00**
Expenses				
Governance Expenses				
Administration Expenses:				
Officer	1,000.00			
Executive Council	250.00			
Association Representation	300.00			
Subtotal		1,550.00		
Leadership Training:				
Workshops	180.00			
Leadership Academy	0.00			
Workshop Mileage	75.00			
Subtotal		255.00		
Representative Assemblies:				
Uniserv Mileage	30.00			
OEA Fall R/A	120.00			
OEA Spring R/A	150.00			
Subtotal		300.00		
Total Governance			**2,105.00**	
Collective Bargaining				
Negotiation Sessions/Meals	125.00			
Training/Materials	150.00			
Subtotal		275.00		
Total Collective Bargaining			**275.00**	
Grievance/Contract Enforcement				
Arbitration Expenses	350.00			
Training/Materials	150.00			
Subtotal		500.00		
Total Grievance/Contract Enforcement			**500.00**	
Total Office Expenses			**275.00**	
Total Gifts and Awards			**500.00**	
Total Contingency Fund			**87.50**	
Total Miscellaneous			**100.00**	
Total Expenses				**3,842.50**
Excess Revenue over Expenses				**532.50**

EXAMPLE

ABC Education Association
Budget - Fiscal Year 2021-22

Income				
Membership dues	3,800.00			
Interest Income	130.00			
Donations	800.00			
Total Income				**4,730.00**
Expenses				
Governance Expenses				
Administration Expenses:				
Officer	1,000.00			
Executive Council	250.00			
Association Representation	300.00			
Subtotal		1,550.00		
Leadership Training:				
Workshops	400.00			
Leadership Academy	80.00			
Workshop Mileage	75.00			
Subtotal		555.00		
Representative Assemblies:				
Uniserv Mileage	30.00			
OEA Fall R/A	120.00			
OEA Spring R/A	150.00			
Subtotal		300.00		
Total Governance			**2,405.00**	
Collective Bargaining				
Negotiation Sessions/Meals	250.00			
Training/Materials	150.00			
Subtotal		400.00		
Total Collective Bargaining			**400.00**	
Grievance/Contract Enforcement				
Arbitration Expenses	350.00			
Training/Materials	250.00			
Subtotal		600.00		
Total Grievance/Contract Enforcement			**600.00**	
Total Office Expenses			**275.00**	
Total Gifts and Awards			**500.00**	
Total Contingency Fund			**94.60**	
Total Miscellaneous			**100.00**	
Total Expenses				**4,374.60**
Excess Income over Expenses				**355.40**

ABC Education Association
September 15, 2021
Meeting Minutes

Attendees:

Patrick President
Vicki Vice-President
Sally Secretary
Tom Treasurer

The meeting convened, etc.

OFFICERS REPORTS

OLD BUSINESS

NEW BUSINESS

Budget:

Tom Treasurer presented the FY 2020-2021 budget during the meeting for review. Tom's presentation of the budget included a listing of all the items discussed at previous meetings that were incorporated in the final budget. After several questions were answered, Sally Secretary motioned to accept the budget. John Smith seconded the motion. Motion was passed.

Upcoming Bake Sale:

OTHER TOPICS

(Note: Two fiscal year budgets must be submitted. See explanation in Criteria # 4.)

Criterion 5

EXAMPLE

ABC Education Association
Statement of Revenues Collected,
Expenses Paid, and Change in Fund Balance
Fiscal Year Ended August 31, 2021
Unaudited

(Note: Annual & Monthly Reports Must Be Submitted)

Revenue	Budget	Actual	Variance Fav (Unfav)
Membership dues	3,500.00	3,600.00	100.00
Interest Income	125.00	135.00	10.00
Donations	750.00	680.00	(70.00)
Total Revenue	**4,375.00**	**4,415.00**	**40.00**
Expenses			
Governance Expenses			
Administration Expenses:			
Officer	1,000.00	950.00	50.00
Executive Council	250.00	210.00	40.00
Association Representation	300.00	295.00	5.00
Subtotal	1,550.00	1,455.00	95.00
Leadership Training:			
Workshops	180.00	175.00	5.00
Leadership Academy	0.00	0.00	0.00
Workshop Mileage	75.00	70.00	5.00
Subtotal	255.00	245.00	10.00
Represenattive Assemblies:			
Uniserv Mileage	30.00	25.00	5.00
OEA Fall R/A	120.00	135.00	(15.00)
OEA Spring R/A	150.00	149.00	1.00
Subtotal	300.00	309.00	(9.00)
Total Governance	**2,105.00**	**2,009.00**	**96.00**
Collective Bargaining			
Negotiation Sessions/Meals	125.00	123.00	2.00
Training/Materials	150.00	151.00	(1.00)
Subtotal	275.00	274.00	1.00
Total Collective Bargaining	**275.00**	**274.00**	**1.00**
Greivance/Contract Enforcement			
Arbitration Expenses	350.00	295.00	55.00
Training/Materials	150.00	145.00	5.00
Subtotal	500.00	440.00	60.00
Total Greivance/Contract Enf.	**500.00**	**440.00**	**60.00**
Total Office Expenses	**275.00**	**250.00**	**25.00**
Total Gifts and Awards	**500.00**	**450.00**	**50.00**
Total Contingency Fund	**87.50**	**88.30**	**(0.80)**
Total Miscellanous	**100.00**	**90.00**	**10.00**
Total Expenses	**3,842.50**	**3,601.30**	**241.20**
Excess Revenue over Expenses	**532.50**	**813.70**	**281.20**

Change In Fund Balance

Excess Revenue over Expenses - FY 2020-21	**813.70**
Fund Beginning Balance - 09/01/20	**1,200.00**
Fund Ending Balance - 08/31/21	**2,013.70**

ABC Education Association
September 15, 2021
Meeting Minutes

Attendees:

Patrick President
Vicki Vice-President
Sally Secretary
Tom Treasurer

The meeting convened, etc.

OFFICERS REPORTS

OLD BUSINESS

NEW BUSINESS

Financials:

Tom Treasurer presented financials for the twelve months ended August 31, 2021 during the meeting for review. After several questions were answered, Sally Secretary motioned for approval of the financials. Patrick President seconded the motion. Motion was passed.

Upcoming Bake Sale:

OTHER TOPICS

Criterion 6

MEMORANDUM

To: Tom Treasurer

From: Roberta Smart, Math Instructor, ABC High School

Date: September 15, 2021

Subject: Review of ABC Education Association Financial Records as of August 31, 2021

I have reviewed the financial records of the ABC Education Association and found they were prepared in accordance with financial best practices and within generally accepted accounting principles.

In my opinion, the Treasurer's records and accompanying financial reports present fairly the financial position of the association.

Signed,

Roberta Smart

Criterion 7

EXAMPLE

ABC Education Association
Itemized Receipts & Expenditures
Fiscal Year Ended August 31, 2021

Date	Check Number	Transaction Description	Payment Amount	Deposit Amount	Reconciled to Bank	Balance
09/01/20		Beginning Balance			X	1,200.00
09/05/20		Membership Dues		1,000.00	X	2,200.00
09/10/20		Donations - Bake Sale		500.00	X	2,700.00
09/11/20	2585	All In Good Taste; Food - Local Meeting	51.00		X	2,649.00
09/13/20	2586	Ohio Education Association; Dues	400.00		X	2,249.00
9/13/20-8/31/21		etc, etc.	3,150.30	2,915.00	X	2,013.70
		Ending Balance	**3,601.30**	**4,415.00**		**2,013.70**

Criterion 8

Options available to local associations who provide compensation to employees are the following:

1) Bargain a Teacher Professional Organization (TPO) provision to assist in dealing with tax obligations. (See page 3-48 of the Treasurers Handbook for more information on TPOs)

2) Hire a local CPA to process payroll/compensation and to file an annual Form W-2 for each employee.

3) Process payroll using Intuit™. This is an internet based payroll service that costs about $90 monthly to process payroll for four employees. It provides paychecks or direct deposits along with electronic tax filings and electronic Form W-2 filings.

   For more information go to: http://payroll.intuit.com

4) Manually create paychecks and submit tax filings using the information and guidelines provided by federal, state and local taxing authorities. An example is using the form and instructions for the Federal Form 941, Employer's Quarterly Federal Tax Return to create paychecks including preparing and submitting filings. Below is a list of all applicable tax obligations for a local association with employee compensation.

