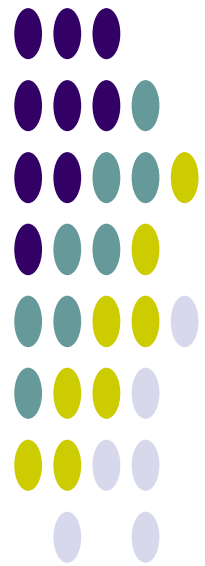


Club Treasurer Leadership Manual Canadian Version



Civitan International

As club treasurer, you are responsible for successfully managing the basic financial procedures of your club which includes collecting all funds owed to the club, and depositing and disbursing the fund. As treasurer you will also keep complete and accurate records of all financial transactions.

Primary Responsibilities

- **Send statements and collect dues** – For revenue to be available to meet club financial obligations, fulfilling this responsibility is essential.
- **Payment of invoices to Civitan International**
- **Work closely with unpaid or delinquent accounts**
- **Understand the different types of dues structures**
- **Prepare monthly financial statements** – Each month you should present reports to the club and board of directors regarding the financial position of all club accounts. This will ensure the club is not exceeding the budget.
- **Assist in preparation of the club budget** – A budget encourages sound handling of the club's financial affairs.
- **File appropriate tax forms** – Tax forms may be required on a local, provincial or federal level.
- **Understand the significant role of the club treasurer**

Send statements and collect dues

It is usually the duty of the club treasurer to send invoices to each member for dues, in accordance with the rules adopted by the club. At the beginning of each month or quarter, a statement covering monthly or quarterly membership dues, including club, district and international should be mailed or emailed to each member. An additional charge would be for meal, if applicable.

As treasurer, you should work closely with the club secretary to insure the club membership records are correct. It is the duty of the secretary to keep accurate records of any changes, additions, or corrections. This information should be turned over to you promptly for billing the members. Also, discuss with the secretary prior to billing about any additional obligations incurred by members – these might include guests at meetings, special charges for certain parties, etc.

Payment of invoices to Civitan International

Each quarter Civitan International will send the club billing contact an International dues invoice and club membership roster. This information is sent at the end of the third month of each quarter. All invoices are listed in US currency and Canadian Currency and clubs are billed for the number of members on record at Civitan International each quarter. If billable members are below the minimum billing a charge of \$150.00 is due. Dues are payable quarterly in advance and must be paid by the 20th of each month. Clubs failing to pay within

20 days are considered delinquent. **Canadian Clubs can choose which currency they wish to pay in, US or Canadian.**

You should always enclose a copy of the invoice when paying bills to Civitan International. Send separate checks when paying supply invoices, dues billings, or contributions to the Civitan International Foundation. This will ensure that payments are applied to the correct account. **Any invoice may be paid in Canadian Funds EXCEPT Supply House, which MUST be paid in US Funds.**

Should you discover an error on an invoice, you do not understand a charge or need a copy of an invoice that might have been misplaced, please contact the Accounting Department at Civitan International. Paying bills promptly will ensure your club remains in good standing.

Below is a sample of the "International Quarterly Dues" invoice.

**CIVITAN INTERNATIONAL
INTERNATIONAL QUARTERLY DUES (EXAMPLE)**

**P. O. Box 130744, Birmingham, AL 35213-0744; (205) 591-8910
One Civitan Place Birmingham, AL 35213-1903**

District # _____ Billing Date 1/1/2012
Club # 3333 Corel Inc. Toronto, ON Invoice Number: 6042

Use this table if you choose to pay in Canadian Funds

Billable Members	25 @ \$15.00	=	\$375.00	_____ X if paying Canadian Funds
Members at ½ Dues	0 @ \$7.50	=	\$0.00	
Total Calculated Billing			\$375.00	
Minimum billing per Board policy			(\$150.00)	
			AMOUNT DUE	\$375.00

Use this table if you choose to pay in US Funds

Billable Members	25 @ \$15.12	=	\$378.00	_____ X if paying US Funds
Members at ½ Dues	0 @ \$7.56	=	\$0.00	
Total Calculated Billing			\$378.00	
Minimum billing per Board policy			(\$151.16)	
			AMOUNT DUE	\$378.00

Clubs are billed quarterly for number of members on record at Headquarters

Dues are payable quarterly in advance and must be paid by 1/20/2012

Several items on the invoice require your attention. Review the invoice to make sure the information is correct before sending your payment.

