

## ROTARY CLUB TREASURER- WHAT YOU NEED TO KNOW TO DO THE JOB

### TAXES:

Rotary clubs do not pay federal or state income taxes, because they are Non-profit Section 501 (c) (4) organizations. Rotary clubs are not charitable organizations, so dues and meals paid are not deductible as charitable donations. All Rotary clubs must file some version of Form 990 – *Return of Organization Exempt from Income Tax*, for the year ending June 30, 2009. All Rotary Clubs and Districts must file a Form 990 by November 15, for the rotary fiscal year ending June 30, each year. There are three kinds of forms – 990, 990EZ and 990N. See IRS Flyer “The New Form 990” attached. More information than you will ever want to know can be found at [www.irs.gov/eo](http://www.irs.gov/eo).

### For FY 2008/2009, ending 6/30/09

**Clubs with gross receipts < \$25,000 file Form 990N (email-postcard)**

**Clubs with gross receipts > \$25,000 and < \$1,000 file Form 990EZ or Form 990**

**Clubs with gross receipts > \$1 million file Form 990**

**IF FILING LATE, AFTER 11/15/09, YOU MUST FILE A FILING EXTENSION.**

Rotary Clubs in Michigan **are** subject to Michigan State Sales Tax on all purchases except the purchase of goods or services "directly related to the purposes of Rotary". This means **that you pay sales tax on virtually everything except office supplies**. See Michigan Department of Treasury, Revenue Administrative Bulletin 1995-3 “Sales and Use Tax - Nonprofit Entities”; See also Michigan Sales and Use Tax Rules and Certificate of Exemption.

### INSURANCE:

The club has, paid by your RI dues, General Liability Insurance coverage as follows:

Coverage: General Liability Insurance  
Agent: Lockton Companies  
Limits: \$1,000,000 per occurrence  
\$5,000,000 Excess liability insurance

For more information about the US Rotary Club & District General Liability Insurance Program, please visit RI's webpage at <http://www.rotary.org/en/Members/GeneralInformation/Insurance/Pages/ridefault.aspx> .

The club has, paid by your District dues, Directors & Officers Liability Insurance coverage as follows:

Coverage: D & O Liability  
Carrier: Great American Insurance  
Agent: Huggins Insurance, 1786 State Street, Salem OR 97301  
Limits: \$1,000,000 Each Claim  
\$1,000,000 Aggregate

For more information, please visit the District's webpage at [http://www.district6360.com/downloads/Huggins\\_Insurance\\_Certificate\\_2009\\_2010.pdf](http://www.district6360.com/downloads/Huggins_Insurance_Certificate_2009_2010.pdf) .

This should be adequate coverage for most clubs, unless there are special circumstances that require higher limits or broader coverage.

The policy includes a \$15,000 Fidelity Bond protecting each club, the district and the district foundation from wrongful acts by its officers. Additional Fidelity Bond coverage may be necessary, if the Treasurer handles substantial amounts of cash. You may need to purchase separate bonding for one-day liquor permits.

## Other Issues:

- **Purchasing Authority** – Who can buy what in the club? The Treasurer should have authorization from someone on this list for all expenditures. The budget approved by the Board is usually authority enough for the routine stuff.
- **Member Billing Rates** – Make sure you understand each item and the correct application. The District rate survey dated January 1, 2008 is included later in this package.
- **Criteria for Donations** – Your club will be asked for donations to many worthy causes. You need some clear consistent criteria to help Board members decide what to give to whom.
- **Annual Financial Review** – Your club's bylaws should provide for an annual review by a committee of regular or Board members. This will protect you and the club.

## **CLUB TREASURER RESPONSIBILITIES**

### **ANNUALLY/SEMI-ANNUALLY**

- Visit your club's bank and obtain applicable documents that must be completed and signed to authorize the new treasurer to sign checks. This may apply to other club officers as well if the club designates multiple signers on the account.
- Invoice all members in the club for annual/semi-annual/quarterly dues based on per member dues approved by your club's Board of Directors. Follow up on all late payments and re-bill if necessary. If payment not made in a timely manner, bring to the attention of the Board.
- Make semi-annual payment to Rotary International of dues per member. The Semi-Annual Report (SAR) compiled by the club secretary and sent to RI with a check from the Treasurer, is a listing of club members as of January 1 and July 1.
- Make semi-annual (January 1 & July 1) payment of District Dues to the District Treasurer. These invoices are based on the dues approved at the District Conference and the number of members reported to RI in the semi-annual report above.
- Make annual payment of PETs (President Elect Training) registration to the District Treasurer. This amount will be included in the January semi-annual billing.
- Complete the IRS Form 990 appropriate for your club and file with the IRS.
- Provide copies year- end statements and records to your club's Financial Review Committee.
- Assist the President and the Board in compilation of the club budget for the rotary year.
- Attend the District Assembly and District Conference as a leadership representative of your club.