5) Provide a reimbursement for association expenses up to the amount you would have normally paid the officer. Cell phone and mileage are good examples of local association business that are acceptable forms of reimbursements. **You must keep copies of cell invoices, mileage logs and detail receipts for reimbursements.**

Sample Collectively Bargained Contract Language for a TPO Provision:

Upon written request of the Local Association/TPO (TPO) to the Board, the following TPO officers, not to exceed four (4) in number, shall be reassigned without pay, except as hereinafter recited, for the purpose to conduct TPO business. (Note: TPO compensation can be for non-release time work depending on the specifics of your local contract) The written request for reassignment shall include the number of hours/days per school year. The assigned officers will be paid on an hourly basis based on the daily contract rate for actual teaching. The amount of hours for TPO compensation will be communicated in writing to the Board by the TPO and the Board will perform all administration within applicable laws and regulations (including STRS regulations and reporting) related to the TPO compensation including payment no later than one month after such communication of the amount of compensation due to the TPO officers. The TPO will comply with completing all applicable forms and documents requested of the Board. The TPO shall reimburse the Board for TPO compensation no later than two weeks prior to the pay date of the TPO compensation. The TPO reimbursement shall include salary and all applicable benefits of such officers, retirement contributions paid on their behalf and any other expenses related to salary and fringe benefits. The reimbursement by the TPO shall include a 2% (this percentage is bargainable) processing fee of the gross compensation amount processed.

1. President
2. Vice President
3. Treasurer
4. Secretary

Form **941 for 2021: Employer's QUARTERLY Federal Tax Return** 950121

(Rev. March 2021) Department of the Treasury — Internal Revenue Service OMB No. 1545-0029

Employer identification number (EIN)	☐☐ – ☐☐☐☐☐☐☐
Name *(not your trade name)*	
Trade name *(if any)*	
Address	Number Street Suite or room number
	City State ZIP code
	Foreign country name Foreign province/county Foreign postal code

Report for this Quarter of 2021
(Check one.)

☐ **1:** January, February, March

☐ **2:** April, May, June

☐ **3:** July, August, September

☐ **4:** October, November, December

Go to *www.irs.gov/Form941* for instructions and the latest information.

Read the separate instructions before you complete Form 941. Type or print within the boxes.

Part 1: Answer these questions for this quarter.

1 **Number of employees who received wages, tips, or other compensation for the pay period including:** ***Mar. 12*** **(Quarter 1),** ***June 12*** **(Quarter 2),** ***Sept. 12*** **(Quarter 3), or** ***Dec. 12*** **(Quarter 4)** . . . **1** ______

2 **Wages, tips, and other compensation** . . . . **2** ______ .

3 **Federal income tax withheld from wages, tips, and other compensation** . . . . . . **3** ______ .

4 **If no wages, tips, and other compensation are subject to social security or Medicare tax** ☐ **Check and go to line 6.**

		Column 1		Column 2
5a	**Taxable social security wages** . .	.	× 0.124 =	.
5a	**(i) Qualified sick leave wages** . .	.	× 0.062 =	.
5a	**(ii) Qualified family leave wages** .	.	× 0.062 =	.
5b	**Taxable social security tips** . . .	.	× 0.124 =	.
5c	**Taxable Medicare wages & tips** . .	.	× 0.029 =	.
5d	**Taxable wages & tips subject to Additional Medicare Tax withholding**	.	× 0.009 =	.

5e **Total social security and Medicare taxes.** Add Column 2 from lines 5a, 5a(i), 5a(ii), 5b, 5c, and 5d **5e** ______ .

5f **Section 3121(q) Notice and Demand—Tax due on unreported tips** (see instructions) . . **5f** ______ .

6 **Total taxes before adjustments.** Add lines 3, 5e, and 5f . . . . **6** ______ .

7 **Current quarter's adjustment for fractions of cents** . . . . **7** ______ .

8 **Current quarter's adjustment for sick pay** . . . . **8** ______ .

9 **Current quarter's adjustments for tips and group-term life insurance** . . . . **9** ______ .

10 **Total taxes after adjustments.** Combine lines 6 through 9 . . . . **10** ______ .

11a **Qualified small business payroll tax credit for increasing research activities.** Attach Form 8974 **11a** ______ .

11b **Nonrefundable portion of credit for qualified sick and family leave wages from Worksheet 1** **11b** ______ .

11c **Nonrefundable portion of employee retention credit from Worksheet 1** . . . . **11c** ______ .

▶ **You MUST complete all three pages of Form 941 and SIGN it.** Next ➡

Name *(not your trade name)* | Employer identification number (EIN)

Part 3: Tell us about your business. If a question does NOT apply to your business, leave it blank.

17 **If your business has closed or you stopped paying wages** . . . . ☐ Check here, and

enter the final date you paid wages / / ; also attach a statement to your return. See instructions.

18 **If you're a seasonal employer and you don't have to file a return for every quarter of the year** . . . ☐ Check here.

19 **Qualified health plan expenses allocable to qualified sick leave wages** . . . . 19 .

20 **Qualified health plan expenses allocable to qualified family leave wages** . . . . 20 .

21 **Qualified wages for the employee retention credit** . . . . 21 .

22 **Qualified health plan expenses allocable to wages reported on line 21** . . . . 22 .

23 **Credit from Form 5884-C, line 11, for this quarter** . . . . 23 .

24 **Reserved for future use** . . . . 24 .

25 **Reserved for future use** . . . . 25 .

Part 4: May we speak with your third-party designee?

Do you want to allow an employee, a paid tax preparer, or another person to discuss this return with the IRS? See the instructions for details.

☐ Yes. Designee's name and phone number

Select a 5-digit personal identification number (PIN) to use when talking to the IRS.

☐ No.

Part 5: Sign here. You MUST complete all three pages of Form 941 and SIGN it.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign your name here

Print your name here

Print your title here

Date / /

Best daytime phone

Paid Preparer Use Only

Check if you're self-employed . . . ☐

Preparer's name		PTIN	
Preparer's signature		Date	/ /
Firm's name (or yours if self-employed)		EIN	
Address		Phone	
City	State	ZIP code	

Form 941-V, Payment Voucher

Purpose of Form

Complete Form 941-V if you're making a payment with Form 941. We will use the completed voucher to credit your payment more promptly and accurately, and to improve our service to you.

Making Payments With Form 941

To avoid a penalty, make your payment with Form 941 **only if:**

• Your total taxes after adjustments and nonrefundable credits (Form 941, line 12) for either the current quarter or the preceding quarter are less than $2,500, you didn't incur a $100,000 next-day deposit obligation during the current quarter, and you're paying in full with a timely filed return; or

• You're a monthly schedule depositor making a payment in accordance with the Accuracy of Deposits Rule. See section 11 of Pub. 15 for details. In this case, the amount of your payment may be $2,500 or more.

Otherwise, you must make deposits by electronic funds transfer. See section 11 of Pub. 15 for deposit instructions. Don't use Form 941-V to make federal tax deposits.

CAUTION *Use Form 941-V when making any payment with Form 941. However, if you pay an amount with Form 941 that should've been deposited, you may be subject to a penalty. See* Deposit Penalties *in section 11 of Pub. 15.*

Specific Instructions

Box 1—Employer identification number (EIN). If you don't have an EIN, you may apply for one online by visiting the IRS website at *www.irs.gov/EIN.* You may also apply for an EIN by faxing or mailing Form SS-4 to the IRS. If you haven't received your EIN by the due date of Form 941, write "Applied For" and the date you applied in this entry space.

Box 2—Amount paid. Enter the amount paid with Form 941.

Box 3—Tax period. Darken the circle identifying the quarter for which the payment is made. Darken only one circle.

Box 4—Name and address. Enter your name and address as shown on Form 941.

• Enclose your check or money order made payable to "United States Treasury." Be sure to enter your EIN, "Form 941," and the tax period ("1st Quarter 2021," "2nd Quarter 2021," "3rd Quarter 2021," or "4th Quarter 2021") on your check or money order. Don't send cash. Don't staple Form 941-V or your payment to Form 941 (or to each other).