- **Address** - This is the address for Civitan International and where you should send your dues payment.
- **District #** - This is the number of your district. The number is used on supply house orders, club officer reports, member addition and deletion forms, etc.
- **Billing date** - The first day of the quarter for which the dues payment is required.
- **Club #** - This is the number assigned to your club by International. The number is used on supply house orders, club officer reports, member addition and deletion forms, etc.
- **Invoice #** - This is a tracking number used by International.
- **Billable members** - This is the number of members on record at International. If the number you have recorded differs from this number, you must still pay for this number of members until it is corrected at International. It is a good idea to check your list of members against the roster accompanying the dues invoice each quarter. Send additions or deletions as needed to reconcile the rosters.
- **Amount due** - This figure is \$15.00 times the number of members on the International roster. It's always a good idea to check the arithmetic. Remember—dues are paid a quarter in advance for each member, making the timely collection of club dues important for the continuing fiscal health of your club.

Work closely with unpaid or delinquent accounts

If the club's normal dues statement and any subsequent reminders mailed or emailed to a member fail to collect outstanding dues, the treasurer or other board member should contact the member by phone. There should be no hesitancy in this contact and the member should be encouraged to meet his or her financial obligations. However, tact should be exercised by following these guidelines:

- Never publicize a member's indebtedness. The report to the board of directors should list only the total of accounts receivable.
- Confidential statement of individual accounts owed and by whom should be limited to the club president to use as he/she deems necessary.
- Careful consideration should be used when contacting the member about delinquent dues since the causes of delinquency can vary. When you contact the member ask questions and listen carefully to what the member says.
- Long indebtedness may require the president to ask a selected member of the board (or a close member friend) to call on the member involved for the purpose of arranging a mutually satisfactory plan for payment.

Understand the different types of dues structures

- **Club Dues** - Cost of club dues are determined by the club and should be collected quarterly, semi-annually, or annually in advance. Every club should adopt a definite plan of billing for club dues and adhere to it faithfully, as to time and regularity. Make sure that a member joins is thoroughly familiar with the financial obligations involved when they join.
- **Initiation Fee** - An initiation fee will be collected from each member of an existing club. \$15.00 should be sent to Civitan International as an initiatory membership fee. There is a specific Canadian form for Adding a Member. Be sure to use the correct one.
- **International Dues** - Each club is required to pay international dues quarterly, in advance, at the rate of \$15.00 per member to cover per capita dues and magazine subscription. Your club will be billed by Civitan International for international dues on the first day of the following calendar quarters: January, April, July and October.
- **International Reinstatement or Transfer Fee**
A Civitan member who resigns from a club may be reinstated into that club upon request and payment of a \$7.50 reinstatement fee per member. A Civitan member may transfer membership to another club by completion of transfer forms at no charge.
- **International Dues for Students**
As an exception to the standard dues structure for individual members in Civitan clubs, full-time college students, in undergraduate programs, will only be required to pay one-half the standard dues to Civitan International. This policy is considered only for students in “senior” Civitan clubs. A request must be submitted for this concession.
- **International Dues for Persons with Developmental Disabilities**
As an exception to the standard dues structure for individual members in Civitan clubs, Civitan International will grant persons with developmental disabilities the right to membership for one-half of standard dues. A request must be submitted for this concession. You may review the International Policy (0806.1) that addresses this online at www.civitan.org/policies.pdf.
- **Dues Exemption for Unemployed Civitans**
As an exception to the standard dues structure for individual members in Civitan clubs, Civitan International will grant Civitan members, who may become unemployed while currently involved in a club, the ability to retain their membership at no charge for up to two years. The criteria for such an exception are specified in International policy 0810. You may review this policy online at www.civitan.org/policies.pdf.
- **District Dues**
Each club shall pay district dues for each active member in the amount, per annum, as fixed by district bylaws. District dues are paid in monthly, quarterly, or semi-annual payments and are billed using the records as provided by Civitan International. No changes are allowed to the District dues billing for adds/deletes that have not been recorded by International by the close of the prior month.

