

Treasurer's Guidelines

As you may already know—or will learn very quickly—there is a lot more to being treasurer of the League than just making deposits and writing checks. The duties seem to fall generally into two categories: fiscal responsibilities and membership. This memo is meant as a checklist with a few “helpful hints” in both of these areas. Please feel free to contact the LWVIL bookkeeper (312-939-5935, ext. 34; bookkeeper@lwwil.org) or the LWVIL treasurer (treasurer@lwwil.org) with specific questions you may have.

Fiscal Responsibilities

Resources:

Check with your predecessor or your president's files for useful publications. The LWVUS website (www.lwv.org) includes a Tools for Leaders/Treasurers section, which gives information for treasurers. Resources available from LWVIL are *LWVIL Education Fund Guidelines* and *Local League Use of LWVIL Education Fund*.

First priority—if you have not done so already—is to spend some quality time with the previous treasurer to set up the books for this fiscal year and to discuss past procedures, keeping in mind that new ways of doing the job are always in order.

If your League books are not yet computerized and you have a computer, consider using some spreadsheet software. You might want to explore some of the inexpensive programs that are available. Keep it simple: you do not need fancy, sophisticated, statistical packages. Other local Leagues use programs such as Excel, Quicken, Quick Books or Peachtree. Avoid the temptation to computerize all of the past records. New procedures have to start sometime, so let it start as of this fiscal year.

Board Responsibilities:

The treasurer is not only a board member but also a member of the executive committee, so mark your calendar and make a conscientious effort to attend every meeting. You are also an ex officio member of the budget committee and usually serve on the finance committee (the good news is that you **cannot** be the **chair** of the budget committee). Although you are the board's chief financial manager, the proper use of the League's money is the board's responsibility. Prepare a brief, written report for every board meeting. Help the board plan ahead and set priorities.

You will deposit the money, pay the bills and keep records. It is helpful to set a routine:

- Set aside a place (a small box, a drawer, etc.) where you will put League checks, bills, and notes as soon as you receive them.
- Set aside a specific time each week to deal with League business.
- Do you have vouchers? If not, prepare a simple form and have some ready at each board meeting (sales slips can be fastened to vouchers).

Treasurer's Checklist:

1. Go to the bank. Register your signature and your president's signature and change the address for the bank statement, if necessary.
2. Confirm that LWVUS and the LWVIL have you identified as treasurer (your League's name, your name, address, email address and telephone number) for PMP billings and other notices.
3. Look through your predecessor's notebook or the president's files for information about the following or call the state office for copies of past memos related to:
 - a) Education Funds and tax exempt status. Local Leagues may have an Education Fund account at either the state or national level. The LWVUS web site describes procedures for accounts held there. See LWVIL Education Fund Guidelines (also in the President's Handbook, Financial Guidelines) for procedures and forms for state held accounts.
 - b) IRS rulings. If your League's income is under \$25,000 you are required to file Form IRS Form 990N online on a fiscal year basis. If your League's income is \$25,000 or more, you most likely need to file IRS Form 990EZ.
 - c) Sales/use taxes you may need to collect. If you sell publications or products, you must collect sales tax and report/pay it to the Illinois Department of Revenue on a calendar year reporting schedule.
 - d) Insurance policies you may need. The LWVIL offers local Leagues an opportunity to be included in the LWVIL general liability coverage, but local Leagues must do so by October 1. Some facilities your League will want to use for meetings or other events will require general liability coverage. If your League owns office equipment, you may need to get extra contents insurance coverage.
 - e) Tax-deductible contributions to state and national LWV that can be credited to your Per Member Payments. Currently up to 25% of your League's PMPs to state and 50% to national may be paid with Education Funds.
4. Set up a special calendar and note due dates for quarterly payments, end of the year reports, and any other events that are specifically your responsibilities.
5. Keep official file copies of all financial files and business records. See page 4 for a timetable of suggested record retention.

Assessments (PMP):

Payments to LWVUS and LWVIL are due on July 31, Oct. 31, Jan. 31 and April 30. Both LWVUS and LWVIL send forms that should be used when paying these bills. LWVUS sends each local League an invoice for the fiscal year PMP (usually in July) based upon the membership counts in the LWVUS database as of January 31, with a separate balance forward statement if your League is in arrears. For the next three quarters LWVUS will send you only a balance forward statement with your balance due. Remember, the right to representation at national and state conventions depends on your assessment being paid up to date. Also, prompt payment is very important since both the LWVUS and the LWVIL have fixed operating costs that must be paid monthly.