### **MONTHLY/WEEKLY**

- Publish monthly financial statements to the Board. Some clubs may wish these to be available to the general membership as well.
- Pay all invoices as approved by your club. Note that each club's Board may have different procedures in place with regard to invoice approval and payment.
- Document and complete all bank deposits. Transfer funds between Money Market and Checking accounts when needed, if applicable to your club. Reconcile all bank accounts.
- Attend monthly board meetings.
- Monitor income and expenses against budget.
- If applicable, provide separate accounting for ongoing projects, particularly if the club is involved in a multi-year fund raising project.
- Maintain all club records relating to the Treasurer function, including historical records.

# Internal Revenue Service

United States Department of the Treasury

## Annual Electronic Filing Requirement for Small Exempt Organizations — Form 990-N (e-Postcard)

Small tax-exempt organizations whose annual gross receipts are normally \$25,000 or less may be required to electronically submit Form 990-N, also known as the e-Postcard, unless they choose to file a complete Form 990 or Form 990-EZ.

The Pension Protection Act of 2006 added this filing requirement to ensure that the IRS and potential donors have " current information about your organization.

### Due Date of the e-Postcard

The first e-Postcards are due in 2008 for tax years ending on or after December 31, 2007. The e-Postcard is due every year by the 15th day of the 5th month after the close of your tax year. For example, if your tax year ended on December 31, 2007, the e-Postcard is due May 15, 2008. **You cannot file the e-Postcard until after your tax year ends.**

### How To File

Click [here](#) to file the e-Postcard. If you have trouble accessing the system using that link, you may be able to access the filing site directly by typing or pasting the following address into your Internet browser:

<http://epostcard.form990.org>. When you access the system, you will leave the IRS site and file the e-Postcard with the IRS through our trusted partner, Urban Institute. The form must be completed and filed electronically. There is no paper form.

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### Information You Will Need To File the e-Postcard

The e-Postcard is easy to complete. All you need is the following information about your organization. Click on any of the links below, if you need more information about the item.

- [Employer identification number](#) (EIN), also known as a Taxpayer Identification Number (TIN)).
- [Tax year](#)
- [Legal name and mailing address](#)
- [Any other names the organization uses](#)
- [Name and address of a principal officer](#)
- Web site address if the organization has one
- Confirmation that the organization's annual gross receipts are normally \$25,000 or less
- If applicable, a statement that the organization has terminated or is terminating (going out of business)

### Who Must File

Most small tax-exempt organizations with gross receipts that are normally \$25,000 or less must file the e-Postcard. Exceptions to this requirement include:

- Organizations that are included in a [group return](#), and
- [Churches](#), their integrated auxiliaries, and conventions or associations of churches. The following

organizations cannot file the e-Postcard but must file different forms instead:

- Tax-exempt organizations with annual gross receipts that are normally greater than \$25,000 must file [Form 990](#) or [Form 990-EZ](#);
- [Private foundations](#) must file [Form 990-PF](#);
- [Section 509\(a\)\(3\) supporting organizations](#) that are required to file [Form 990](#) or [Form 990-EZ](#).
- [IRC section 527 \(political\) organizations](#) required to file an annual exempt organization return must file [Form 990](#) or [Form 990-EZ](#);

## Late Filing or Failure To File the e-Postcard

If you do not file your e-Postcard on time, the IRS will send you a reminder notice but you will not be assessed a penalty for late filing the e-Postcard. However, an organization that fails to file required e-Postcards (or information returns - Forms 990 or 990-EZ) for three consecutive years will automatically lose its tax-exempt status. The revocation of the organization's tax-exempt status will not take place until the filing due date of the third year.

## Search for e-Postcards - Public Disclosure

To find and view an organization's e-Postcard click [here](#). To download the entire data base of e-Postcard filings click [here](#).