Liability Insurance

Liability Insurance for Canadian Civitan Clubs is provided by each District Board. Canadian District West bills each Club a token amount (currently \$3.00 annual) per member in the second quarter District billing. There is NO liability insurance charge from District on adding a new member.

Assist in preparation of the club budget

A budget is prepared to indicate the major areas of income and expense. It also encourages sound handling of the club's financial affairs, and is one of the ways the leadership team can look at what the club is doing and make decisions about what to continue, what to change, and what to eliminate.

The Finance Committee will help you and the president prepare the budget. Below are items that you should consider in your budget preparations.

- With the club president identify your club's service areas and the goals for each area.
- Determine the amount of money the club has available for all of its activities during the Civitan year.
- Ask each of the standing committees to give the president and you a tentative committee budget for the year. Encourage the committees to identify new and alternative funding if they are proposing something new and different.
- Compare the requests of each committee with the monies available.
- If there is enough money, approve the budget of each committee. If the requests exceed the amount of money available, meet with each committee chairperson to discuss ways to reduce the budget request.
- List the committees and their budgets, administrative expenses, etc., in preparing the final version of the annual budget.
- The president should share the tentative budget with the Executive Committee for their input or approval. After the board has approved the budget, publish it in your club newsletter so the club members understand what it takes to achieve the goals of the club.
- The budget should be based on the anticipated income and expenditures for the club at the beginning of the administrative year. Once, approved, the budget should be monitored and adjusted as necessary, with a review at least quarterly.
- As the year progresses, the board should develop plans to increase club income whenever the need arises, or consider modifying anticipated expenditures. As treasurer, you will provide valuable information to assist the board in these decisions.
- Remember, a budget is a planning tool and can be amended by the Board at any time with formal action.

A sample club budget is shown on the following page. There may be additional items on your club budget but this will give you an idea of items that need to be listed.

Sample Club Budget

Civitan Club Name
Budget 200X – 200X

Operating Revenue (See details below) \$ _____

Project Revenue (See details on project budget) \$ _____

Total Revenue \$ _____

Operating Expenses (See details below) \$ _____

Project Expenses (See details on project budget) \$ _____

Total Expenses \$ _____

Total Operating/Project Profit/Loss \$ _____

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Operating Revenue

Initiation Fees \$ _____

Club Dues \$ _____

Meals \$ _____

Raffles/Fines \$ _____

Donations \$ _____

Miscellaneous \$ _____

Total Operating Revenue \$ _____

Operating Expenses

District Dues \$ _____

International Dues \$ _____

Insurance \$ _____

Meals \$ _____

Banquets \$ _____

Awards/Plaques \$ _____

Officer Training \$ _____

District/International Meetings/Conventions \$ _____

New Member Recruitment \$ _____

Chamber of Commerce Membership \$ _____

Stationary, etc. \$ _____

Newsletter \$ _____

Postage, PO Box fees \$ _____

Bank Charges \$ _____

T-Shirts, Logo items \$ _____

Speaker gifts \$ _____

Legal Fees \$ _____

Total Operating Expenses \$ _____

Net Operating Profit/Loss \$ _____

Civitan Club Name
Project Budget 200X – 200X

Project Revenue

Candy Box Income net after 15% to Int'l	\$ _____
Fruitcake Income	\$ _____
Project A	\$ _____
Project B	\$ _____
Project C	\$ _____
Total Project Revenue	\$ _____

Project Expenses

Project A	\$ _____
Project B	\$ _____
Project C	\$ _____
Total Project Expenses	\$ _____
Net Project Profit/Loss	\$ _____

Donations to Charities

Civitans at the Helm	\$ _____
Junior Civitan	\$ _____
Fellow	\$ _____
Other	\$ _____
Other	\$ _____
Other	\$ _____
Other	\$ _____
Total Donations to Charities	\$ _____

Note: Revenue Canada REQUIRES charities to spend 80% of the cash value of received donations on program (not administration or fundraising) in the next year. Any club that receives donations for which they request tax receipts from the Civitan International Foundation of Canada must follow this rule. If tax receipts are not requested, this rule is not enforced but is a good one to follow. No more than 20% of funds raised from donations or projects should be used for administration purposes.