• Detach Form 941-V and send it with your payment and Form 941 to the address in the Instructions for Form 941.

Note: You must also complete the entity information above Part 1 on Form 941.

▼ **Detach Here and Mail With Your Payment and Form 941.** ▼

Form **941-V**
Department of the Treasury
Internal Revenue Service

Payment Voucher

▶ **Don't staple this voucher or your payment to Form 941.**

OMB No. 1545-0029

2021

1 Enter your employer identification number (EIN).	2 **Enter the amount of your payment.** ▶ Make your check or money order payable to **"United States Treasury"**	Dollars	Cents

3 Tax Period

○ 1st Quarter	○ 3rd Quarter
○ 2nd Quarter	○ 4th Quarter

4 Enter your business name (individual name if sole proprietor).

Enter your address.

Enter your city, state, and ZIP code; or your city, foreign country name, foreign province/county, and foreign postal code.

Instructions for Form 941

(Rev. March 2021)

Employer's QUARTERLY Federal Tax Return

Department of the Treasury
Internal Revenue Service

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 941 and its instructions, such as legislation enacted after they were published, go to *IRS.gov/Form941*.

At the time these instructions went to print, Congress was considering changes to coronavirus (COVID-19) tax relief. If new legislation impacts these instructions, updates will be posted to *IRS.gov/Form941*. You may also go to *IRS.gov/Coronavirus* for the latest information about COVID-19 tax relief.

What's New

Social security and Medicare tax for 2021. The rate of social security tax on taxable wages, except for qualified sick leave wages and qualified family leave wages, is 6.2% each for the employer and employee or 12.4% for both. Qualified sick leave wages and qualified family leave wages aren't subject to the employer share of social security tax; therefore, the tax rate on these wages is 6.2%. The social security wage base limit is $142,800.

The Medicare tax rate is 1.45% each for the employee and employer, unchanged from 2020. There is no wage base limit for Medicare tax.

Social security and Medicare taxes apply to the wages of household workers you pay $2,300 or more in cash wages in 2021. Social security and Medicare taxes apply to election workers who are paid $2,000 or more in cash or an equivalent form of compensation in 2021.

The COVID-19 related employee retention credit and the credit for qualified sick and family leave wages have been extended. The Families First Coronavirus Response Act (FFCRA) and the Coronavirus Aid, Relief, and Economic Security (CARES) Act were both amended by recent legislation. The FFCRA requirement that employers provide paid sick and family leave for reasons related to COVID-19 (the employer mandate) expired on December 31, 2020; however, the COVID-related Tax Relief Act of 2020 extends the periods for which employers providing leave that otherwise meets the requirements of the FFCRA may continue to claim tax credits for wages paid for leave taken before April 1, 2021. For more information about the credit for qualified sick and family leave wages, and to see if future legislation extends the dates through which the credit may be claimed, go to *IRS.gov/PLC*.

The Taxpayer Certainty and Disaster Tax Relief Act of 2020 modifies the calculation of the employee retention credit and extends the date through which the credit may be claimed to qualified wages paid through June 30, 2021. For more information about the employee retention credit, and to see if future legislation extends the dates through which the credit may be claimed, go to *IRS.gov/ERC*.

Advance payment of COVID-19 credits extended. Form 7200, Advance Payment of Employer Credits Due to COVID-19, may be filed to request an advance payment for the credit for qualified sick and family leave wages through April 30, 2021. Form 7200 may be filed to request an advance payment for the employee retention credit through August 2, 2021. Form(s) 7200 can't be filed for quarters beginning after March 31, 2021, unless the credit for qualified sick and family leave wages is extended to leave taken after March 31, 2021; or for quarters beginning after June 30, 2021, unless the employee retention credit is extended to wages paid after June 30, 2021. For more information, including information on which employers are eligible to request an advance payment and the amount that can be advanced, see the Instructions for Form 7200. To see if future legislation extends these credits, see *IRS.gov/PLC*, *IRS.gov/ERC*, *IRS.gov/Form941*, and *IRS.gov/Form7200*.

Deferral of the employer share of social security tax expired. The CARES Act allowed employers to defer the deposit and payment of the employer share of social security tax. The deferred amount of the employer share of social security tax was only available for deposits due on or after March 27, 2020, and before January 1, 2021, as well as deposits and payments due after January 1, 2021, that are required for wages paid on or after March 27, 2020, and before January 1, 2021. Therefore, the line previously used for the employer deferral has been "Reserved for future use." One-half of the employer share of social security tax is due by December 31, 2021, and the remainder is due by December 31, 2022. Because both December 31, 2021, and December 31, 2022, are nonbusiness days, payments made on the next business day will be considered timely. Any payments or deposits you make before December 31, 2021, are first applied against your payment due on December 31, 2021, and then applied against your payment due on December 31, 2022. For more information about the deferral of employment tax deposits, go to *IRS.gov/ETD*. See *Paying the deferred amount of the employer share of social security tax* and *How to pay the deferred amount of the employer and employee share of social security tax*, later, for information about paying the deferred amount of the employer share of social security tax.

Deferral of the employee share of social security tax expired. The Presidential Memorandum on Deferring Payroll Tax Obligations in Light of the Ongoing COVID-19 Disaster, issued on August 8, 2020, directed the Secretary of the Treasury to defer the withholding, deposit, and payment of the employee share of social security tax on wages paid during the period from September 1, 2020, through December 31, 2020. The deferral of the withholding and payment of the employee share of social security tax was available for employees whose social security wages paid for a biweekly pay period were less than $4,000, or the equivalent threshold amount for other pay periods. The line previously used for the employee deferral has been "Reserved for future use." The COVID-related Tax Relief Act of 2020 defers the due date for the withholding and payment of the employee share of social security tax until the period beginning on January 1, 2021, and ending on December 31, 2021. For more information about the deferral of employee payroll tax credit election must be made on or before the due date of the originally filed income tax return (including extensions). The portion of the credit used against the employer share of social security tax is allowed in the first calendar quarter beginning after the date that the qualified small business filed its income tax return. The election and determination of the credit amount that will be used against the employer share of social security tax are made on Form 6765, Credit for Increasing Research Activities. The amount from Form 6765, line 44, must then be reported on Form 8974, Qualified Small Business Payroll Tax Credit for Increasing Research Activities. Form 8974 is used to determine the amount of the credit that can be used in the current quarter. The amount from Form 8974, line 12, is reported on Form 941, line 11a. If you're claiming the research payroll tax credit on your Form 941, you must attach Form 8974 to that Form 941. For more information about the payroll tax credit, see Notice 2017-23, 2017-16 I.R.B. 1100, available at *IRS.gov/irb/2017-16_IRB#NOT-2017-23*, and *IRS.gov/ResearchPayrollTC*. Also see *Adjusting tax liability for nonrefundable credits claimed on lines 11a, 11b, and 11c*, later.

Certification program for professional employer organizations (PEOs). The Stephen Beck, Jr., ABLE Act of 2014 required the IRS to establish a voluntary certification program for PEOs. PEOs handle various payroll administration and tax reporting responsibilities for their business clients and are typically paid a fee based on payroll costs. To become and remain certified under the certification program, certified professional employer organizations (CPEOs) must meet various requirements described in sections 3511 and 7705 and related published guidance. Certification as a CPEO may affect the employment tax liabilities of both the CPEO and its customers. A CPEO is generally treated for employment tax purposes as the employer of any individual who performs services for a customer of the CPEO and is covered by a contract described in section 7705(e)(2) between the CPEO and the customer (CPEO contract), but only for wages and other compensation paid to the individual by the CPEO. To become a CPEO, the organization must apply through the IRS Online Registration System. For more information or to apply to become a CPEO, go to *IRS.gov/CPEO*.

CPEOs must generally file Form 941 and Schedule R (Form 941), Allocation Schedule for Aggregate Form 941 Filers, electronically. For more information about a CPEO's requirement to file electronically, see Rev. Proc. 2017-14, 2017-3 I.R.B. 426, available at *IRS.gov/irb/2017-03_IRB#RP-2017-14*.

