

Ruritan



District Treasurer's Ledger

**District audit information
enclosed. See pages 17-19.**

With financial forms for the fiscal year and beyond.

Updated 10/22
M 210

990 Information

Each district needs to file a form 990 with the IRS between October 1 and February 15 each year.

If your district made less than \$50,000 gross, you can file on line with a simple e-postcard. If you have never used this site before you will be asked to create user profile. This will be your personal name and address - not the district. The IRS needs to know who the actual individual is using the system. Once you set up the user profile (log on and password) you can file every year with that same information.

If your district made over \$50,000 gross last year - you will need to file either the 990EZ or the full 990. You may need an accounting firm to help with a return for a large amount of income.

IMPORTANT – **the IRS does not charge** for you to file an electronic postcard online. If you are being asked for a credit card number, **STOP**. You have left the IRS site and are now on a commercial site. Do not pay to file your 990N. **If you Google "990N" your first options listed may be PAID sites. Do not use them.**

A complete IRS Form 990-N Electronic Filing System User Guide is available online at irs.gov. Search irs.gov for "Publication 5248."

If no one on your district cabinet is able to assist in the filing of the 990-N, staff can help you file. Call toll free 877-787-8727, Ext. 305 and leave your name, phone number where you can be reached, and your district name and number.

Truthfully, the most difficult part is getting your IRS log on and password approved. After that – the process is very simple. Instructions with graphics are show below.

If you have any concerns – file an extension (form 8868) which will give you until August 15 to get these paper forms filed.

Instructions

The ledger sheets in this handbook are designed to help you keep track of your district's finances and complete Form 990 with the IRS.

Prompt filing of Form 990 is extremely important. Expense reimbursements to district governors from the Ruritan National Office may be held until the district's Form 990 is filed. Failing to file Form 990 with the IRS for three consecutive years automatically revokes the district's federal tax exempt status.

Ruritan National strongly advises its districts to use the ledger sheets and this handbook as part of your district's permanent records. This completed handbook may also be useful if problems or questions concerning your district's finances arise later. The following sections describe the ledger sheets:

District Treasurer Duties and Responsibilities

The treasurer shall be installed at the district convention and take office January 1.

The Duties of the District Treasurer Include:

1. Serving as a member of the district cabinet.
2. Keeping district funds in a responsible bank.
3. Depositing all district funds, keeping a record of receipts and disbursements, and reporting these transactions at cabinet meetings and at the district convention.
4. Paying bills as directed by the district cabinet or the district governor.
5. Billing clubs for district dues; billing clubs (if applicable), individuals, or businesses for unpaid accounts due to the district.
6. Requesting audit of records by a committee appointed by district cabinet - now REQUIRED (see below).
7. CEnsure the filing of Form 990, 990EZ, or 990-N (electronic postcard) with the IRS by February 15.
8. Submitting financial reports to district governor and promptly transferring all funds and records to the next year's treasurer.

Descriptions of Disbursements/Receipts

District Disbursements

Description: A brief statement of the transaction or account number entered on that line. For example, you might enter the words “supplies for concession” for a description of hot dogs, buns, plastic cups, etc. used in your concession.

District Officer Travel Expense: Expenses allowed for travel and club visitation within the district, including meals, lodging, telephone and other appropriate travel expenses. Expenses for all district officers can be combined on this line. Travel expenses for district officials to the Ruritan National Convention may be included in this line, as long as this amount is shown in its separate entry on form R-35.

Growth & Development: Travel, meetings, meals, and workshops held as part of your district’s growth and development program.

District Convention: Expenses associated with your district’s annual convention. Include costs for district banquet, training, entertainment, etc., in this column.

Supplies and Postage: Covers office supplies, postage for correspondence, and other expenses that support the administrative function of the district.

District Publications: Printing and distribution costs of producing a district newsletter, directory, yearbook, program books for events, or other publications.

Fundraising Expenses: The materials and overhead needed to complete a fundraising event for your district. Includes supplies, food for concession sales, rent, and insurance as applicable or appropriate.

