

Summer Conference 2020

Orange District has 3 financial officers. I am Dianne Lundquist and I am the Director of Finance for Orange District. Many clubs only have one financial officer – the Treasurer – who does the work of all 3 financial officers. My duties for the District include preparing a budget for the District, which is voted on (usually in September) and is being published in the Yearbook. I think all clubs are familiar with a budget, which is just a guideline for spending during the upcoming year. We estimate all income and expenses for June 1 to May 31. There is a Misc category if something comes up we were not counting on. Income and Expenses should be equal. The Ways and Means Chairman then has an idea of what she has to raise during the year to pay the expected club expenses. Just because you budget for an item does not mean you HAVE to spend that.

As Director of Finance, I receive all the warrants (or vouchers). I assign a category number and check that the expense is within the budget. Then I approve the warrant and send it to the Treasurer for payment. Each warrant/expenditure must be brought up to the Executive Committee to be either approved or ratified by vote. I also keep a ledger of all expenditures by category. It is a good idea for clubs to keep a ledger so if someone in the club wants to know what Ways and Means has made so far, or how much an officer still has left to spend in her budget, you can tell them at a glance.

Something new that surprised me personally last year was the need to pay sales tax. Many of us were under the impression that non-profits who sell a food item or other product as part of their fundraising did not have to pay sales tax. But we found out that Sales Tax has nothing to do with our 501c3 status. We are producing an end product and we have to add a sales tax and send it on to the State. You can pay the tax quarterly or when you have the fundraiser (depending on how often you do fundraisers). In contacting the State Board of Equalization, we asked, “Should a non-profit charge tax on sale of food or beverages?” Answer: “It depends”. When asked, “Does Sales Tax apply to the price of raffle tickets?” The answer was, “It depends.” Rather than bore you with the ins and outs of all the requirements, know you can go to the State Board of Equalization website, or contact me and I will send you the paperwork I have on it.

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