



TREASURER

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Your election as treasurer of your Kiwanis club is proof that your fellow members see you as a person of integrity — with an aptitude for finance. Along with the club board, you are responsible for your club’s solvency and financial stability. Take pride in your leadership role. You’ve earned your club’s trust.

RESPONSIBILITIES

- The treasurer works with the club secretary to coordinate the club’s financial responsibilities and records. The treasurer often serves as an advisor to the club on financial matters, such as setting the club budget.
- A Kiwanis club’s treasurer is an officer of the club and a member of its board of directors, entitled to participate in all board discussions and eligible to vote on any question put to vote by the presiding officer.
- The treasurer is responsible for collecting all funds due to the club and for keeping the records of membership fees and dues, unless these responsibilities are delegated to the secretary. Club treasurers will find a list of resources at kiwanis.org/leadertools.

SKILLS

- Knowledgeable about bookkeeping and accounting.
- Attentive to detail.
- Organized.
- Willingness to learn and use appropriate technology.
- Ability to hold others accountable.
- Deadline-driven.

DUTIES

- Guide the board in preparing an annual budget before the start of the fiscal year.
- Coordinate the collection and disbursement of money.
- Receive and promptly deposit all funds paid to the club.
- Disburse funds as directed by the club board.
- Maintain the club’s financial accounts and records.
- Reconcile cash accounts on a monthly basis.
- Prepare and disburse bills to members.
- Provide a monthly financial report to the board.
- Compile an annual financial summary of income and expenditures for the annual club meeting.
- Make club records available upon request.
- Analyze return on investment from fundraising efforts.
- Perform other duties as assigned by the president or board.
- Fulfill all other duties documented in the Standard Form for Club Bylaws.

REVIEW

1. Put a star next to the responsibilities and duties your club is doing well.
2. Circle the responsibilities and duties your club is not currently doing.

If you are struggling with any of the outlined duties, please reference kiwanis.org/leadershipguide.

Member dues

Members of local Kiwanis clubs pay membership dues and fees to their club. The dues and fees paid by members support Kiwanis International, the Kiwanis district and the Kiwanis club.

The total amount a member pays in dues depends entirely on his or her club and district and is determined by the appropriate governing body. For district dues, this decision is made by the district House of Delegates. For club dues, the club bylaws and policies state that club membership dues, fees and other assessments, as provided in club policy, must be approved by two-thirds (2/3) vote of the members present and voting, provided at least fourteen (14) days' previous notice of the vote and proposed amount is given to the members. (Club Bylaws, Article 8.5)

Some clubs may include meal costs in their fees, while others may set lower dues and leave meals up to the individual member when attending a meeting or event. Dues and fees collected for club treasuries should be accounted for in the club's administrative account.

REVIEW

What do your dues cover?

Kiwanis International dues are set by the House of Delegates while the fees are established by the Kiwanis International Board based on the cost of the service provided.* The fees can fluctuate slightly to reflect the change in the cost. You do not have to charge the same amount to all of your members as long as it is indicated in your club's bylaws. Discounted club dues for senior memberships or for opting out of prepaid meals are popular options for many clubs.

In addition to Kiwanis International dues and fees, each district also has dues and fees. These are unique for every district and are set by the house of delegates at a district event.

More information on Kiwanis International and district dues can be found at kiwanis.org/dues and kiwanis.org/districtdues.

The club also has the option to set dues and fees that are retained directly by the club to cover or offset club operations. These monies stay in your club's administrative account.

*Depending on your country's GDP and location, Kiwanis International dues and fees may be adjusted.

REVIEW

1. What are the operating costs associated with your club?

2. Do your club dues cover all of these costs?

DUES TOTAL

Club dues	\$
District dues	\$
Kiwanis International dues	\$
Total annual dues	\$

For North American clubs only: When your club receives an invoice from Kiwanis International for continuing members or new members, both the Kiwanis International and district costs are included when applicable.