Outsourcing payroll duties. Generally, as an employer, you're responsible to ensure that tax returns are filed and deposits and payments are made, even if you contract with a third party to perform these acts. You remain responsible if the third party fails to perform any required action. Before you choose to outsource any of your payroll and related tax duties (that is, withholding, reporting, and paying over social security, Medicare, FUTA, and income taxes) to a third-party payer, such as a payroll service provider or reporting agent, go to *IRS.gov/OutsourcingPayrollDuties* for helpful information on this topic. If a CPEO pays wages and other compensation to an individual performing services for you, and the services are covered by a contract described in section 7705(e)(2) between you and the CPEO (CPEO contract), then the CPEO is generally treated for employment tax purposes as the employer, but only for wages and other compensation paid to the individual by the CPEO. However, with respect to certain employees covered by a CPEO contract, you may also be treated as an employer of the employees and, consequently, may also be liable for federal employment taxes imposed on wages and other compensation paid by the CPEO to such employees. For more information on the different types of third-party payer arrangements, see section 16 of Pub. 15.

Aggregate Form 941 filers. Approved section 3504 agents and CPEOs must complete and file Schedule R (Form 941) when filing an aggregate Form 941. Aggregate Forms 941 are filed by agents approved by the IRS under section 3504. To request approval to act as an agent for an employer, the agent files Form 2678 with the IRS unless you're a state or local government agency acting as an agent under the special procedures provided in Rev. Proc. 2013-39, 2013-52 I.R.B. 830, available at *IRS.gov/irb/2013-52_IRB#RP-2013-39*. Aggregate Forms 941 are also filed by CPEOs approved by the IRS under section 7705. To become a CPEO, the organization must apply through the IRS Online Registration System at *IRS.gov/CPEO*. CPEOs file Form 8973, Certified Professional Employer Organization/Customer Reporting Agreement, to notify the IRS that they started or ended a service contract with a customer. CPEOs must generally file Form 941 and Schedule R (Form 941) electronically. For more information about a CPEO's requirement to file electronically, see Rev. Proc. 2017-14, 2017-3 I.R.B. 426, available at *IRS.gov/irb/2017-03_IRB#RP-2017-14*. The June 2020 revision of Schedule R won't be revised for 2021. If a line on Form 941 is "Reserved for future use," don't enter any amounts in the corresponding columns on Schedule R.

Other third-party payers that file aggregate Forms 941, such as non-certified PEOs, must complete and file Schedule R (Form 941) if they have clients that are claiming the qualified small business payroll tax credit for increasing research activities, the credit for qualified sick and family leave wages, or the employee retention credit.

TIP *If both an employer and a section 3504 authorized agent (or CPEO or other third-party payer) paid wages to an employee during a quarter, both the employer and the section 3504 authorized agent (or CPEO or other third-party payer, if applicable) should file Form 941 reporting the wages each entity paid to the employee during the applicable quarter and issue Forms W-2 reporting the wages each entity paid to the employee during the year.*

If a third-party payer of sick pay is also paying qualified sick leave wages on behalf of an employer, the third party would be making the payments as an agent of the employer. The employer is required to do the reporting and payment of employment taxes with respect to the qualified sick leave wages and claim the credit for the qualified sick leave wages, unless the employer has an agency agreement with the third-party payer that requires the third-party payer to do the collecting, reporting, and/or paying or depositing employment taxes on the qualified sick leave wages. If the employer has an agency agreement with the third-party payer, the third-party payer includes the qualified sick leave wages on the third party's aggregate Form 941, claims the sick leave credit on behalf of the employer on the aggregate Form 941, and separately reports the credit allocable to the employers on Schedule R (Form 941). See section 6 of Pub. 15-A, Employer's Supplemental Tax Guide, for more information about sick pay reporting.

tax, and Medicare tax. You must also withhold Additional Medicare Tax from wages you pay to an employee in excess of $200,000 in a calendar year. Under the withholding system, taxes withheld from your employees are credited to your employees in payment of their tax liabilities.

Federal law also requires you to pay any liability for the employer share of social security and Medicare taxes. This share of social security and Medicare taxes isn't withheld from employees.

Who Must File Form 941?

If you pay wages subject to federal income tax withholding or social security and Medicare taxes, you must file Form 941 quarterly to report the following amounts.

- Wages you've paid.
- Tips your employees reported to you.
- Federal income tax you withheld.
- Both the employer and the employee share of social security and Medicare taxes.
- Additional Medicare Tax withheld from employees.
- Current quarter's adjustments to social security and Medicare taxes for fractions of cents, sick pay, tips, and group-term life insurance.
- Qualified small business payroll tax credit for increasing research activities.
- Credit for qualified sick and family leave wages.
- Employee retention credit.
- Total advances received from filing Form(s) 7200 for the quarter.

Don't use Form 941 to report backup withholding or income tax withholding on nonpayroll payments such as pensions, annuities, and gambling winnings. Report these types of withholding on Form 945, Annual Return of Withheld Federal Income Tax. Also, don't use Form 941 to report unemployment taxes. Report unemployment taxes on Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return.

After you file your first Form 941, you must file a return for each quarter, even if you have no taxes to report, unless you filed a final return or one of the exceptions listed next applies.

Exceptions

Special rules apply to some employers.

- If you received notification to file **Form 944,** you must file Form 944 annually; don't file Form 941 quarterly.
- **Seasonal employers** don't have to file a Form 941 for quarters in which they have no tax liability because they have paid no wages. To tell the IRS that you won't file a return for one or more quarters during the year, check the box on line 18 every quarter you file Form 941. See section 12 of Pub. 15 for more information.
- Employers of **household employees** don't usually file Form 941. See Pub. 926 and Schedule H (Form 1040) for more information.
- Employers of **farm employees** don't file Form 941 for wages paid for agricultural labor. See Form 943 and Pub. 51 for more information.

TIP *If none of the these exceptions apply and you haven't filed a final return, you must file Form 941 each quarter even if you didn't pay wages during the quarter. Use IRS e-file, if possible.*

Requesting To File Forms 941 Instead of Form 944, or Requesting To File Form 944 Instead of Forms 941

Requesting to file Forms 941 instead of Form 944. Employers that would otherwise be required to file Form 944, Employer's ANNUAL Federal Tax Return, may contact the IRS to request to file quarterly Forms 941 instead of annual Form 944. To request to file quarterly Forms 941 to report your social security and Medicare taxes for the 2021 calendar year, you must either call the IRS at 800-829-4933 between January 1, 2021, and April 1, 2021, or send a written request postmarked between January 1, 2021, and March 15, 2021. After you contact the IRS, the IRS will send you a written notice that your filing requirement has been changed to Forms 941. You must receive written notice from the IRS to file Forms 941 instead of Form 944 before you may file these forms. If you don't receive this notice, you must file Form 944 for calendar year 2021.

Requesting to file Form 944 instead of Forms 941. If you're required to file Forms 941 but believe your employment taxes for calendar year 2021 will be $1,000 or less, you may request to file Form 944 instead of Forms 941 by calling the IRS at 800-829-4933 between January 1, 2021, and April 1, 2021, or sending a written request postmarked between January 1, 2021, and March 15, 2021. After you contact the IRS, the IRS will send you a written notice that your filing requirement has been changed to Form 944. You must receive written notice from the IRS to file Form 944 instead of Forms 941 before you may file this form. If you don't receive this notice, you must file Forms 941 for calendar year 2021.

Where to send written requests. Written requests should be sent to:

Department of the Treasury Internal Revenue Service Ogden, UT 84201-0038	or	Department of the Treasury Internal Revenue Service Cincinnati, OH 45999-0038

If you would mail your return filed without a payment to Ogden, as shown under *Where Should You File*, later, send your request to the Ogden address shown above. If you would mail your return filed without a payment to Kansas City, send your request to the address for Cincinnati shown above. For more information about these procedures, see Rev. Proc. 2009-51, 2009-45 I.R.B. 625, available at *IRS.gov/irb/2009-45_IRB#RP-2009-51*.

What if You Reorganize or Close Your Business?

If You Sell or Transfer Your Business . . .

If you sell or transfer your business during the quarter, you and the new owner must each file a Form 941 for the quarter in which the transfer occurred. Report only the wages you paid.

When two businesses merge, the continuing firm must file a return for the quarter in which the change took place and the other firm should file a final return.