Awards/Officers Pins: Certificates to district officers, officer pins, recognition awards, etc., as appropriate in your district.

Other: Expenses that your district incurs beyond the categories explained above. Be sure to enter a description for any items that you list in this column.

Total: Total each row across the page to get the numbers for this column. Then total the amounts in this column and record the final total disbursements in the lower right-hand corner. This is the amount of money your district spent.

District Receipts

Dues Refund: This is the amount of dues refund that the district receives from the Ruritan National Office. Effective January 1, 1998, each district receives 10% of national dues per year, prorated quarterly, for each member in the district, provided that the member’s club has paid its national dues.

District Dues from Clubs: Each district may charge district membership dues of no more than \$2 per club member per year.

New Club Refunds (awards): Ruritan districts can earn \$250 on the first anniversary of the new club under the Sponsoring Club/District Award approved by the Ruritan National Board of Directors. This column is for tracking payments made to the district under this or other subsequent refund/awards programs involving new Ruritan clubs.

Also, Ruritan districts can earn funds by sponsoring a Ruri-Teen club. At its April 1997 meeting, the Ruritan National Board of Directors revised the Sponsoring Club/District Award as it applies to organizing Youth Clubs. The award was defined as \$100 by the Ruritan National Board in 2007.

See the Awards Book for more details about the Sponsoring Club/District Award programs for sponsoring both regular Ruritan clubs and Ruri-Teen clubs.

District Convention: Funds raised from ticket sales, convention program sales, or other projects associated with the district convention.

Publications Ad Sales: Revenue from advertisements sold to cover the cost of printing and distributing district newsletters, event programs, directories, or other district publications.

Banquets/Dinners: Revenue from banquets or dinners hosted by the district.

Ruritan National Foundation: Districts may act as agents to receive donations from Ruritan clubs to the Ruritan National Foundation.

Fundraising: Proceeds from district fundraisers.

Interest: Interest from investments held in the district’s name. Includes savings, certificates of deposits, or other interest-bearing investments.

Other: Other income received by the district not accounted for in the columns above. Be sure to enter a description for any entries in this line.

Total Income: Total each row across the page to get entries for this column. Add the totals down the page and place your final total receipts in the lower right-hand corner. This will be the total funds that were taken in by your district in this particular year.

District Receipts

For Period: _____, 20__ to _____, 20__

	Date	Check Number	Description	Dues Refund From National		District Dues From Clubs		New Club Refunds		District Convention	
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19											
20											
21											
22											
23											
Total											

District Receipts

For Period: _____, 20__ to _____, 20__

	Date	Check Number	Description	Dues Refund From National		District Dues From Clubs		New Club Refunds		District Convention	
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
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15											
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17											
18											
19											
20											
21											
22											
23											
Total											

District Disbursements

For Period: _____, 20____ to _____, 20 ____

	Date	Check Number	Description	District Officer Travel Expense		Growth & Development (travel, meetings, etc)		District Convention	
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
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16									
17									
18									
19									
20									
21									
22									
23									
Total									

District Disbursements

For Period: _____, 20____ to _____, 20 ____

	Date	Check Number	Description	District Officer Travel Expense		Growth & Development (travel, meetings, etc)		District Convention	
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
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14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
Total									

Club Dues Record

	Date	Check Number	Club Name	Balance Forward	Quarter								
					First		Second		Third		Fourth		
31													
32													
33													
34													
35													
36													
37													
38													
39													
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59													
60													
Dues Total This Page													

Club Dues Record

	Date	Check Number	Club Name	Balance Forward	Quarter								
					First		Second		Third		Fourth		
1													
2													
3													
4													
5													
6													
7													
8													
9													
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29													
30													
Dues Total This Page													

ANNUAL BUDGET FOR FISCAL YEAR, OCTOBER 1 THROUGH SEPTEMBER 30

FOR _____ DISTRICT FOR _____

Important: District fiscal year begins October 1. New cabinet should adopt immediately after election. Send a copy of this budget to Ruritan National by February 1 each year.