Also, Kiwanis International collects fees for the Kiwanis International European Federation. To simplify the payment process for clubs, Kiwanis International collects all of the dues and fees mentioned above and then distributes them appropriately.

Some divisions request a voluntary contribution to either the division or the lieutenant governor.

Exceptions to the amounts above include:

- 1. Spousal waiver for the magazine.** While it is a condition of membership that each member is a subscriber to the official publication of Kiwanis International, if both spouses are members of a club (not necessarily the same club), one spouse may choose not to subscribe, which results in a reduction in fees. To receive this benefit, either the spouse or the club secretary can email memberservices@kiwanis.org to have this credit applied to their member record.
- 2. New-member alumnus of a Kiwanis SLP.** If a new member is an alumnus of a Service Leadership Program, the club should not charge that member for Kiwanis International dues for two years after joining **their first** club. They are still required to pay for the insurance and magazine fees, as well as the new member add fee. If the new member is reported properly when added to the club roster by the club secretary, this two-year waiver will automatically appear on the club invoice. Check with your district office to see whether your district waives district dues for new members who are alumni of SLPs. Contact memberservices@kiwanis.org if the alumni credit is not showing properly on the club invoice.

All exceptions are intended to be financial benefits to the eligible member and should be reflected on their personal invoices.

THINK ABOUT IT

Why is Kiwanis worth the cost?

Dues invoicing process

As with most things related to finance and accounting, there are clear expectations and deadlines regarding the completion of steps in the dues-invoice process.

Here are some facts and tips about invoice timing:

1. Ensure all your new member adds have been completed by the club secretary prior to September 30.
2. Work with the club secretary to review the current club roster and make any member deletions by October 10.
3. Your club invoice is created on or after October 10. The 10-day window between September 30 and October 10 allows the club secretary to update the roster accordingly. Once that window of opportunity has closed, your club invoice will be set.
4. Club invoices mail the last week October/first week of November, and they are due within 30 days. This date is indicated on the invoice.
5. U.S. clubs can pay online if that method is preferred. Clubs located outside the United States or those that would rather not pay online can pay according to the invoice instructions.

The president, secretary, assistant secretary and treasurer all have access to the finance tab after logging in at kiwanis.org. Only the secretary, assistant secretary and president can adjust the member roster. The assistant secretary's access is limited to one person. If your club has a separate treasurer and secretary, it may be a good idea to establish the club treasurer as the assistant secretary so that he or she can manage the financial obligations of the club using the online system.

For North American clubs only: When your club receives an invoice from Kiwanis International for continuing members or new members, both the Kiwanis International and district costs are included when applicable. Also, Kiwanis International collects fees for the Kiwanis International European Federation for those clubs when applicable. To simplify the payment process for clubs, Kiwanis International collects all of the dues and fees mentioned above and then distributes them appropriately.

NOTE

Sponsored Builders Club and K-Kids renewal fees will be billed to your club.

THINK ABOUT IT

What are ways to collect dues on time?

DIPLOMATIC DUES COLLECTION

Kiwanis International strongly suggests that members' payment of dues be scheduled for payment to the club by October 1. While dues are not paid by the club to Kiwanis International until late November or December, the October 1 deadline for members will help clubs deal with any changes to the club roster while it can still make adjustments without financial penalty.

Some clubs choose to bill members monthly, quarterly or semi-annually, especially for any required club fees like meal costs, to ease the financial burden on the member. Member billing is the club's decision — but the club's payment to Kiwanis International is due all at one time, so plan ahead to ensure your cash flow.

Important note: The club determined the definition of a "member in good standing" when it set its bylaws and policies. This definition the club to define whether there is a certain amount of money or time that a member can be in arrears on dues or fees before they are no longer considered in good standing.

Refer to your club bylaws and policies for these requirements.

MEMBER STATEMENTS

It has become standard practice to send an invoice attached to an email. If your members respond well to that delivery method, it can be a cost-saving way to avoid postage and can be more subtle and convenient than trying to hand-deliver invoices at a club meeting.

