**ROTARY CLUB TREASURER CONSIDERATIONS**

**October 6, 2020**

SCOPE OF TREASURER RESPONSIBILITIES

Manage Rotary Foundation contributions from club and members *(this is the Club Foundation Chair’s responsibility in many clubs)*

Collect dues from club members & Submit dues to RI & District *(in some clubs the Secretary does this)*

* Club dues – clubs do it many different ways – e.g annually vs. quarterly; meals included with dues or not; TRF contribution may be included with dues
* RI – invoiced in July & January based on membership as of 7/1 and 1/1
* RI - $34.50/member for each half-year for 2020-2021 (goes up 50 cents each year)
* District – invoiced after September 1 based on 7/1 membership – rate is established in district budget each year and approved by club presidents-elect.

Payment of Expenses *(with appropriate documentation!)*

* Budgeted donations – documented by budget
* Donations approved at Board meetings – documented by board meeting minutes
* Basic operating expenses – documented by receipts
* Fundraiser expenses – documented by receipts, with proper authorization

Banking – monthly bank reconciliations

Reporting

* Monthly reports for board meetings
* Annual (or more frequent) reports for club
* Optional informal reports for club (treasurer as cheerleader!)

Budgeting – assist President-Elect

Taxes

* 501(c)(4) – this classification applies to service clubs, e.g. Rotary clubs
* 501(c)(3) – this classification applies to charitable funds established by Rotary clubs:
	+ Have to apply to IRS for this status
	+ Donations to a 501(c)(3) by individuals are tax-deductible *(note – businesses can most likely deduct donations to 501(c)(4) organizations also if they receive marketing benefits)*
	+ Club must provide a receipt with IRS-prescribed language for donations greater than $250 *(but a good idea to provide receipts for all donations)*
	+ 501(c)(3) funds cannot be used for personal benefit – i.e. you cannot use the money from your charitable fund to pay for a club celebration *(unless the main purpose of the celebration is for a true charitable purpose – e.g. you put on a lunch for senior citizens and some of the club members eat lunch at the event also)*
* Tax Returns
	+ Due by the 15th of the 5th month after year end – i.e. November 15. Can request 6-month extension (to May 15)
	+ 990-N (“e-postcard”) – can file if gross receipts are usually less than 50k
		- Need to report:
			* Club name & address
			* Website address if you have one
			* IRS Employer Identification Number
			* Name & address of an officer
			* Dates of your tax year (i.e July 1 – June 30)
			* Are your gross receipts normally 50k or less (yes or no)
	+ 990-EZ – file if receipts are between 50k and 200k, and assets are less than 500k

ISSUES

Internal Control

* Who can sign checks?
* Who can authorize disbursements?
* Does anyone but the treasurer ever look at the books/bank statements?
* Back-up – does someone else know what the treasurer’s duties are?

Protecting Personal Data

Record Storage