

ROTARY CLUB OF TORRANCE DEL AMO

BOARD POLICIES

(Adopted November 14, 2018)

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FINANCIAL POLICIES

FINANCIAL POLICY NUMBER 1 BUDGET SUBMISSIONS

Any member who chairs a project which is projected to involve expenditures in excess of Three Thousand Dollars (\$3,000), whether budgeted or not, shall prepare a proposed line item budget and submit it to the appropriate Director and to the Club President and Treasurer no less than forty-five (45) days before the first expenditure. A copy of the proposed Budget shall be provided to the Financial Oversight Committee.

Upon review of the proposed budget, the Director, President, or Treasurer may elect to submit the proposed budget to the Board for its approval. If a project is a budgeted item, no amounts in excess of the budgeted item shall be expended by the chairperson without Board approval. If the project is not budgeted, no monies shall be spent without first obtaining Board approval.

When preparing a budget, expenses for Demotion shall be budgeted for the year of the incoming President. Expenses for the Youth Exchange shall be budgeted to the following year regardless of when the Exchange actually occurs.

FINANCIAL POLICY NUMBER 2 DUES ARREARAGES

The Board shall review member arrearages at each of its meetings. It shall direct the Treasurer to take whatever action it deems appropriate in regard to accounts which are 60 or more days in arrears. The Bookkeeper shall mark invoices with a notation "payment overdue" or some similar note, should a previous invoice not have been paid by the time a subsequent invoice is mailed.

FINANCIAL POLICY NUMBER 3 COSTS OF MEMBERSHIP

1. Estimated annual membership costs are:

The costs of membership are set by the Board, District and RI from time to time. The following are the present annual costs:

RI, District and Club dues	\$ 432.00
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Meals	1,000.00
Fines	120.00
Total	\$1,552.00
Average monthly basic costs:	\$ 130.00

2. Each member is required to make the following additional financial commitment:

- a. Sell \$100.00 of Raffle Tickets for the Rotary Foundation Dinner.
- b. Either take the Youth Exchange kids out for a day or contribute \$50.00 to the Club for their expenses.
- c. Sell two tickets and such auction items as the Board requests to the Club's two annual fundraisers.

3. Costs will be reduced for new members as needed. Any request for reduction shall be presented to the Chair of the Membership Committee and approved by the Board. If approved, for the first year of membership, dues for a new member shall be one-half of the normal dues. A new member shall pay for meals only for the meetings he or she attends. A new member shall be charged the initial admission fee then in effect. Such a new member shall be encouraged to bring in at least two new Club Members in his or her first year of membership.

FINANCIAL POLICY NUMBER 4 RAFFLE PROCEEDS

In the event a Club member becomes entitled to receive any raffle and sports pool proceeds and, at the time, his account is more than sixty (60) days overdue, the proceeds shall be applied to the delinquency.

FINANCIAL POLICY NUMBER 5 ACCOUNTING RECORDS

Accounting records shall be maintained on an accrual basis.

FINANCIAL POLICY NUMBER 6 CASH RESERVE; DEFICITS

The Board shall establish and maintain a minimum cash reserve in the amount of at least \$20,000.00. Any time a year-to-date deficit in the Club's expenses over its revenues of \$5,000 or more appears in a monthly report, or the Club's operating cash bank balance appears insufficient to meet the Club's future obligations, the Treasurer shall report this to the Budget Committee of the Club. The Budget Committee shall meet immediately and recommend revisions to the

current year's budget to reduce expenses and an amount to be withdrawn from the Reserve to cover the deficit. The recommendations shall include a plan for repayment of the amounts removed from the Reserve which shall result in a complete repayment not later than the end of the Club Fiscal Year next following the year in which the amount withdrawn from the Reserve occurs. The Board shall act on the Committee's recommendations.

FINANCIAL POLICY NUMBER 7
REQUIRED SIGNATURES FOR CHECKS

Checks written on the Club account may be signed by the following officers: president, president-elect, secretary, or treasurer.

FINANCIAL POLICY NUMBER 8
CHARGES FOR CLUB MEMBERS WHO DO NOT ATTEND CLUB FUNCTIONS

In the event a member signs up for a club function but fails to attend the function without notifying the person in charge by the deadline announced by that person, or at least 48 hours prior to the function if no deadline has been announced, the member will be charged for the event. If the event is a prepaid event (such as the holiday party or demotion party), the non-attending member will be charged only for the actual cost incurred by the Club for the non-attending member plus any guests. For all other events, the non-attending member will be billed for the amount he or she agreed to pay for the event at the time he or she signed up for it. The Board of Directors may waive the charge to the member for good cause.

FINANCIAL POLICY NUMBER 9
SPECIAL PROJECTS POLICY

This policy is developed to provide a procedure when surplus cash is available in the Club operating account beyond that which would normally be transferred or held in reserve.

