



CLUB TREASURERS TRAINING

Presented by Tom Mennill
Club Leadership Training 2020



Who Am I?

Tom Mennill

- Member of Rotary Club of Kitchener
- Rotarian since 2008
- Treasurer, District 7080 since 2018
- District Secretary 2015-2018
- Past President of the Rotary Club of Kitchener 2011-2012
- Accountant - FCPA, FCA
- Partner, accounting firm for 25 years



Club Treasurers Training - Agenda

- Preparing to be Treasurer
- Roles and Responsibilities of a Treasurer
- Best Accounting Practices and Controls
- Setting Goals for the Next Year
- Resources
- Questions



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Preparing to Be Treasurer ??????

- What is the Club's legal structure – NPO, Foundation, etc. ?
What are you responsible for?
- How are bank accounts set up? - accounts, signatories, bank contacts
- How do members pay dues?
- Budget – what is it, how was it established? Does it need to be updated for COVID 19?
- How are funds allotted for club committees?
- What kind of accounting system is used? How are financial records kept?
- Does the club use outside services for bookkeeping and annual financial statements?
- What reports and filings are made – Club Board, District, RI, Government?



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Develop A Network

- Past Club Treasurers
- Cluster and District Club Treasurers
- Assistant/Area Governor
- District Treasurer (me) and Finance Committee
- External Professional Advisors



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Roles and Responsibilities of a Treasurer



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Roles and Responsibilities of a Treasurer

- Managing funds
- Keeping accounting records
- Collecting and submitting dues and fees
- Reporting on the state of your club's finances
- Working with The Rotary Foundation
- Developing a budget
- Being responsible for any taxation or corporation filings
- Preparing your successor and/or President Elect



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Managing Funds – Incoming and Outgoing

Incoming

- Club dues payments
- Donations
- Money raised from club activities
- Rotary Foundation grants

Outgoing

- District and RI dues
- Meeting expenses (e.g., facilities, meals)
- Promotional expenses
- Committee activity costs

Tips

Prepare and update a cash flow forecast
Match outgoing with incoming funds
Monitor bank balance regularly



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Keeping accounting records

- Document all collected funds and expenses
- Provide members with receipts for dues and donations
- Record all transactions in ledgers
- Consult with the outgoing Treasurer to find out which electronic accounting software is used
- Best practice to separate charitable and operational funds
- Create separate project accounts as best practice or where legally required



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Collecting fees from members

- Collected on a monthly or quarterly basis
- Set the club fees with the annual budget to be approved by the Board and members
- Address other charges to members – admission fees, meal charges, donations to TRF
- Use an invoicing system (Clubrunner, etc.)
- Communicate payment terms and deadlines clearly
- Make payment as easy as possible – electronic payments and pre-authorized payments
- Send reminders
- Have a process for communicating to the Board (Executive) delinquent accounts



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Paying Rotary International and District Dues

RI Dues

- Per member dues
- Payable semi-annually July 1, January 1
- Payments for The Rotarian submitted with RI dues
- Payable in US dollars or converted CDN dollars
- Can be paid on-line by credit card
- Penalties including termination for non-payment

Tips

Plan for payments

Club must ensure club membership is up to date in MyRotary and Clubrunner and they are in synch



District Dues

- Per member dues for District programs and administration
- Charge approved annually by President Elects as part of budget approval
- Also insurance cost flow through on per member basis
- Each club pays the same charge for PETS training
- Billed annually based on members at July 1

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Reporting on Club Finances

- Duties include monthly reporting to Board (or Finance Committee) and regular updates to members including a detailed annual update
- Present up-to-date financial results including performance against budget at monthly Board meetings
- Best practice to review reports with President before Board meetings
- Coordinate the work (if any) of external accountant, review the need for an audit or review engagement based on the requirements of the Corporations Act

Tips

Consult with Board as to format and level of detail to present

Align financial reporting with format used for budgeting

Consider creating a dashboard for most important financial metrics and non-financial metrics – membership, attendance



