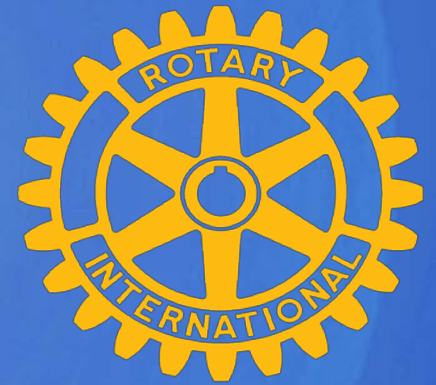


Welcome to

Rotary



District 7750

Treasurer's Workshop

# Treasurer Responsibilities

# Treasurer Responsibilities

- Develop annual budget for Board approval
- Manage collections & receivables
  - Invoice members
  - Make bank deposits
- Manage & track club operating income and expenses

# Treasurer Responsibilities

- Manage & track fundraising income and expenses
- Manage & track District Designated Grant income and project expenses
- Manage funds collected for others
  - The Rotary Foundation
  - CART
  - Club's Foundation (if applicable)

# Treasurer Responsibilities

- Provide financial reports to Board monthly
- Present financial review to Club annually

# Policies/Procedures to Consider

# Policies/Procedures to Consider

- Conduct a financial audit or review, if one hasn't been done recently
  - Hopefully, a CPA club member could do an inexpensive review, or
  - Form a Finance Committee to conduct review
- Implement internal financial controls and processes to protect against theft

# Policies/Procedures to Consider

- Implement a formalized process for budget requests
- Determine who has check-signing authority
- Develop a financial documentation retention policy



# Policies/Procedures to Consider

- Accept credit card payments
- If club has a 501(c)(3) charity/foundation, should have an Investment Policy.

# Bookkeeping Systems

# Bookkeeping Systems

- Excel or other system of your invention

Not recommended for following reasons:

- Not easily transferable to future Treasurers
- Hard to audit
- Easy for mistakes to occur (especially with formulas/calculations)
- Most likely does not provide easy invoicing of members
- Most likely does not provide standardized financial reports

# Bookkeeping Systems

- Quicken

Not recommended for following reasons:

- A check register – not a bookkeeping system
- Hard to audit
- Doesn't handle Billing or Receivables very well
- Limited reporting capabilities

# Bookkeeping Systems

- QuickBooks
  - Probably the most widely used system
  - Most CPAs use it and can easily receive your file for Tax Return preparation
  - Manages Billing and Receivables well
  - Offers multitude of standardized financial reports
  - Hard to audit – allows entries to prior periods without an audit trail

# Bookkeeping Systems

- DACdb Finance Module
  - Fully integrated with Member contact info
  - No CPAs use it
  - Manages Billing and Receivables well
  - Offers multitude of standardized financial reports
  - Backed up every night

# Chart of Accounts

# Chart of Accounts

Set up your chart of accounts in a way that helps you easily track the different types of income and expenses you encounter.



# Chart of Accounts

## Funds Collected for Others

Accounts to track funds collected for The Rotary Foundation, CART, etc. should be set up as Notes Payable (Liabilities) on the Balance Sheet.

These funds do NOT belong to the club, so they should not be treated as income on the Income Statement.

# Chart of Accounts

## Funds Collected for Others

Example:

LIABILITIES & EQUITY

Liabilities

Current Liabilities

200 – Funds Collected for Others

201 – TRF Annual Fund

202 – TRF Polio Plus Fund

203 – CART

# Chart of Accounts

## Club Funds

Example:

### Current Assets

#### Checking/Savings

100 – Operations

110 – Fundraising

111 – Fishnet

112 – 5k Race

120 – District Designated Grant

121 – 2020-2021 Rotary Reading Room

122 – 2021-2022 First Responders

# Chart of Accounts

## Club Income

Example:

Income

400 – Operating Income

401 – Membership Dues

402 – Guest Meals

410 – Fundraising Income

411 – Fishnet

412 – 5k Race

420 – District Designated Grant

# Chart of Accounts

## Club Operating Expenses

Example:

Expense

- 600 – Club Operating Expenses
  - 601 – Meeting Room Lease
  - 602 – Meals
  - 603 – Rotary International Dues
  - 604 – Rotary District Dues
  - 605 – PrePETS
  - 606 – PETS
  - 607 – RLI

# Chart of Accounts

## Club Operating Expenses (Continued)

Example:

Expense

600 – Club Operating Expenses

608 – District Training

609 – District Foundation Event

610 – District Conference

611 – District Awards & Installation Banquet

612 – RYLA Sponsorships

613 – Rotaract/Interact Sponsorships

614 – Club Fellowship Activities

615 – Club Supplies

# Budget



# Budget

When creating the club budget, club operating income should cover/pay for club operating expenses. If current income structure does not cover anticipated operating expenses, it's time to raise dues.

Fundraising income should be reserved for service projects/grants.



# Budget

When possible, use previous years' actual data as a guide for next year's budget.

The District Finance & Budget Committee can help guide you regarding RI and District-related expenses.

# Budget

## Budget Guidelines:

- **Rotary Int'l Dues**
  - Semi-annual invoices in July and January (per capita dues are based on club's membership records on July 1 and January 1)
  - July invoice includes the following in addition to per capita dues:
    - Pro-rated dues for members added since January 1
    - Magazine subscription \$6 per capita

# Budget

## Budget Guidelines:

- **Rotary Int'l Dues**
  - Directors & Officers Liability Ins \$1.16 per capita
  - General Liability Insurance \$4.11 per capita
  - Council on Legislation \$1 per capita
  - January invoice includes the following in addition to per capita dues:
    - Pro-rated dues for members added since July 1
    - Magazine subscription \$6 per capita

# Budget

## Budget Guidelines:

- **Rotary Int'l Dues**
  - Per Capita dues
    - 2022 – 2023 \$35.50
    - 2023 – 2024 \$37.50
    - 2024 – 2025 \$41.00
    - 2025 – 2026 \$44.50

# Budget

## Budget Guidelines:

- **District Dues**
  - Annual invoice in July (per capita dues are based on club's membership records on July 1)
  - Unlike RI which must determine dues 3 years in advance, the District budget is developed on an annual basis
  - 2022 – 2023 Per Capita dues
    - District Dues \$43
    - District Conference Dues \$7

# Budget

## Budget Guidelines:

- **PrePETS**
  - Takes place in February
  - Both PE and PN should attend
  - 2021 – 2022 \$30 per person
  - 2022 – 2023 \$35 per person
- **PETS**
  - Takes place in March
  - Both PE and PN should attend
  - Includes registration fee and lodging
  - 2021 – 2022 \$680 per person
  - 2022 – 2023 \$700 per person

# Budget

## Budget Guidelines:

- **RLI**
  - Takes place throughout year
  - May require travel expenses
  - Registration Fees
    - Virtual \$35
    - In-Person \$95



# Budget

## Budget Guidelines:

- **District Training**
  - Usually takes place early in the Rotary year (i.e. August and September)
  - Number of sessions varies from year-to-year
  - Cost is usually \$20 - \$35 per attendee
- **Foundation Event**
  - Usually takes place in November
  - May include overnight lodging
  - Registration Fee 2021 – 2022 \$45
  - Registration Fee 2022 – 2023 \$50



# Budget

## Budget Guidelines:

- **District Conference**
  - Usually takes place in May
  - Most likely includes two-nights' lodging
  - Registration Fee:
    - 2021 – 2022 \$170
    - 2022 – 2023 \$215
- **District Awards & Installation Banquet**
  - Usually takes place in June
  - May include overnight lodging
  - Registration fee 2021 – 2022 \$50
  - Registration fee 2022 – 2023 \$65