However, your membership chair or service committee chair may consider the invoice an opportunity to talk about the great work the club accomplished in the last year and how members made a difference...and then to say, "By the way, here's the invoice for this year."

It's a subtle difference, but there's an important distinction: You are not asking members to consider renewing their membership (and thus to consider *not* renewing). You are inviting them to continue to invest in the community by continuing their involvement with your Kiwanis club.

The key information for the invoice is fairly standard. But here's a checklist to make sure you include the important details:

1. Total amount due prominently displayed.
2. Where to remit payment.
3. To whom to make the check payable, if applicable (this should be the club name).
4. An outline of the dues and fees, including any discounts the member is eligible to receive.
5. A statement at the bottom indicating that the dues and fees are not considered a tax-deductible expense.

PAYING DUES ONLINE

Some clubs have the option of paying dues through district websites and resources. Contact your district secretary to find out whether this is an option for your club.

TIP

While most clubs assign board members to contact delinquent dues payers, you will find it is more effective to ask their member sponsor to reach out.

Club accounts

While some clubs may have the need for several separate accounts, every club has a minimum of two: the administrative account and the service account.

The administrative account is for all administrative expenses of the club. The majority of these funds comes from annual club dues, meeting meals (if applicable) and membership fees from new members. Generally, money from any activity in which only members participate is deposited into the administrative account.

ADMINISTRATIVE ACCOUNTS	
Receive income from	Cover the expenses for
<ul style="list-style-type: none"> • Dues. • Membership fees. • Meals (if applicable). • Assessments. 	<ul style="list-style-type: none"> • Kiwanis International and district dues. • Kiwanis International and district conventions. • Magazine subscriptions (if applicable). • Meals (if applicable). • Club newsletters (if applicable). • Club programming expense. • All or part of the expenses associated with liability insurance (if applicable).

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

Article 8, Section 1, of the club bylaws stipulates: "Monies received for club service activities, regardless of source, may be used only for service activities." The service account covers expenses for all club service activities, as well as all educational, religious and charitable activities. The service account can also cover expenses associated with sponsorship of a Kiwanis Service Leadership Program (SLP) for youth, adults with disabilities or university students. Income from some members-only fundraisers that are designated by the board as service fundraising projects may also go into the service account.

SERVICE ACCOUNTS	
Receive income from	Cover expenses for
<ul style="list-style-type: none"> • Fundraising projects in which the public participates (may be net of expenses). • Members-only fundraising projects that are designated by the board as service fundraising projects. <p>REMEMBER Income from fundraising projects in which the public participates MUST go into the service account.</p>	<ul style="list-style-type: none"> • Club service activities. • Charitable, educational and religious activities of the club. • Expenses associated with sponsorship of a Kiwanis Service Leadership Program. • All or part of the expenses associated with liability insurance (if applicable). • Club leadership education, district education events and the Kiwanis Education conference.

DID YOU KNOW?
Clubs can pay all or a portion of each member's expenses for the Kiwanis Education Conference — part of the Kiwanis International convention — from its service account. A fair practice would be to reimburse two-thirds from the service account and one-third from the administrative account for a member attending all three days. Expenses for only attending the Kiwanis Annual Meeting would not qualify for reimbursement from the service account by Kiwanis standards.

ACCOUNTING SYSTEM

Accounting systems will differ, depending upon services and equipment available to the treasurer.

When you develop your club accounting system, be sure that you can:

- Identify all sources of income.
- Identify all disbursements.
- Create accurate financial reports.
- Permit the accurate billing of members.
- Report the financial standing of each member at any time.
- Provide the secretary with data to prepare a statement of delinquent members for the president or board. (Such information is strictly confidential.)

Kiwanis International has established a relationship with Aplos, a preferred vendor that specializes in not-for-profit accounting software. For more information, visit kiwanis.org/leadershipguide and click “Kiwanis club treasurer software.”