Balance on October 1.....\$ _____

Estimated Receipts

- Dues Refunds from Ruritan National \$ _____
- Dues from Clubs \$ _____
- New Club Refunds/Awards \$ _____
- District Convention \$ _____
- Publications/Advertisement Sales..... \$ _____
- Banquets/Dinners \$ _____
- Ruritan National Foundation \$ _____
- Fundraising: _____ \$ _____
- _____ \$ _____
- Interest \$ _____
- Other (list specific) _____ \$ _____
- _____ \$ _____
- _____ \$ _____
- Total Receipts \$ _____

Beginning balance and estimated receipts\$ _____

Estimated Disbursements/Expenses

- Travel and club visitation expense (mileage, meals, lodging, telephone, postage, etc.)
 - For District Governor \$ _____
 - For Lieutenant Governor \$ _____
 - For Zone Governors \$ _____
 - For Other District Officials \$ _____
 - District Officials to National Convention \$ _____

Growth & Development- Organizing New Clubs

- Growth & Development Workshops and Meetings\$ _____
- Travel for Growth & Development \$ _____
- Other Growth & Development (list specific) _____ \$ _____
- District Convention \$ _____
- Banquets and Training Meals \$ _____
- District Cabinet Meals \$ _____
- Office Supplies/Postage..... \$ _____
- Publications/Printing:
 - District Newsletter..... \$ _____
 - District Convention Program Books \$ _____
 - Other Publications \$ _____
- Fundraising Expenses _____ \$ _____
- _____ \$ _____
- Awards/Officer Pins \$ _____
- Other/Misc. (list specific) _____ \$ _____
- _____ \$ _____
- _____ \$ _____

Estimated Total Disbursements\$ _____

Estimated Closing Balance on September 30\$ _____

Guidelines for Annual District Financial Audits

A motion by the Ruritan National Board of directors in August of 2013 now requires your district to have a financial audit every year and to provide that audit to Ruritan National. These two pages provide the guidelines referenced in the motion.

BOD MOTION 13-8-01

Move that each District and Area shall have a financial audit each year. Financial guidelines will be furnished by Ruritan National yearly.

REASON FOR THE MOTION:

To avoid financial risk to Ruritan National and its Districts and Areas.

District Audit Committee Guidelines

An audit committee shall be appointed consisting of three members to review the financial records of the district at the end of the fiscal period each year. The chair of the committee shall be a member of the district cabinet other than the treasurer. The treasurer shall not serve on the audit committee. The remaining two members of the committee may be district cabinet members or other Ruritan members that the district governor appoints. All District Audit Committee members should be Ruritan members with relevant experience as determined by the district governor. None of the members of the district audit committee should be related to the treasurer of the district. The audit committee should deliver their report to the district governor who will in turn inform the district cabinet of the findings.

The following is a check list for use by the Audit Committee:

Financial Oversight:

Are there systems or procedures in place intended to make sure the assets of the district are properly used, consistent with the mission of Ruritan National?

Does the district annually approve a budget?

Does deviation from the budget require district cabinet approval?

Does the district have a written policy for document retention?

Does the district use the approved conflict of interest policy established by Ruritan National?

Does the district use the approved ethics policy established by Ruritan National?

Does the district use the whistleblowers policy established by Ruritan National?

Are policies in place to assure that no individual receives financial benefit from their service on the district cabinet? Legitimate and approved expenses are not financial benefit.

Financial Statements:

Are monthly financial statements prepared on a timely basis and submitted to the District Cabinet ?

Do the financial statements include all funds managed by the district?

Are account balances in the financial records reconciled with amounts presented in the financial reports?

Cash receipts:

Does the district have written policies that establish a procedure for handling cash?

Are at least two unrelated members present when cash receipts are counted?

Are money counters rotated so the same people are not handling cash receipts at every event?

Is counted cash recorded in a cash receipts journal either manually or electronically?

Is cash deposited on the same or next business day?

Are cash deposits verified from the cash receipts journal?