# Budget

## Budget Guidelines:

- **RYLA Sponsorships**
  - Club Participation Form and payment are usually due by March 31
  - Sponsorship Fee:
    - Prior to 2020 \$450 per student sponsored
    - 2021 – 2022 \$385 per student sponsored
    - 2022 – 2023 \$385 per student sponsored
    - 2023 – 2024 Anticipate return to \$450
- **Rotaract/Interact Sponsorships**
  - May not be applicable to your club
  - Amount and Timing determined by club

# Financial Controls

# Financial Controls

Your Rotary club needs internal financial controls to protect against theft/error just as your business does!

# Financial Controls

Suggested internal financial controls:

- Any time the club collects money, especially cash, have two people present.
- Have someone other than the Treasurer count club weekly income (i.e. guest meals paid at the door, Happy/Sad Dollars, CART, etc.) and record on form to accompany deposit.

# Financial Controls

Suggested internal financial controls:

- Implement a Check Request Form for all expenditures, requiring two board member signatures of approval.
- Require someone other than/in addition to the Treasurer to sign checks.

# Financial Controls

Suggested internal financial controls:

- Keep a copy of every check issued, including voided checks.
- Include a copy of the monthly bank statement with the financial reports submitted to the board on a monthly basis.



# Financial Controls

Suggested internal financial controls:

- Include a report showing all Deposits made the preceding month as part of the financial reports packet submitted to the board on a monthly basis.
- Include a report showing all Checks issued the preceding month as part of the financial reports packet submitted to the board on a monthly basis.



# Financial Reports

# Financial Reports

At a minimum, you should provide the board with the following on a monthly basis:

- **Balance Sheet** (a.k.a. Statement of Financial Position)
- **Income Statement** (a.k.a. P&L, Profit & Loss Statement, Statement of Financial Income & Expense)

# Financial Reports

Suggested Additional Reports to include in monthly packet to board:

- P&L Actual vs Budget
- Accounts Receivable Summary
- Check Detail
- Deposit Detail
- Bank Statement

# Treasurer Calendar

# Treasurer Calendar

## Weekly:

- Post dues payments received from members against outstanding invoices
- Deposit dues payments received
- Write checks as approved by board
- Deposit funds received at club meeting

# Treasurer Calendar

## Monthly:

- Reconcile bank statement(s) to your bookkeeping records.
- Provide monthly packet of financial reports to the board, regardless of whether there is a board meeting.

# Treasurer Calendar

## Quarterly:

Invoice members for dues.

Your club may choose to be invoiced monthly, semi-annually or annually.

Most are billed quarterly.



# Treasurer Calendar

Semi-Annually:

Pay Rotary International dues in **July** and again in **January**.

# Treasurer Calendar

## Annually:

- Create budget for next year. Usually done in **April** so board can approve first and then club members can approve before June 15<sup>th</sup> deadline. (Absolute deadline is June 30<sup>th</sup>, but most DGs set a deadline of June 15<sup>th</sup> in the District Governor's Excellence Award.)

# Treasurer Calendar

## Annually:

- Pay District dues in **July/August**.
- Submit bookkeeping records for preceding year to CPA/tax preparer no later than **October**.
- Ensure club's Tax Return (Form 990) is submitted to IRS and SC Department of Revenue no later than **November 15<sup>th</sup>**.

# Treasurer Calendar

## Annually:

- Ensure club's annual registration with SC Secretary of State is completed no later than **November 15<sup>th</sup>**.
- Prepare the following for the club's annual meeting by **December 31<sup>st</sup>** (the same meeting during which the next year's slate of officers are elected):
  - Financial report for the preceding year
  - Mid-year report for the current year to include ytd income and expenses.

# Questions?

Treasurer@Rotary7750.org (district)

ITSupport@Rotary7750.org (district)

**Thank You for Attending!**