Closing the books:

Local League books (the general ledger) should be closed and financial statements prepared (income/expenses statement and balance sheet) as soon as possible after the end of your fiscal year. The books and financial statement should be verified for accuracy. This verification may be done by an accountant, a former treasurer, a League member with experience in this area or a committee appointed by the local board. The verified financial statements should be presented at the annual meeting, if your fiscal year ends prior to that event, or included in your bulletin, if your fiscal year closes after your annual meeting.

Membership

Since so many of the treasurer's duties relate to membership, you and your membership chairman/committee should establish some procedures to deal with dues collection and follow-up which is so important for membership retention. The following are some suggested duties that may be assigned to either the treasurer or membership chair/committee as best fits your League.

Updates reported to the national League automatically get reported to LWVIL.

- Send dues notices. Since some Leagues collect dues throughout the year (anniversary payment system), this can be a monthly task. Follow up with additional dues notices, if needed. A friendly note highlighting upcoming events adds a bit of warmth to this mundane request.
- Make personal calls or contact those who do not pay. So important for retention, this should be a friendly reminder not a dun.
- Decide to whom initial dues payments will go.
- Keep an accurate record of membership with addresses, telephone numbers, and email addresses and pass this information along to:
 - ◆ The board, membership committee, bulletin editor.
 - ◆ The LWVUS and LWVIL offices to ensure new members receive publications promptly and the January 31 membership count is accurate. Fill out the LWVUS MCIF forms online (For information go to <https://member.lwv.org/Login.asp> the sign-in page) to download a PDF User Manual:
https://member.lwv.org/content/Online%20Users%20Manual%20Revised%202003_10.pdf

The treasurer's job is not always recognized publicly, but, it is very important and you as treasurer make a significant contribution to the smooth running of your League. **Thank you!!!**

Record Retention Schedule

<u>Type of Record</u>	<u>Retention Period</u>
Accident Report/Claims (settled cases)	7 years
Accounts Payable ledgers & schedules	7 years
Accounts Receivable ledgers & schedules	7 years
Audit Reports	Permanently
Bank Reconciliations	3 years
Bank Statements	3 years
Capital stock & bond records	Permanently
Cash books	Permanently
Charts of Accounts	Permanently
Checks (canceled) (permanently retain those for important purchases, e.g. real estate)	7 years
Contracts, mortgages, notes, and leases(from expiration)	7 years
Correspondence (general)	3 years
Correspondence (legal & important matters only)	Permanently
Correspondence (routine)	3 years
Deeds, mortgages and bills of sale	Permanently
Depreciation schedules	Permanently
Donation records	7 years
Duplicate deposit slips	3 years
Employment applications	3 years
Employee demographic & compensation & I9	3 years
Expense analyses/expense distribution schedules	7 years
Financial statements (year-end, other optional)	Permanently
Garnishments	7 years
General/Private ledgers, year-end trail balance	Permanently
Grants (unfunded)	1 year
Grants (funded) after closure	7 years
Insurance policies (expired)	3 years
Insurance records, current accident reports, claim, policies, etc	Permanently
Internal audit reports (longer retention periods may be desirable)	3 years
Internal reports	3 years
Inventories of products, materials & supplies	7 years
Invoices (to customers, from vendors)	7 years
Journals	Permanently
Minute books of directors, stockholders, bylaws & charters	Permanently
Notes receivable ledgers & schedules	7 years
Patents and related records	Permanently
Personnel files (terminated)	7 years
Petty cash vouchers	3 years
Property appraisals by outside appraisers	Permanently
Property records, including costs, depreciation, reserves, blueprints	Permanently
Purchase orders & Receiving sheets	1 year
Retirement & Pension records	Permanently
Stock & bond certificates (canceled)	7 years
Tax returns (including all worksheets and related documents)	Permanently
Time books/cards/sheets	7 years
Trademark registration & copyrights	Permanently
Training manuals	Permanently
Vouchers for payments	7 years
Withholding Statements	7 years