Note: Not all organizations that file an e-Postcard are eligible to receive charitable contributions that are tax-deductible under Internal Revenue Code section 170. See [Search for Charities](#), to determine whether contributions to a particular organization are tax-deductible. \*

## Additional Information

- [Frequently Asked Questions](#) \*
- [Temporary Regulations](#) (November 15, 2007)
- [Educational tools](#) : Help spread the word - Help small tax-exempt organizations stay exempt!
- [EO Update](#) : Subscribe to Exempt Organization's regular email newsletter that highlights new information posted on the Charities and Non-Profits pages of [IRS.gov](#).
- Account, tax law, or questions about filing the e-Postcard should be directed to Customer Account Services at 1-877-829-5500. Questions about use of the e-Postcard filing system can also be emailed to [tege-ee-efile@irs.gov](mailto:tege-ee-efile@irs.gov) . Because of the volume of questions received, we may not be able to answer each question individually. We will update our web page as needed to address frequently asked questions.  
Note: This email address is for exempt organization e-Postcard filing system related questions only. Do not send forms of any kind to this email address.
- News release [IR 2009-49](#) (May 6, 2009) (due date reminder)
- News release [IR-2008-25](#) (February 25, 2008) (announcing launch of e-Postcard electronic filing system)

*Page Last Reviewed or Updated: May 06, 2009*

**008 DISTRICT 6360 SURVEY OF CLUB DUES AND MEALS CHARGED TO MEMBERS - Rates in effect on January 1, 2008**

				13 meals	52 meals		Exempt	Club	Member	Rebate		Bill
(\$ rounded to whole \$)	Billing		Meals <sup>1</sup>	Quarterly	Annual	Makeup	Member	Guest	Guest	for no	Rebate	for
(blank = no response)	Cycle	Dues		Cost	Cost	Credit	Meal	Meal	Meal	meeting	Amount	TRF
Albion	Quarterly	258.25/meal		132	529	8.25	8.25	8.25	8.25	n/a		yes
Allegan				0	0							
Battle Creek				0	0							
Benton Harbor Sunrise	Annually	1406/meal		113	452	6			6	n/a		no
Berrien Springs/Eau Claire	Quarterly	120		120	480	7		7	7	no		no
Bronson				0	0							
Cereal City Sunrise	Annually	500		125	500				7	no		no
Charlotte	Quarterly	65	117	182	728	7	9	9	9	yes	9	yes
Climax				0	0							
Coldwater	Annually	1407/meal		126	504			7		no		no
Coldwater Township Sunrise				0	0							
Constantine	Quarterly <sup>2</sup>	25	72	97	388			6	6	no		no
Delta Township	Quarterly	135		135	540			12		no		no
Delton Area	Semiannual	552/meal		54	214			0		no		no
Dowagiac				0	0							
East Lansing				0	0							
Eaton Rapids	Quarterly	264/meal		78	312			4	4	n/a		yes
Grand Ledge				0	0							
Gull Lake Area				0	0							
Haslett/Okemos	Quarterly	125		125	500	5		10	10	no		no
Hastings	Quarterly	35	82	117	468			8	8	no		yes
Hillsdale				0	0							
Ionia				0	0							
Jackson				0	0							
Jackson Breakfast	Quarterly <sup>4</sup>	36.50	58.50	95	380			6	6	no		yes
Jonesville				0	0							
Kalamazoo	Annually	18012/meal <sup>5</sup>		201	804			12		n/a		no
Kalamazoo Sunrise <sup>8</sup>	Semiannual	55	192	124	494	8	8	8	8	no		no
Lakeshore	Annually <sup>6</sup>	1759/meal		161	643	9	9	9	9	n/a		no
Lansing <sup>7</sup>	Quarterly	73	152	225	900		12	12	12	no		no
Lansing/Dewitt Sunrise	Quarterly	456.95/meal		135	541	3		7	7	n/a		yes
Litchfield				0	0							
Marcellus				0	0							
Marshall				0	0							
Mason	Quarterly	209/meal		137	548	9			10	n/a		no
Michigan Center JCE	Quarterly	130		130	520			9	9			
Middleville				0	0							
Niles/Buchanan				0	0							
Oshtemo	Quarterly	25	96	121	484	8	8	8	8	no		no
Otsego				0	0							
Parchment	Quarterly <sup>2</sup>	30	117	147	588			9		no		no
Paw Paw Area	Quarterly	25	117	142	568			9	9			
Paw Paw Lake				0	0							
Plainwell	Annually	1258/meal		135	541	8	8	8	8	n/a		no
Portage				0	0							
Portage AM				0	0							
Quincy	Semiannual	706/meal		113	452		6	6	6	n/a		no
Reading				0	0							
South Haven	Quarterly	258/meal		129	516	8	8	8	8	n/a		yes
South Lansing/Holt	Quarterly	40	104	144	576	7.99	10	10	7.99	no		yes
St. Johns				0	0							
St. Joseph/Benton Harbor	Annually	2207.50/meal		153	610		7.50	7.50		n/a		no
Sturgis				0	0							
Three Rivers	Quarterly	54	108	162	648	5	9	9	9	no		yes <sup>3</sup>
Union City	Annually	1008/meal		129	516	8		8	8	yes <sup>9</sup>	8	no
Vicksburg				0	0							
White Pigeon	Quarterly	456/meal		123	492	6		6		n/a		no
Williamston Sunrise	Quarterly	108		108	432		7	7		no		yes
Average for N clubs	N=	32		132	527							