Changing from one form of business to another—such as from a sole proprietorship to a partnership or corporation—is considered a transfer. If a transfer occurs, you may need a *an incorrect EIN or using another business's EIN may result in penalties and delays in processing your return.*

If you change your business name, business address, or responsible party... Notify the IRS immediately if you change your business name, business address, or responsible party.

- Write to the IRS office where you file your returns (using the *Without a payment* address under *Where Should You File*, later) to notify the IRS of any business name change. See Pub.1635 to see if you need to apply for a new EIN.
- Complete and mail Form 8822-B to notify the IRS of a business address or responsible party change. Don't mail Form 8822-B with your Form 941. For a definition of "responsible party," see the Instructions for Form SS-4.

Check the Box for the Quarter

Under "Report for this Quarter of 2021" at the top of Form 941, check the appropriate box of the quarter for which you're filing. Make sure the quarter checked is the same as shown on any attached Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, and, if applicable, Schedule R (Form 941).

Completing and Filing Form 941

Make entries on Form 941 as follows to enable accurate scanning and processing.

- Use 10-point Courier font (if possible) for all entries if you're typing or using a computer to complete your form. Portable Document Format (PDF) forms on IRS.gov have fillable fields with acceptable font specifications.
- Don't enter dollar signs and decimal points. Commas are optional. Enter dollars to the left of the preprinted decimal point and cents to the right of it. Don't round entries to whole dollars. Always show an amount for cents, even if it is zero.
- Leave blank any data field (except lines 1, 2, and 12) with a value of zero.
- Enter negative amounts using a minus sign (if possible). Otherwise, use parentheses.
- Enter your name and EIN on all pages.
- Enter your name, EIN, "Form 941," and the tax year and quarter on all attachments.
- Staple multiple sheets in the upper left corner when filing.

Complete all three pages. You must complete all three pages of Form 941 and sign on page 3. Failure to do so may delay processing of your return.

Required Notice to Employees About the Earned Income Credit (EIC)

To notify employees about the EIC, you must give the employees one of the following items.

- Form W-2 which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

For more information, see section 10 of Pub. 15, Pub. 596, and *IRS.gov/EIC*.

Reconciling Forms 941 and Form W-3

The IRS matches amounts reported on your four quarterly Forms 941 with Form W-2 amounts totaled on your yearly Form W-3, Transmittal of Wage and Tax Statements. If the amounts don't agree, you may be contacted by the IRS or the Social Security Administration (SSA). The following amounts are reconciled.

- Federal income tax withholding.
- Social security wages.
- Social security tips.
- Medicare wages and tips.

For more information, see section 12 of Pub. 15 and the Instructions for Schedule D (Form 941).

Where Should You File?

You're encouraged to file Form 941 electronically. Go to *IRS.gov/EmploymentEfile* for more information on electronic filing. If you file a paper return, where you file depends on whether you include a payment with Form 941. Mail your return to the address listed for your location in the table that follows.

PDSs can't deliver to P.O. boxes. You must use the U.S. Postal Service to mail an item to a P.O. box address. Go to *IRS.gov/PDS* for the current list of PDSs. For the IRS mailing address to use if you're using a PDS, go to *IRS.gov/PDSstreetAddresses*. Select the mailing address listed on the webpage that is in the same state as the address to which you would mail returns filed without a payment, as shown next.

What About Penalties and Interest?

Avoiding Penalties and Interest

You can avoid paying penalties and interest if you do all of the following.

- Deposit or pay your taxes when they are due, unless you meet the requirements discussed in *Notice 2020-22* or *IRS.gov/ETD*, or you have chosen to use the relief provided in *Notice 2020-65* and *Notice 2021-11*.
- File your fully completed Form 941 on time.
- Report your tax liability accurately.
- Submit valid checks for tax payments.
- Furnish accurate Forms W-2 to employees.
- File Form W-3 and Copy A of Forms W-2 with the SSA on time and accurately.

Penalties and interest are charged on taxes paid late and returns filed late at a rate set by law. See sections 11 and 12 of Pub. 15 for details.

Use Form 843 to request abatement of assessed penalties or interest. Don't request abatement of assessed penalties or interest on Form 941 or Form 941-X.

If you receive a notice about a penalty after you file this return, reply to the notice with an explanation and we will determine if you meet reasonable-cause criteria. Don't attach an explanation when you file your return.

CAUTION *If federal income, social security, and Medicare taxes that must be withheld (that is, trust fund taxes) aren't withheld or aren't deposited or paid to the United States Treasury, the trust fund recovery penalty may apply. The penalty is 100% of the unpaid trust fund tax. If these unpaid taxes can't be immediately collected from the employer or business, the trust fund recovery penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, or paying over these taxes, and who acted willfully in not doing so. For more information, see section 11 of Pub. 15. The trust fund recovery penalty won't apply to any amount of trust fund taxes an employer holds back in anticipation of any credits they are entitled to. It also won't apply to applicable taxes deferred under Notice 2020-65 and Notice 2021-11 before January 1, 2022.*

Adjustment of Tax on Tips

If, by the 10th of the month after the month you received an employee's report on tips, you don't have enough employee funds available to withhold the employee share of social security and Medicare taxes, you no longer have to collect it. Report the entire amount of these tips on line 5b (Taxable social security tips), line 5c (Taxable Medicare wages and tips), and, if the withholding threshold is met, line 5d (Taxable wages and tips subject to Additional Medicare Tax withholding). Include as a negative adjustment on line 9 the total uncollected employee share of the social security and Medicare taxes.

Specific Instructions:

Part 1: Answer These Questions for This Quarter

1. Number of Employees Who Received Wages, Tips, or Other Compensation

Enter the number of employees on your payroll for the pay period including March 12, June 12, September 12, or December 12, for the quarter indicated at the top of Form 941. Don't include:

- Household employees,
- Employees in nonpay status for the pay period,
- Farm employees,
- Pensioners, or
- Active members of the Armed Forces.

TIP *For purposes of these instructions, all references to "sick pay" mean ordinary sick pay, not "qualified sick leave wages" that are reported on line 5a(i).*

2. Wages, Tips, and Other Compensation

Enter amounts on line 2 that would also be included in box 1 of your employees' Forms W-2. See *Box 1—Wages, tips, other compensation* in the General Instructions for Forms W-2 and W-3 for details. Include sick pay paid by your agent. Also include sick pay paid by a third party that isn't your agent (for example, an insurance company) if you were given timely notice of the payments and the third party transferred liability for the employer's taxes to you.

If you're a third-party payer of sick pay and not an agent of the employer, don't include sick pay that you paid to policyholders' employees here if you gave the policyholders timely notice of the payments. See section 6 of Pub. 15-A for more information about sick pay reporting and the procedures for transferring the liability to the employer.

3. Federal Income Tax Withheld From Wages, Tips, and Other Compensation

Enter the federal income tax you withheld (or were required to withhold) from your employees on this quarter's wages, including qualified sick leave wages, qualified family leave wages, and qualified wages (excluding qualified health plan expenses) for the employee retention credit; tips; taxable fringe benefits; and supplemental unemployment compensation benefits. Don't include any income tax withheld by a third-party payer of sick pay even if you reported it on Forms W-2. You will reconcile this difference on Form W-3. Also include here any excise taxes you were required to withhold on golden parachute payments (section 4999). For information on the employment tax treatment of fringe benefits, see Pub. 15-B, Employer's Tax Guide to Fringe Benefits. For information about supplemental unemployment compensation benefits and golden parachute payments, see section 5 of Pub. 15-A.

If you're a third-party payer of sick pay, enter the federal income tax you withheld (or were required to withhold) on third-party sick pay here.

regular rate of pay, but the wages may not exceed $511 for any day (or portion of a day) for which the individual is paid sick leave. For paid sick leave qualifying under (4), (5), or (6), earlier, the amount of qualified sick leave wages is determined at two-thirds the employee's regular rate of pay, but the wages may not exceed $200 for any day (or portion of a day) for which the individual is paid sick leave. The EPSLA also limits each individual to a maximum of up to 80 hours of paid sick leave. Therefore, the maximum amount of paid sick leave wages paid to one employee can't exceed $5,110 for an employee for leave under (1), (2), or (3), and it can't exceed $2,000 for an employee for leave under (4), (5), or (6). For more information from the Department of Labor on these requirements and limits, see *DOL.gov/agencies/whd/pandemic*.

