

# Stephen Vardin

Bookkeeping, Taxes, Planning, Sustainability Tracking,  
and Training

## Four Tools for Businesses

"Any tax advice that I write may not be considered binding, authoritative, or final." IRS circular 230 orders that all tax preparers decry any advice they write. The IRS may be wrong, too: The tax courts have the final say.

As of November 2008 NYS demands that anyone seeking tax preparation services must read Publication 135, Consumer Bill of Rights Regarding Tax Preparers before the tax preparer can talk to them about their taxes.

<http://www.tax.state.ny.us/pdf/publications/income/pub135.pdf>

# The Balance Sheet

## The Double Entry Trick to Balanced Books

5 types of expenditures:

Assets: What the company owns

Liabilities: What the company owes

Equity: What the company owes the owners.

Income: Money earned by sales goods or services.

Expense: Money used and consumed.

$\text{Income} - \text{Expense} = \text{Retained Earnings (an Equity)}$

$\text{Assets} = \text{Liabilities} + \text{Equity}$

## **What is a B Corp?**

Certified B Corporations are a new type of corporation which uses the power of business to solve social and environmental problems. B Corps are Benefit Corporations: They benefit the community, the environment, the workers as well as the owners.

B Lab, a nonprofit organization, certifies B Corporations, the same way TransFair certifies Fair Trade coffee or USGBC certifies LEED buildings.

<http://www.bcorporation.net/>

### **B Corps, unlike traditional businesses:**

- 1. Meet comprehensive and transparent social and environmental performance standards;**
- 2. Meet higher legal accountability standards;**
- 3. Build business constituency for good business.**

There are over 450 Certified B Corporations across 60 different industries. From food and apparel for you and your family to attorneys and office supplies for your business, B Corporations are a diverse community with one unifying goal: **to redefine success in business.**

Through a company's public B Impact Report, anyone can access performance data about the social and environmental practices that stand behind their products.

## **To become certified, B Corporations do three things**

1. Earn a minimum score of 80 (out of 200 available points) on the B Impact Assessment. This sets a benchmark for social and environmental impact for good companies. A B Lab staff member reviews each assessment and is always available for help.
2. Adopt the B Corporation Legal Framework to bake the mission of the company into its legal DNA. This allows the company's values to thrive under new management, new investors, and new ownership.
3. Sign a Term Sheet and Declaration of Interdependence to make the certification official.

## **The B Impact Assessment :**

The B Impact Assessment is a useful management tool to:

- 1. To assess your company's impact on each of its stakeholders and**
- 2. Improve your social and environmental performance using our Tools and Best Practices embedded in the Survey.**

Results from the assessment are displayed in easy to read B Reports with specific scores for environment, community, employees, etc. These results are transparent to the public for all Certified B Corporations.

[Powered by B Lab](#)

B Lab is a nonprofit organization dedicated to using the power of business to solve social and environmental problems.

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**BetterWorld Telecom**  
**Founding B Corporation**

[Certified: June 2007](#)

Rating Details	Points Earned	% Points Available
Accountability Area of Excellence*	10.3	69 %
Governance	4.7	58 %
Transparency	5.6	80 %
Employees	33.3	55 %
Compensation & Benefits	20	56 %
Employee Ownership	6	50 %
Work Environment	7.3	61 %
Consumers	19.3	55 %
Benefit Products or Services	19.3	55 %
Community	18.9	42 %
Suppliers	3.4	67 %
Local	2.8	20 %
Diversity	2.5	20 %
Charity / Services	10.2	79 %
Environment	11.2	58 %
Facilities	8.9	63 %
Energy Usage	2.3	42 %
Supply Chain	n/a	n/a
Manufacturing	n/a	n/a
Total	93	

# Corporate Sustainability Reporting

Without a rigorously defined series of reports  
similar to Financial Statements,  
all Sustainability Reporting is as tenuous as smoke and mirrors.

What are we balancing?

# BUSINESS ALLIANCE FOR LOCAL LIVING ECONOMIES

<http://www.livingeconomies.org/>

The Business Alliance for Local Living Economies, or BALLE, is North America's fastest growing network of socially responsible businesses, comprised of over 80 community networks in 30 U.S. states and Canadian provinces representing over 22,000 independent business members across the U.S. and Canada.

There are two in the Capital District:

Capital District Local First (Albany, Rensselaer, Schenectady & Saratoga Counties)

<http://www.capitaldistrictlocalfirst.org/Home.htm>

Local Economic Alliance for the Future (Columbia County)

David Colby [dcolby@columbiachamber-ny.com](mailto:dcolby@columbiachamber-ny.com)

### ***(What We Do)***

BALLE's mission is to catalyze, strengthen and connect networks of locally owned independent businesses dedicated to building strong Local Living Economies.

### **BALLE'S Vision**

#### ***(The World We Want)***

Within a generation, we envision a global system of human-scale, interconnected Local Living Economies that function in harmony with local ecosystems, meet the basic needs of all people, support just and democratic societies, and foster joyful community life.

### **BALLE'S Guiding Principles**

#### ***(How We Do Our Work)***

A Local Living Economy ensures that economic power resides locally to the greatest extent possible, sustaining vibrant, livable communities and healthy ecosystems in the process.



## **10 Steps to a successful BALLE network #1-5**

**1. Map your community.** which nonprofits, businesses, govt. agencies, faith-based orgs, community leaders are doing what in sustainability, business organizing, various building blocks (food, building, energy, manufacturing, capital, retail, etc) ...

**2. Recruit your core.** Find early champions – go after building block business leaders and others with great "reach" in person, give them "founding member" status and lots of credit, ask them to talk to their friends. Form a steering committee – make it as diverse as your community, meet monthly, survey business community, what building blocks would your organization be interested in supporting (local food, renewable energy, green building, etc.)?

**3. Define yourself.** Define your group's vision and values; set goals for the business network; define the network's unique value proposition to the community; define local for your community and choose criteria for business members

1. Is the business privately held (not publicly traded)?

2. Do the business owners, totaling greater than 50 percent of the business ownership, live in your local region?

3. Is the business registered in your state, with no corporate or national headquarters outside your region?

4. Can the business make independent decisions regarding the name and look of the business, as well as all business purchasing, practices, and distribution?

5. Does the business pay all its own rent, marketing expenses, and other expenses (without assistance from a corporate headquarters)?

**4. Join BALLE.** Fill out BALLE member application with your steering committee; pay \$500 when application is approved.

**5. Use the BALLE member benefits!**

1. Visit Members-Only section of BALLE website - download templates, ask questions, etc.

2. Participate in BALLE Bootcamp (how-to webinar for new networks)

3. Join Round-Up calls to learn about building blocks, innovative programs, organizational development

4. Join regional innovation calls and begin collaborating with other networks in your area

5. Get free Local First manual

## **10 Steps to a successful BALLE network #6-10**

*Note: the order of steps 6-10 varies from place to place.*

**6. Pick a project.** Do one thing, do it well, build your network's reputation.

**7. Set up a structure.** Establish membership structure, benefits, voting procedure. Incorporate, make 501 decisions.

**8. Recruit members.** One on one outreach is best. Some use directories or coupon book campaigns to go after founding members.

**9. Raise money.** Founding members, underwriters and sponsors, local govt., admission, community foundation and other grants, coupon book, online auction. Hire staff for maximum velocity.

**10. Launch a program.** Hold a kickoff and make a splash!

## Summary:

1. Good bookkeeping will help your business grow.
2. The Benefit Corporation is a new form of business.
3. Sustainability Tracking is essential to measure how you have improved.
4. Finding allies always helps.