ANNUAL AUDIT

The bylaws of every club require an annual audit of club accounts, which can be completed by either a qualified accounting firm not affiliated with any club member or a standing financial review committee. Every club is required to have an annual financial review by either an independent auditor or an

internal committee. Making the annual audit a standard practice ensures that club finances are handled properly — and it reinforces the club’s confidence in the treasurer.

Should the club choose to have the annual audit performed by an internal committee, the treasurer can be a resource to the committee but should not serve on the committee. This would be a conflict of interest and would infringe on the independent nature of the audit.

REMEMBER

- The audit is required by the bylaws of every club.
- The audit may be completed by the club’s financial review committee or a qualified accounting firm.
- If your club chooses to have the audit completed by a financial review committee, the treasurer **cannot** serve on the committee.

INCORPORATION

Some countries require incorporation at the time of new club chartering. Please check with your governing body to determine whether you are required to incorporate.

REVIEW	
<p>Who holds onto the permanent records in your club? Circle one.</p> <p>Club secretary</p> <p>Custodian of records</p>	<p>Contact information of permanent record keeper:</p> <p>_____</p> <p>_____</p>



Budget process

As the incoming treasurer, you will work with the incoming club president and other leaders of the club to develop the annual budget for the administrative year. This budget should include all anticipated committee expenses and projected revenue from fundraising activities.

FILES TO BE MAINTAINED BY THE TREASURER

- Club checkbook.
- Paid invoices file.
- Cash receipts file (deposit records).
- Bank statements and reconciliations.
- Treasurers reports.
- Budget files.
- Official documentation required by state or local law.

PERMANENT RECORDS TO BE MAINTAINED BY THE TREASURER

At the end of the fiscal year, you'll need to pass along these files to the club secretary or the custodian of the club's permanent records.

- Canceled checks (seven years).
- Financial records and reports.
- Invoices.
- Official documents related to the club foundation, if applicable.

THINK ABOUT IT

What is important to your club?

Your budget should reflect what's most important to your club. Proper funding is necessary for successful fundraising events. Consider creating partnerships, offering sponsorship opportunities or applying for grants.

During August, committees should meet to review materials, goals and timelines. They'll form project schedules and submit a budget proposal for the club board's consideration before the end of September (or at the first board meeting in October). It's best if the budget can be approved in advance of the new administrative year, but the approval should come from the board that will be serving in that administrative year. If your club doesn't allow the incoming board to vote on issues prior to October 1, the first board meeting of the new administration is the appropriate time to vote on the budget.

REVIEW

What are three things you should include in your budget?

1.

2.

3.

REPORTING EXPECTATIONS

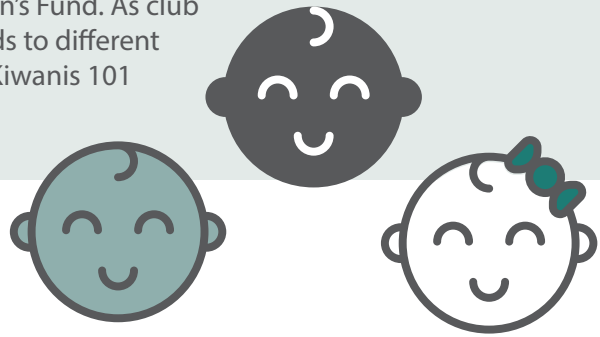
Each time the board gathers to discuss the business of the club, the treasurer should be prepared with a financial report indicating the activity in both the administrative and the service account as compared to the budget. This typically includes the month just completed and the administrative year-to-date.

In addition, the club's annual meeting takes place in either April or May. (Information is provided in the club president resources.) One item on the agenda is a report from the treasurer. This annual report to the membership should include detailed financial information, such as the financial statements from the most recent board meeting. This is a great opportunity to talk about the amazing work the club is doing that is evident in the financial statements (e.g., scholarship awards, fundraiser revenue, donations to a local cause, etc.).