<b>TREASURERS - FOR YOUR INFORMATION</b>												
District 6360 Dues FY 2008 =	\$16.50/member/semiannually or \$33/member/year											
District 6360 Dues FY 2009 =	\$16.50/member/semiannually or \$33/member/year											
District 6360 Dues are not prorated monthly for new members												
RI Dues FY 2008 =	\$23.50/member/semiannually or \$47/member/year											
RI Dues FY 2009 =	\$24.00/member/semiannually or \$48/member/year											
RI Dues FY 2010 =	\$24.50/member/semiannually or \$49/member/year											
RI Dues are prorated monthly for new members												
plus RI Magazine =	\$6/member/semiannually or \$12/member/year											

**NOTES TO 2008 DISTRICT 6360 DUES AND MEALS SURVEY**

1 If no meal cost shown, meals are included in dues. If per meal cost is shown, meal is paid at door. Exempt members billed dues plus per meal attended.												
2 Dues billed annually												
3 Quarterly dues billed are \$60, but \$6 allocated to TRF.												
4 Semiannual billing available												
5 Paid at door, option to pay quarterly, semiannually, or annually only one member pays meals semiannually with no credit for missed meals												
6 Annual dues increase to \$200 7/1/08 billed quarterly												
7 Exempt members pay \$65/quarter plus \$12/meeting attended												
8 Option to pay meals \$8 at door - 50% choose this option with no makeup credit												
9 For monthly pay only												

## SIMPLIFIED CHART OF ACCOUNTS FOR ROTARY CLUBS

### **BANK**

Cash	Posting	Active
CD	Posting	Active

### **ACCOUNTS RECEIVABLE**

Member Accounts Receivable	Posting	Active
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### **ASSETS**

Prepaid Expenses	Posting	Active
Accounts Receivable	Posting	Active

### **ACCOUNTS PAYABLE**

Creditors Clearing	Posting	Active
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### **PHF ACCOUNTS**

PHF Clearing-Annual Programs	Posting	Active
PHF Clearing-Polio Plus	Posting	Active

### **FUNDRAISING / DONATIONS**

Community Projects	Posting	Active
Miscellaneous Fundraisers/Donations	Posting	Active

### **INCOME**

Meals Billed	Posting	Active
Membership Dues	Posting	Active
Guest Meals Billed	Posting	Active
Meal Credits	Posting	Active
Make up Credits	Posting	Active
Interest Income	Posting	Active
New Member Fees	Posting	Active

### **EXPENSE**

<b>CLUB</b>	Header	Active
Meals	Posting	Active
Rotary International Dues	Posting	Active
Building Rent	Posting	Active
District Dues	Posting	Active
Miscellaneous	Posting	Active
Musician	Posting	Active
Insurance	Posting	Active
Annual Report	Posting	Active
New Member Activity	Posting	Active
President's Barbecue	Posting	Active
Office Supplies/Postage	Posting	Active
Conference & Training	Posting	Active
Advertising	Posting	Active
Equipment Purchased	Posting	Active
<b>CHARITY/SERVICE</b>	Header	Active
Community Projects	Posting	Active
Art Auction	Posting	Active
Scholarship	Posting	Active
Exchange Student	Posting	Active

### **RETAINED EARNINGS**

Club Funds	Posting	Active
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