1. An interest bearing account shall be established in order to hold surplus funds. This account is in addition to the operating account and the reserve account. This account shall be designated as the "Special Projects Account." It shall have a minimum balance in it of \$1,000 at all times.
2. As long as the reserve funds shall be maintained at \$20,000 or such amount as the Board may authorize, all amounts in the operating checking account in excess of \$15,000 shall be transferred to the

Special Projects Account on the last day of each month unless it is a Sunday or a holiday in which case the transfer shall occur on first banking day thereafter. The transfer may be held in abeyance or amount reduced, if, in the opinion of the President or Treasurer, future obligations including accounts payable would not be met.

3. At any time during the year, any member may apply in writing to the Board that funds be withdrawn from the Special Projects account for a one-time charitable donation, project, or purpose. Any application submitted shall be announced to the Members at the next regular meeting. All pending applications shall be reviewed by the Board not later than the last Board meeting of each quarter.

4. The member applying shall specify in the request the following:

- a. The name of the funds recipient
- b. The recipient's mission statement and goals
- c. A summarized operating budget of income and expenses of the recipient
- d. Background information on the recipient
- e. The amount of funds requested
- f. The specific purpose for which the funds will be used
- g. A budget for the specific project or purpose

5. The Board shall review the application and approve or disapprove the request at its discretion, but the following shall be given highest consideration:

- a. Funds for a capital investment or one-time project cost as opposed to ongoing operating expenses.
- b. Charitable projects that help raise the community and public awareness of the work of Torrance Del Amo Rotary;
- d. Charitable projects where matching funds are available from District 5280 or RI.

6. The Board may disapprove projects that would normally be approved in order to grow adequate funds for larger projects and/or to plan for projects that it determines more closely meet this policy and Torrance Del Amo Rotary goals.

7. All applications in excess of \$5,000 shall be submitted to the Members for approval at the next regular meeting after the Board has given approval.

FINANCIAL POLICY 10

REIMBURSEMENT OF COMMITTEE MEAL COSTS

No meal costs for any committee meeting shall be reimbursable without the prior approval of the Board of Directors if they exceed \$15 per attending committee member, with the exception of meal costs to welcome a new member to the Club.

GENERAL POLICIES

GENERAL POLICY NUMBER 1

PROSPECTIVE MEMBER'S LUNCHESES

Lunch at the first meeting attended by a prospective member will be paid for by the member bringing him or her. The Club will pay for the prospective member's second and third meals without reimbursement. Thereafter, the Club will pay for the prospective member's meals until he or she is inducted. The cost of each meal beginning with the prospective member's fourth meal will be billed to him or her once he or she joins the Club.

GENERAL POLICY NUMBER 2

SOLICITATION OF FUNDS

Prior to any solicitation addressed to Club Members for cash or services, the requesting person must obtain prior approval of the Board of Directors. This includes solicitations by speakers, guests, or Club Members.

GENERAL POLICY NUMBER 3

BOARD MEETINGS - MAKE-UP

Attendance at a Club Board Meeting, District Breakfast, District Conference, District Committee Meeting, or other Official District function will constitute a make-up for Club attendance purposes.

GENERAL POLICY NUMBER 4

ARNOLD PLANK TEACHER OF THE YEAR AWARD

The Club has established a perpetual Teacher of the Year Award in honor of past president Arnold Plank to be given annually to a teacher employed by the Torrance Unified School District. The Award shall be in the amount of \$1,000.00 or such other amount as the Board shall from time to time direct.

GENERAL POLICY NO. 5

ADDITIONAL DUTIES OF IMMEDIATE PAST PRESIDENT AND PRESIDENT ELECT

The immediate past president, in the Rotary year following the year of his or her presidency shall chair the Club's major fundraising activity for that year. The president-elect, in the Rotary year

preceding his or her year as President, shall chair such other fundraiser as the Club has.

GENERAL POLICY NO. 6

DEADLINE FOR CLAIMING CLUB SCHOLARSHIPS

Anyone who is a recipient of a vocational or academic scholarship awarded by the Club shall have one year from the date of the beginning of the school year for which it was awarded to claim it. This shall be publicized when applicants are solicited. Monies set aside for any such scholarships which are unclaimed shall be released back into the Club's general funds.

GENERAL POLICY NO. 7

ATTENDANCE OF PRESIDENT OR OTHER CLUB MEMBER AT
ROTARY INTERNATIONAL CONVENTIONS

The Club shall bear the cost of the attendance of its incoming President at the Rotary International Convention. If he or she is unable to attend, the President Elect shall attend. If the President Elect is unable to attend, the Board shall select a member of the incoming Board of Directors to attend. The Club will budget a reasonable sum in each year's budget to cover the cost of attendance.