Be transparent about all financial records and current financial status with your club at all times.

Support the Kiwanis Children's Fund!

Invest in your Kiwanis passion with the Kiwanis Children's Fund. As club treasurer, you can encourage your club to allocate funds to different causes supported by the Children's Fund. Refer to the Kiwanis 101 section for more information.



NOTES

How the Kiwanis Children’s Fund supports you

CLUB GRANTS

The Kiwanis Children’s Fund can be a resource for your club’s service project through the Club Grant program. A club grant helps address an unmet need that affects children in your community or elsewhere by supporting a project that provides long-term benefits that can be sustained by the club.

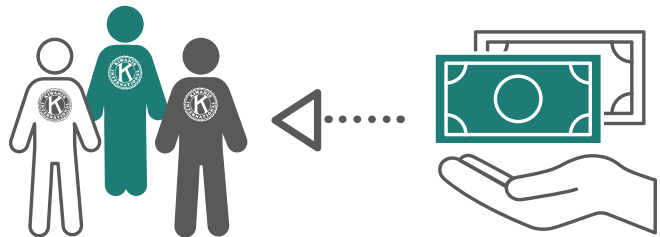
For the Children’s Fund, a grant is a form of collaboration. When a Kiwanis club has a gap in its funding for a service project, a club grant can help fill it.

Clubs may complete the first step of the application process (a Letter of Inquiry) at any time throughout the year, but grants are awarded in June, October and January.

Not all projects are eligible for a club grant. You can find the full list of requirements and information about the application process in the Guide to Club Grants online at kiwanischildrensfund.org/clubgrants.

In general, projects should:

- Be Kiwanis-led.
- Fill a documented need within the community.
- Recur at least once per year.
- Support activities within one of the Kiwanis cause areas (health and nutrition, education and literacy or youth leadership development).



Visit kiwanischildrensfund.org/clubgrants for key dates and a library of translated resources, including the Guide to Club Grants. Please direct questions to the Children’s Fund team at grants@kiwanis.org. You also can call 1-800-KIWANIS, ext. 225 (U.S. and Canada), or +1-317-217-6225 (worldwide).

CLUB FOUNDATIONS

Some Kiwanis clubs have their own foundations that accept tax-deductible donations. If your club has a foundation, you must follow the Bylaws and Articles of Incorporation for Kiwanis Club Foundations. The Kiwanis Children’s Fund offers relevant resources, all of which reflect current best practices under U.S. tax law.

You can find guidelines for club foundations, bylaws, articles of incorporation and even steps to establishing a club foundation. For information, go to kiwanischildrensfund.org/foundation-resources.

THINK ABOUT IT

How could you improve your community through service if you received a grant from the Kiwanis Children’s Fund?

For U.S. clubs only

INCORPORATION

Each club in the United States is required to be incorporated. Incorporation is typically completed at the time of new-club chartering. However, it's important to ensure that your club's paperwork has been filed.

Check in your club files for a copy of the original paperwork. Kiwanis International and your state or local government agency will need a copy of these files. Be aware that incorporation must be renewed annually or according to your incorporation laws.

For additional information, call Kiwanis member services at 1-800-KIWANIS, or +1-317-875-8755, ext. 411.

U.S. REVENUE ACT REGARDING FUNDRAISING SOLICITATIONS

United States federal legislation requires that any fundraising solicitation by or on behalf of Kiwanis clubs and Kiwanis districts must include an express statement that "contributions or gifts to the club are not deductible as charitable contributions for federal income tax purposes." On all solicitations, the statement must be in a conspicuous and easily recognizable format, whether the solicitation is made in written or printed form, by television or radio, or by telephone.

990 TAX FORM

The IRS requires that all U.S.-based Kiwanis clubs submit a 990 form annually. Not filing this form in a timely manner may put your club's incorporation status at risk, resulting in the loss of its 501(c)4 tax-exempt status. This form is due February 15, assuming a fiscal year end of September 30.