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Working with The Rotary Foundation

- Contributions to The Rotary Foundation are entirely separate from Rotary International dues
- Individuals and clubs can donate to The Rotary Foundation at any time
- Contributions to The Rotary Foundation must be received by June 30 to be credited to the current Rotary year
- Rotary Foundation and District grants help clubs finance service projects; as Treasurer, work with the club International Services and Community Services committees or equivalents to make sure all requirements are met
- Separate training for Foundation grants is available and required for clubs to qualify for Rotary Foundation grants



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Developing A Budget

- The Treasurer helps to develop the Budget for the next year
- The Treasurer usually manages the creation of the budget
- As part of the process prepare a summary of the club's financial history
- With the President consult with the next year Executive and Committee Chairs to discuss plans for the year
- Income and expenses should be divided into two parts: club operations and charitable or fundraising activities
- Consider a reserve fund to handle contingencies (unexpected revenue drop or expenses) and propose the Board establishing a Reserve Fund policy
- Consider developing a less-detailed multi-year budget
- Highlight for Board members the significant assumptions used in the budget (club members, dues per member, etc.)



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Taxation and Corporation Filings

- Clubs are required to file annual returns with CRA if incorporated
- The filing depends on the legal status of the club (registered charity or other not-for-profit organization)
- Is the club registered for HST? If so, ensure filings are made.
- If the club is subject to a CRA audit the Treasurer usually will be the main point of contact.
- Consult with external professionals if uncertain and to ensure you are up to date with any taxation changes



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Preparing Your Successor

- Help to identify your successor early
- Meet and discuss the role
- Involve the new Treasurer in assisting you prior to the turn over (succession planning is important!)
- Create or update documentation of financial and accounting processes
- Turn over all records and update banking arrangements before July 1
- Make yourself available through the transition
- Be Positive!



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Best Financial Practices and Controls

Risk management

“Process of planning, organizing, leading and controlling an organization’s activities to minimize the adverse effects of unintended losses”

Treasurers are in a position to minimize risk and safeguard the club’s assets.

Questions to Ask to Minimize Risk

- What can go wrong?
- If something goes wrong how will the club respond?
- How will any losses be paid for?
- Understand your legal liability and insurance coverage

Financial controls

- Ensure that funds are managed properly
- Protect the club from misuse of funds and fraud
- Standard procedures simplify the job of a club treasurer

Examples of Financial Controls

- Prepare monthly bank reconciliations and have them reviewed and approved by a Board member
- Require more than one signature on all cheques and withdrawals
- Require the chair of a fundraising event or service project to prepare a budget and approve all expenditures
- Divide financial responsibilities to the extent possible such that a person can not initiate, execute and record a transaction
- Ensure timely, regular review of financial information by the Board or Finance Committee
- Update bank signatories as officer positions change
- Require Board approval for unbudgeted operating expenditures over a certain amount
- Develop and document Board policies – contracts, investing, etc.



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Risk Management – Club Insurance

- Insurance for clubs is maintained through a policy arranged by the District
- Insurance certificates are provided to Club Presidents annually
- Insurance policy and insurer contact information is on the District website
- Determine if additional insurance is needed to increase limits or for specific events
- Insurance coverage includes Directors and Officers insurance



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SET GOALS FOR THE YEAR



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Example Goals

- Improve the Timeliness of Reporting
- Document Standard Procedures and Controls
- Create a new Monthly Reporting Template
- Implement a Reporting Process for Projects, Events



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Resources



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Club Treasurer Resources

- Club Treasurer's Manual
<https://www.clubrunner.ca/Data/9201/HTML/152552/ClubTreasurersManual.pdf>
- My Rotary – The Learning Centre - Treasurer's On-line Learning
<https://my.rotary.org/en/learning-reference/learn-role/treasurer>



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Questions



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Questions

After the presentation . . .

Direct any questions to me at:

Treasurer@Rotary7080.org



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THANK YOU