Prepare monthly financial statements

Preparing monthly financial statements provide the club with information as to its financial status. While a club may have the need for several separate accounts, every club may/should have a minimum of two: the administrative or operating account and the service or project account.

The administrative account is for all administrative expenses of the club. Its income principally comes from club dues, club meeting meals and membership fees from members.

The service account is for the service programs of the club. Basically, the income for this account is from fund-raising projects in which the public participates or from designated contributions.

Accounting systems will differ, depending upon equipment available to the treasurer but the following is a suggested club accounting system.

- Prepare the budget by projecting anticipated administrative revenues and project revenues; disbursement of dues payment to district and international and project disbursements. Remember that total receipts must equal total disbursements. This budget should be prepared with assistance from your club president and Finance Committee.
- Assign account numbers to each line item: 100s for administrative receipts, 200s for project receipts, 300s for administrative disbursements, and 400s for project disbursements.
- When receiving funds from any source, always issue a receipt and enter the appropriate revenue account number on the receipt. The Civitan Supply Department has a receipt book available.
- When authorizing payments or writing checks, always enter the account number on the request and check stub.
- At the end of each month, list all receipt amounts for each account on a separate ledger sheet for that account; do likewise for disbursements.
- Add monthly totals for each account and enter results on lines in “Current Month” column on Budget and Financial Report form.
- Add new monthly totals to totals from previous month and enter results in “Year-to-Date” column.

File appropriate tax forms

Revenue Canada's filing requirements for Civitan clubs, as tax exempt organizations, require clubs to annually file The T2 Short Return which is available each year from the Government of Canada website www.cra.gc.ca/forms. For these forms, or assistance, you can also call 1-800-959-2221. There is a Guide T4012, T2 Corporation – Income Tax Guide available also which will answer many questions. The T2 Short Return includes a short version of Schedule 1, a Schedule 8 and a Schedule 50. Civitan Clubs will probably not need to complete the Schedule 8 and Schedule 50, but they must be returned with the form.

- Revenue Canada requirements and forms change ANNUALLY. As of 2012, all The T2 Short Return figures can no longer be submitted by attaching a financial statement (which was all that was required in prior years). Now, the financial statement information must be submitted using the "General Index of Financial Information" (GIFI) format. Schedule 100, Schedule 125, and Schedule 140 are also available through www.cra.gc.ca and if assistance is required to interpret these forms, 1-800-959-5525 is the Revenue Canada Business Window help line, with people who will assist.

In future years, The T2 Short Return will need to be filed electronically.

Business Number (BIN)

Civitan International recommends that all Civitan Clubs be incorporated. The Federal and Ontario Governments assign a Business Number which must be used on all tax returns. As a Not For Profit organization, all Civitan Clubs would be tax exempt but must still file.

GST transition to HST

Food and Beverages			
Did You Know? 6.6 million families and individuals in Ontario are receiving sales tax transition benefits in three instalments over one year beginning in June 2010.			
	GST-taxable before July 1, 2010	PST-taxable before July 1, 2010	Is there a change to the amount of tax payable under the HST?
Basic Groceries (e.g., Dairy, Meat, Vegetables, Canned Goods)	No GST	No PST	No HST
Snack Foods (e.g., Chips, Pop)	5%	8%	No (remains 13%)
Qualifying Prepared Food and Beverages Sold for \$4.00 or Less	5%	No PST	No (remains 5%)
Restaurant Meals for More than \$4.00	5%	8%	No (remains 13%)
Alcoholic Beverages	5%	10-12%	HST 13% ^[1]

Any club with a clubhouse they rent out is subject to HST and subject to the above rules. For full information on HST as it relates to Charities and Non-Profit Organizations in Ontario, go to <http://www.fin.gov.on.ca/en/guides/rst/806.html>

Understand the significant role of club treasurer

The role of club treasurer is critical for the health and well being of your club. Knowing the financial status of the club enables the Board to make informed decisions on projects, grants, gifts, fund-raisers, etc. If your information is not current, the Boards' decisions may be delayed or faulty. Assume your responsibilities proudly, discharge them competently, and your time as treasurer will be a period of fiscal stability for your club.