Kiwanis International has established a relationship with a preferred vendor that specializes in not-for-profit accounting software that includes a simple method for submitting your 990 form.

For more information, visit kiwanis.org/form990.

REMEMBER

- Report club finances promptly each month.
- Maintain separate reporting for administrative and service accounts.
- Reconcile bank accounts monthly.
- Give receipts for funds received.
- Require an invoice or a check request for checks written.
- Act as cashier at meetings (when needed).
- Provide records for annual audit.
- Retain records for seven years.

NOTES



NEED HELP?

The following IRS website provides more information: irs.gov/charities-non-profits/electronically-submit-your-form-8976-notice-of-intent-to-operate-under-section-501c4.

You may also contact your Kiwanis district office or email Kiwanis International at finance@kiwanis.org.

IRS REQUIREMENT FOR SECTION 501(C)(4) ORGANIZATIONS — FORM 8976

The IRS has recently passed a new regulation requiring all newly-formed 501(c)(4) organizations to notify the IRS of their intention to operate as a 501(c)(4) by filing Form 8976, as stated in Internal Revenue Code 26 CFR 1.506.

Currently, almost all Kiwanis clubs in the United States operate as 501(c)(4) organizations under the Internal Revenue Code. To be considered a 501(c)(4) organization, the club must report its Employer Identification Number, or EIN, to Kiwanis International, which then reports it to the IRS as part of its annual Group Exemption Number filing (GEN 0026).

Because of this current practice, Kiwanis International asked for clarification from the IRS as to whether new Kiwanis Clubs are required to file Form 8976. On September 29, 2016, Kiwanis International was notified by the IRS through our tax advisor (BKD LLP) that all new Kiwanis clubs need to file Form 8976 and that it does not matter that the club is part of a group exemption.

DO I NEED TO FILE FORM 8976?

Did your club file tax documents (such as Form 990-N, Form 990-EZ or Form 990 or Form 1024) with the IRS prior to July 8, 2016?

Yes: You do NOT need to file Form 8976.

No: YOU NEED TO FILE Form 8976. This form is an electronic form. See the next page for details.

WHEN DO I NEED TO FILE FORM 8976?

If you answered NO to the question at left and your Kiwanis club was organized prior to July 8, 2016, you are required to file Form 8976 immediately. Please file as soon as possible, since failure to file Form 8976 may result in fines.

All new clubs organized on or after July 8, 2016, must file Form 8976 within 60 days of its organization date or the date of your EIN notification letter from the IRS.

HOW DO I FILE FORM 8976?

Form 8976 and a \$50 filing fee must be submitted online at services.irs.gov/registration.

To complete the electronic Form 8976, you will need to set up an electronic account with an email address, login ID and password. You will also need the following information about your Kiwanis club:

1. Business name (usually written as “the Kiwanis Club of _____”).
2. Address.
3. Employer Identification Number (EIN). If you do not already have this number, you must obtain it by filing Form SS-4 with the IRS before you can file Form 8976. See NOTE at right.
4. Date the club is organized or date of official EIN notification letter from the IRS.
5. State and country where your club was organized.
6. Filing year/month. This is the month your club’s accounting period ends. For most Kiwanis clubs this would be September.
7. Statement of purpose of the club. This is usually a statement declaring whether the club wishes to operate as a social welfare organization, which is the classification of a Kiwanis club with the IRS.

NOTE

All Kiwanis clubs are required to send their EIN to Kiwanis International, c/o Finance Department, 3636 Woodview Trace, Indianapolis, IN 46268. Upon receipt, it will be reported to the IRS so the club can be included in the 501(c)(4) Group Exemption filing.

The IRS will automatically supply a confirmation when you submit the required information. Maintain the confirmation for your records.

Please note that this is a one-time filing for new clubs.

NOTES