Is the cash receipts journal reconciled to cash deposits on bank statements?

Is cash stored in a safe or other secure place if not deposited on the same day?

Are all cash receipts deposited intact? (Cash collected should not be used to pay expenses creating a net deposit)

Guidelines for Annual District Financial Audits

Records / Receipting:

Are records kept so that individual payments are recorded separately from club dues, individuals, dues refunds from Ruritan National and other miscellaneous receipts?

Is income from the district convention recorded separately from other income?

Cash disbursements:

Are there at least two names listed on the district's checking, saving and investment accounts? (Ruritan National recommends that at least three district cabinet member names be listed on the district checking account and that any two of the three should be required to write checks).

Does more than one person receive a copy of the bank statements?

Are two signatures required on all checks written? (Ruritan National recommends that at least three check signers be listed and that two signatures should be required to write a check).

Are all disbursements paid by check except for minor expenditures paid through the petty cash fund?

Is written documentation available to support all disbursements? (receipts, lists for petty cash, disbursements journal)

Does the district use pre-numbered checks?

Does the district account for all the check numbers including voided checks?

Are there any occurrences of backdating or forward dating documents? (Documents should not be forward or backdated).

If a petty cash fund is used for disbursements of small amounts, is the petty cash fund periodically reconciled and replenished based on proper documentation of the cash expenditures?

Is a cabinet approved policy established for the use of petty cash that establishes thresholds for using petty cash versus check writing?

Bank Statement Reconciliation:

Are bank reconciliations prepared on a timely basis?

The audit committee should test arbitrarily selected months during the last fiscal year tracing transactions from the bank statements and financial records for completeness and timeliness.

Are the bank reconciliations presented to the district cabinet along with the financial report of the district treasurer?

Is there a policy in place for handling outstanding checks over 90 days?

Savings and investment accounts:

Are all savings or investment accounts recorded in the financial records?

Are all savings or investment accounts reconciled on a timely basis?

Are all savings or investment accounts included in the financial reports from the treasurer to the district cabinet?

Are all earnings or losses from savings and investment accounts reported in the treasurers report to the district cabinet?

Land, Buildings, and Equipment records:

Are there detailed records of land, building, equipment including the date acquired, description and cost or fair market value at date of acquisition?

Does the district conduct a physical inventory of all assets annually?

Guidelines for Annual District Financial Audits

Insurance policies:

Is there a schedule of insurance coverage in force (other than that provided by Ruritan National)?
Does the schedule reflect effective dates and expiration dates?

Amortization of debt:

Is there a schedule of debt such as mortgages, notes or other loans outstanding?
Can balances owed to all lenders be verified by the lenders?
Have the verified balances of all mortgages, notes or other loans outstanding been compared to the obligations outstanding as recorded in the balance sheet (financial records)?

Securities, negotiable documents, and safe deposit boxes:

Does the district own any marketable securities or bonds (or any other type of negotiable document)?
Are the marketable securities, bonds or other negotiable documents stored in a safe deposit box?
Have the contents of the safe deposit box been examined and recorded?
Do at least two members of the district cabinet have access to the safe deposit box?

Federal Reporting Requirements:

Has the district filed Form 990 with the IRS by February 15?

Audit Committee findings:

The audit committee should endeavor to answer the following questions in their report to the district governor:

Do you believe that the financial statements fairly and accurately present the financial position of the district?

Do you believe that the information is presented in a way that the average reader would accurately understand the financial position of the district?

Is the committee aware of any instance that seemed to be an income or expense manipulation?

Was there any evidence of fraud?

Are there any weaknesses in the policies of the district that would contribute to the likelihood of fraud? List any business practices that you believe would strengthen district's current practices.

Did you find any practice or activity that you felt uncomfortable with or would consider unusual?

Is there any situation that you feel warrants further investigation?

Was the treasurer cooperative with regard to financial records being delivered to the committee?

Is there any situation, activity or practice that if exposed to the general public would cause embarrassment to the organization?

Describe any improvement that you believe would add value.