For more information about qualified sick leave wages, go to *IRS.gov/PLC*.

5a(ii). Qualified family leave wages. Enter the qualified taxable family leave wages you paid to your employees during the quarter. Qualified family leave wages aren't subject to the employer share of social security tax; therefore, the tax rate on these wages is 6.2% (0.062). Stop paying social security tax on and entering an employee's wages on line 5a(ii) when the employee's taxable wages, including wages reported on line 5a, qualified sick leave wages, qualified family leave wages, and tips, reach $142,800 for the year. See the instructions for line 5c for reporting Medicare tax on qualified family leave wages, including the portion above the social security wage base.

For purposes of the credit for qualified sick and family leave wages, qualified family leave wages are wages for social security and Medicare tax purposes, determined without regard to the exclusions from the definition of employment under section 3121(b), that an employer pays that otherwise meet the requirements of the Emergency Family and Medical Leave Expansion Act (Expanded FMLA), as enacted under the FFCRA and amended by the COVID-related Tax Relief Act of 2020. However, don't include any wages otherwise excluded under section 3121(b) when reporting qualified family leave wages on lines 5a(ii), 5c, and, if applicable, 5d. See the instructions for line 11b for information about the credit for qualified sick and family leave wages.

	line 5a(ii)	(column 1)
x	0.062	
	line 5a(ii)	(column 2)

Expanded FMLA. For 2021, certain employers with fewer than 500 employees are entitled to credits under the FFCRA, as amended by the COVID-related Tax Relief Act of 2020, if they provide paid family leave to employees that otherwise meets the requirements of the Expanded FMLA. Under the Expanded FMLA, wages are qualified family leave wages if paid to an employee who has been employed for at least 30 calendar days when an employee is unable to work or telework due to the need to care for a son or daughter under 18 years of age or incapable of self-care because of a mental or physical disability because the school or place of care for that child has been closed, or the childcare provider for that child is unavailable, due to a public health emergency. See *Son or daughter*, earlier, for more information.

The first 10 days for which an employee takes leave may be unpaid. During this period, employees may use other forms of paid leave, such as qualified sick leave, accrued sick leave, annual leave, or other paid time off. After an employee takes leave for 10 days, the employer must provide the employee paid leave (that is, qualified family leave wages) for up to 10 weeks. For more information from the Department of Labor on these requirements, possible exceptions, and the limitations discussed below, see *DOL.gov/agencies/whd/pandemic*.

TIP *Government employers aren't eligible for the credit for qualified sick and family leave wages; however, as with any employer, government employers aren't liable for the employer share of the social security tax on the qualified family leave wages paid to employees.*

Rate of pay and limit on wages. The rate of pay must be at least two-thirds of the employee's regular rate of pay (as determined under the Fair Labor Standards Act of 1938), multiplied by the number of hours the employee otherwise would have been scheduled to work. The qualified family leave wages can't exceed $200 per day or $10,000 in the aggregate per employee.

For more information about qualified family leave wages, go to *IRS.gov/PLC*.

5b. Taxable social security tips. Enter all tips your employees reported to you during the quarter until the total of the tips and taxable wages, including qualified sick leave wages and qualified family leave wages, for an employee reach $142,800 for the year. Include all tips your employee reported to you even if you were unable to withhold the employee tax of 6.2%. You will reduce your total taxes by the amount of any uncollected employee share of social security and Medicare taxes on tips later on line 9; see *Current quarter's adjustments for tips and group-term life insurance*, later. Don't include service charges on line 5b. For details about the difference between tips and service charges, see Rev. Rul. 2012-18, 2012-26 I.R.B. 1032, available at *IRS.gov/irb/2012-26_IRB#RR-2012-18*.

Your employee must report cash tips to you by the 10th day of the month after the month the tips are received. Cash tips include tips paid by cash, check, debit card, and credit card. The report should include charged tips (for example, credit and debit card charges) you paid over to the employee for charge customers, tips the employee received directly from customers, and tips received from other employees under any tip-sharing arrangement. Both directly and indirectly tipped employees must report tips to you. No report is required for months when tips are less than $20. Employees may use Form 4070 (available only in Pub. 1244), or submit a written statement or electronic tip record.

Don't include allocated tips (described in section 6 of Pub. 15) on this line. Instead, report them on Form 8027. Allocated tips aren't reportable on Form 941 and aren't subject to withholding of federal income, social security, or Medicare taxes.

	line 5b	(column 1)
x	0.124	
	line 5b	(column 2)

5c. Taxable Medicare wages & tips. Enter all wages, including qualified sick leave wages, qualified family leave wages, and qualified wages (excluding qualified health plan has an agency agreement with the third-party payer that requires the third-party payer to do the collecting, reporting, and/or paying or depositing employment taxes on the sick pay. See section 6 of Pub. 15-A for more information about sick pay reporting.

9. Current quarter's adjustments for tips and group-term life insurance. Enter a negative adjustment for:

- Any uncollected employee share of social security and Medicare taxes on tips, and
- The uncollected employee share of social security and Medicare taxes on group-term life insurance premiums paid for former employees.

See the General Instructions for Forms W-2 and W-3 for information on how to report the uncollected employee share of social security and Medicare taxes on tips and group-term life insurance on Form W-2.

Prior quarter's adjustments. If you need to correct any adjustment reported on a previously filed Form 941, complete and file Form 941-X. Form 941-X is an adjusted return or claim for refund and is filed separately from Form 941. See section 13 of Pub. 15.

10. Total Taxes After Adjustments

Combine the amounts shown on lines 6–9 and enter the result on line 10.

11a. Qualified Small Business Payroll Tax Credit for Increasing Research Activities

Enter the amount of the credit from Form 8974, line 12.

CAUTION *If you enter an amount on line 11a, you must attach Form 8974. The December 2017 revision of Form 8974 instructs you to enter the amount from Form 8974, line 12, on Form 941, line 11. Instead, the amount from Form 8974, line 12, should be entered on Form 941, line 11a.*

11b. Nonrefundable Portion of Credit for Qualified Sick and Family Leave Wages From Worksheet 1

TIP *Form 941 and these instructions use the terms "nonrefundable" and "refundable" when discussing credits. The term "nonrefundable" means the portion of the credit which is limited by law to the amount of the employer share of social security tax. The term "refundable" means the portion of the credit which is in excess of the employer share of social security tax.*

Businesses and tax-exempt organizations with fewer than 500 employees that provide paid sick leave under the EPSLA and/or provide paid family leave under the Expanded FMLA are eligible to claim the credit for qualified sick and family leave wages for the period after March 31, 2020, and before April 1, 2021. For purposes of this credit, qualified sick leave wages and qualified family leave wages are wages for social security and Medicare tax purposes, determined without regard to the exclusions from the definition of employment under section 3121(b), that an employer pays that otherwise meet the requirements of the EPSLA or Expanded FMLA. Enter the nonrefundable portion of the credit for qualified sick and family leave wages from Worksheet 1, Step 2, line 2j. The credit for qualified sick and family leave wages consists of the qualified sick leave wages, the qualified family leave wages, the qualified health plan expenses allocable to those wages, and the employer share of Medicare tax allocable to those wages. The nonrefundable portion of the credit is limited to the employer share of social security tax reported on Form 941, lines 5a and 5b, after that share is first reduced by any credit claimed on Form 8974 for the qualified small business payroll tax credit for increasing research activities, any credit to be claimed on Form 5884-C for the work opportunity credit for qualified tax-exempt organizations hiring qualified veterans, and/or any credit to be claimed on Form 5884-D for the disaster credit for qualified tax-exempt organizations.

CAUTION *If you're a third-party payer of sick pay that isn't an agent (for example, an insurance company) and you're claiming the credit for qualified sick and family leave wages for amounts paid to your own employees, the amount of the employer share of social security tax reported on line 5a must be reduced by any adjustment you make on line 8 for the employer share of social security tax transferred to your client. If you received a Section 3121(q) Notice and Demand for tax due on unreported tips (Letter 3263 or Letter 4520) during the quarter, you report the amount for the employer share of social security tax and Medicare tax on Form 941, line 5f. Letter 3263 or Letter 4520 includes an attachment that shows the employer share of social security tax. This amount of the employer share of social security tax can also be reduced by the nonrefundable portion of the credit. See Worksheet 1 to figure your credit.*

Any credit in excess of the remaining amount of the employer share of social security tax is refundable and reported on Form 941, line 13c. For more information on the credit for qualified sick and family leave wages, go to *IRS.gov/PLC*.

Qualified health plan expenses allocable to qualified sick leave and family leave wages. The credit for qualified sick leave wages and qualified family leave wages is increased to cover the qualified health plan expenses that are properly allocable to the qualified leave wages for which the credit is allowed. These qualified health plan expenses are amounts paid or incurred by the employer to provide and maintain a group health plan but only to the extent such amounts are excluded from the employees' income as coverage under an accident or health plan. The amount of qualified health plan expenses generally includes both the portion of the cost paid by the employer and the portion of the cost paid by the employee with pre-tax salary reduction contributions. However, qualified health plan expenses don't include amounts that the employee paid for with after-tax contributions. For more information, go to *IRS.gov/PLC*.

TIP *You must include the full amount (both the nonrefundable and refundable portions) of the credit for qualified sick and family leave wages in your gross income for the tax year that includes the last day of any calendar quarter in which a credit is allowed. You can't use the same wages for the employee retention credit and the credits for paid sick and family leave.*

the return. For more information on paying with a timely filed return, see the instructions for line 14, later.

- **If line 12 is $2,500 or more and line 12 on the prior quarterly return was $2,500 or more, or if you incurred a $100,000 next-day deposit obligation during the current quarter.** You must make required deposits according to your deposit schedule. See *Notice 2020-22* for information about the reduction of certain deposits. The amount shown on line 12 must equal the "Total liability for quarter" shown on line 16 or the "Total liability for the quarter" shown on Schedule B (Form 941). For more information, see the line 16 instructions, later.

For more information and rules about federal tax deposits, see *Depositing Your Taxes*, earlier, and section 11 of Pub. 15.

CAUTION *If you're a semiweekly schedule depositor, you must complete Schedule B (Form 941). If you fail to complete and submit Schedule B (Form 941), the IRS may assert deposit penalties based on available information.*

13a. Total Deposits for This Quarter

Enter your deposits for this quarter, including any overpayment from a prior quarter that you applied to this return. Also include in the amount shown any overpayment that you applied from filing Form 941-X, 941-X (PR), 944-X, or 944-X (SP) in the current quarter. Don't include any amount that you didn't deposit because you reduced your deposits in anticipation of the credit for qualified sick and family leave wages and/or the employee retention credit, as discussed in *Notice 2020-22*.

13c. Refundable Portion of Credit for Qualified Sick and Family Leave Wages From Worksheet 1

Businesses and tax-exempt organizations with fewer than 500 employees that provide paid sick leave under the EPSLA and/or provide paid family leave under the Expanded FMLA are eligible to claim the credit for qualified sick and family leave wages. Enter the refundable portion of the credit for qualified sick and family leave wages from Worksheet 1, Step 2, line 2k. The credit for qualified sick and family leave wages consists of the qualified sick leave wages, the qualified family leave wages, the qualified health plan expenses allocable to those wages, and the employer share of Medicare tax allocable to those wages. The refundable portion of the credit is allowed after the employer share of social security tax is reduced to zero by nonrefundable credits.

13d. Refundable Portion of Employee Retention Credit From Worksheet 1

Enter the refundable portion of the employee retention credit from Worksheet 1, Step 3, line 3i. The employee retention credit is 70% of the qualified wages you paid to your employees in the quarter. The refundable portion of the credit is allowed after the employer share of social security tax is reduced to zero by nonrefundable credits.

13e. Total Deposits and Refundable Credits

Add lines 13a, 13c, and 13d. Enter the total on line 13e.

13f. Total Advances Received From Filing Form(s) 7200 for the Quarter

Enter the total advances received from filing Form(s) 7200 for the quarter. If you filed a Form 7200 for the quarter but you haven't received the advance before filing Form 941, don't include on line 13f the amount of the advance requested. Employers were eligible to file Form 7200 for the quarter if they paid qualified sick leave wages, qualified family leave wages, and/or qualified wages for the employee retention credit and the amount of employment tax deposits they retained wasn't sufficient to cover the cost of qualified sick and family leave wages and the employee retention credit.

TIP *Form 7200 may be filed for a quarter up to the earlier of the end of the month after the end of each quarter or filing of Form 941 for the quarter. However, if you file Form 7200 after the end of the quarter, it's possible that it may not be processed prior to the processing of the filed Form 941. Advance payment requests on Form 7200 for a quarter won't be paid after your Form 941 is processed for that quarter. When the IRS processes Form 941, we will correct the amount reported on line 13f to match the amount of advance payments issued or contact you to reconcile the difference before we finish processing Form 941.*

13g. Total Deposits and Refundable Credits Less Advances

Subtract line 13f from line 13e. Enter the result on line 13g.

14. Balance Due

If line 12 is more than line 13g, enter the difference on line 14. Otherwise, see *Overpayment*, later.

Never make an entry on both lines 14 and 15.

You don't have to pay if line 14 is under $1. Generally, you should have a balance due only if your total taxes after adjustments and nonrefundable credits (line 12) for the current quarter or prior quarter are less than $2,500, and you didn't incur a $100,000 next-day deposit obligation during the current quarter. However, see section 11 of Pub. 15 for information about payments made under the accuracy of deposits rule.

If you were required to make federal tax deposits, pay the amount shown on line 14 by EFT. If you weren't required to make federal tax deposits (see *Must You Deposit Your Taxes*, earlier) or you're a monthly schedule depositor making a payment under the accuracy of deposits rule, you may pay the amount shown on line 14 by EFT, credit card, debit card, check, money order, or EFW. For more information on electronic payment options, go to *IRS.gov/Payments*.

If you pay by EFT, credit card, or debit card, file your return using the *Without a payment* address under *Where Should You File*, earlier, and don't file Form 941-V, Payment Voucher.

If you pay by check or money order, make it payable to "United States Treasury." Enter your EIN, "Form 941," and the tax period ("1st Quarter 2021," "2nd Quarter 2021," "3rd Quarter 2021," or "4th Quarter 2021") on your check or money order. Complete Form 941-V and enclose with Form 941.

If line 12 is $2,500 or more on both your prior and current quarter Form 941, and you've deposited all taxes when due, the balance due on line 14 should be zero.

small business payroll tax credit for increasing research activities is limited to the employer share of social security tax on wages paid in the quarter that begins after the income tax return electing the credit has been filed. In completing line 16 or Schedule B (Form 941), you take into account the payroll tax credit against the liability for the employer share of social security tax starting with the first payroll payment of the quarter that includes payments of wages subject to social security tax to your employees. The credit may be taken to the extent of the employer share of social security tax on wages associated with the first payroll payment, and then to the extent of the employer share of social security tax associated with succeeding payroll payments in the quarter until the credit is used. Consistent with the entries on line 16 or Schedule B (Form 941), the payroll tax credit should be taken into account in making deposits of employment tax. If any payroll tax credit is remaining at the end of the quarter that hasn't been used completely because it exceeds the employer share of social security tax for the quarter, the excess credit may be carried forward to the succeeding quarter and allowed as a payroll tax credit for the succeeding quarter. The payroll tax credit may not be taken as a credit against income tax withholding, Medicare tax, or the employee share of social security tax. Also, the remaining payroll tax credit may not be carried back and taken as a credit against wages paid from preceding quarters.

Example. Rose Co. is an employer with a calendar tax year that filed its timely income tax return on April 15, 2021. Rose Co. elected to take the qualified small business payroll tax credit for increasing research activities on Form 6765. The third quarter of 2021 is the first quarter that begins after Rose Co. filed the income tax return making the payroll tax credit election. Therefore, the payroll tax credit applies against Rose Co.'s share of social security tax on wages paid to employees in the third quarter of 2021. Rose Co. is a semiweekly schedule depositor. Rose Co. completes Schedule B (Form 941) by reducing the amount of liability entered for the first payroll payment in the third quarter of 2021 that includes wages subject to social security tax by the lesser of (1) its share of social security tax on the wages, or (2) the available payroll tax credit. If the payroll tax credit elected is more than Rose Co.'s share of social security tax on the first payroll payment of the quarter, the excess payroll tax credit would be carried forward to succeeding payroll payments in the third quarter until it is used. If the amount of the payroll tax credit exceeds Rose Co.'s share of social security tax on wages paid to its employees in the third quarter, the excess credit would be treated as a payroll tax credit against its share of social security tax on wages paid in the fourth quarter. If the amount of the payroll tax credit remaining exceeded Rose Co.'s share of social security tax on wages paid in the fourth quarter, it could be carried forward and treated as a payroll tax credit for the first quarter of 2022.

Nonrefundable portion of credit for qualified sick and family leave wages (line 11b). The nonrefundable portion of the credit for qualified sick and family leave wages is limited to the employer share of social security tax on wages paid in the quarter that is remaining after that share is first reduced by any credit claimed on Form 941, line 11a, for the qualified small business payroll tax credit for increasing research activities; any credit to be claimed on Form 5884-C, line 11, for the work opportunity credit for qualified tax-exempt organizations hiring qualified veterans; and/or any credit to be claimed on Form 5884-D for the disaster credit for qualified tax-exempt organizations. In completing line 16 or Schedule B (Form 941), you take into account the entire quarter's nonrefundable portion of the credit for sick and family leave wages (including the qualified health plan expenses and employer share of Medicare tax allocable to those wages) against the liability for the first payroll payment of the quarter, but not below zero. Then reduce the liability for each successive payroll payment in the quarter until the nonrefundable portion of the credit is used. Any credit for qualified sick and family leave wages that is remaining at the end of the quarter because it exceeds the employer share of social security tax for the quarter is claimed on line 13c as a refundable credit. The refundable portion of the credit doesn't reduce the liability reported on line 16 or Schedule B (Form 941).

Example. Maple Co. is a semiweekly schedule depositor that pays employees every other Friday. In the first quarter of 2021, Maple Co. had pay dates of January 8, January 22, February 5, February 19, March 5, and March 19. Maple Co. paid qualified sick and family leave wages on February 5 and February 19. The nonrefundable portion of the credit for qualified sick and family leave wages for the quarter is $10,000. On Schedule B (Form 941), Maple Co. will use the $10,000 to reduce the liability for the January 8 pay date, but not below zero. If any nonrefundable portion of the credit remains, Maple Co. applies it to the liability for the January 22 pay date, then the February 5 pay date, and so forth until the entire $10,000 is used.

Nonrefundable portion of employee retention credit (line 11c). The nonrefundable portion of the employee retention credit is limited to the employer share of social security tax on wages paid in the quarter that is remaining after that share is first reduced by any credit claimed on Form 941, line 11a, for the qualified small business payroll tax credit for increasing research activities; any credit to be claimed on Form 5884-C, line 11, for the work opportunity credit for qualified tax-exempt organizations hiring qualified veterans; any credit to be claimed on Form 5884-D for the disaster credit for qualified tax-exempt organizations; and/or any credit claimed on Form 941, line 11b, for the nonrefundable portion of the credit for qualified sick and family leave wages. In completing line 16 or Schedule B (Form 941), you take into account the entire quarter's nonrefundable portion of the employee retention credit against the liability for the first payroll payment of the quarter, but not below zero. Then reduce the liability for each successive payroll payment in the quarter until the nonrefundable portion of the credit is used. Any employee retention credit that is remaining at the end of the quarter because it exceeds the employer share of social security tax for the quarter is claimed on line 13d as a refundable credit. The refundable portion of the credit doesn't reduce the liability reported on line 16 or Schedule B (Form 941).

Example. Maple Co. is a semiweekly schedule depositor that pays employees every other Friday. In the first quarter of 2021, Maple Co. had pay dates of January 8, January 22, February 5, February 19, March 5, and March 19. Maple Co. paid qualified wages for the employee retention credit on February 5 and February 19. The nonrefundable portion of the employee retention credit for the quarter is $10,000. On Schedule B (Form 941), Maple Co. will use the $10,000 to reduce the liability for the January 8 pay date, but not below zero. If any nonrefundable portion of the credit remains, Maple Co. applies it to the liability for the January 22 pay date, then the February 5 pay date, and so forth until the entire $10,000 is used.

- **Corporation (including a limited liability company (LLC) treated as a corporation)**—The president, vice president, or other principal officer duly authorized to sign.
- **Partnership (including an LLC treated as a partnership) or unincorporated organization**—A responsible and duly authorized partner, member, or officer having knowledge of its affairs.
- **Single-member LLC treated as a disregarded entity for federal income tax purposes**—The owner of the LLC or a principal officer duly authorized to sign.
- **Trust or estate**—The fiduciary.

Form 941 may be signed by a duly authorized agent of the taxpayer if a valid power of attorney has been filed.

Alternative signature method. Corporate officers or duly authorized agents may sign Form 941 by rubber stamp, mechanical device, or computer software program. For details and required documentation, see Rev. Proc. 2005-39, 2005-28 I.R.B. 82, available at *IRS.gov/irb/2005-28_IRB#RP-2005-39*.

Paid Preparer Use Only

A paid preparer must sign Form 941 and provide the information in the *Paid Preparer Use Only* section of Part 5 if the preparer was paid to prepare Form 941 and isn't an employee of the filing entity. Paid preparers must sign paper returns with a manual signature. The preparer must give you a copy of the return in addition to the copy to be filed with the IRS.

If you're a paid preparer, enter your Preparer Tax Identification Number (PTIN) in the space provided. Include your complete address. If you work for a firm, enter the firm's name and the EIN of the firm. You can apply for a PTIN online or by filing Form W-12. For more information about applying for a PTIN online, go to *IRS.gov/PTIN*. You can't use your PTIN in place of the EIN of the tax preparation firm.

Generally, don't complete this section if you're filing the return as a reporting agent and have a valid Form 8655 on file with the IRS. However, a reporting agent must complete this section if the reporting agent offered legal advice, for example, advising the client on determining whether its workers are employees or independent contractors for federal tax purposes.

How To Get Forms, Instructions, and Publications

You can view, download, or print most of the forms, instructions, and publications you may need at *IRS.gov/Forms*. Otherwise, you can go to *IRS.gov/OrderForms* to place an order and have them mailed to you. The IRS will process your order for forms and publications as soon as possible. Don't resubmit requests you've already sent us. You can get forms and publications faster online.

Criterion 9

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: DEC - 2014

LOCAL EA
123 American Way
MYCITY, Oh 44444

Employer Identification Number:
12-3456789
DLN:
17053290316014
Contact Person:
NICHOLAS R HINDS ID# 31662
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
August 31
Form 990 Required:
Yes
Effective Date of Exemption:
January 15, 2013
Contribution Deductibility:
No
Addendum Applies:
Yes

Dear Applicant:

We are pleased to inform you that upon review of your application for tax-exempt status we have determined that you are exempt from Federal income tax under section 501(c)(5) of the Internal Revenue Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-NC" in the search bar to view Publication 4221-NC, Compliance Guide for Tax-Exempt Organizations (Other than 501(c)(3) Public Charities and Private Foundations), which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

Tamera Ripperda

Director, Exempt Organizations

Criterion 10

ABC Education Association

25-78
44(
98807480:

No. 2585

Date 11/1/2020

Pay to the order of: All In Good Taste $ 51.00

Fifty One —— and —— 00/100 Dollars

BANK ONE.

Bank One NA
Columbus, Ohio 4327

Patrick President

Tom Treasurer

Memo: Leadership - Meals

⑆044000037⑆ 9880 ⑈ 2585

ABC Education Association

25-78
44(
98807480:

No. 2586

Date 11/5/2020

Pay to the order of: Ohio Education Association $ 400.00

Four Hundred —— and —— 00/100 Dollars

BANK ONE.

Bank One NA
Columbus, Ohio 4327

Patrick President

Tom Treasurer

Memo: Dues

⑆044000037⑆ 9880 ⑈ 2586