



# SOLUTIONS FOR COMPLIANCE CHALLENGES

## Learn the skills and set the culture for smooth adherence

### **District Compliance Committee:**

The mission of the Ohio Lions Compliance Committee is to effectively educate, encourage, and assist Ohio Lions Clubs and Foundations to meet their fiduciary duties and filing requirements. Disclaimer: All contents of this material is for informational purposes only and is not intended to be deemed legal or tax advice.

### **Club Fiduciary Duties:**

Fiduciary Duties refers to an officer or board of director's responsibility to handle the financial and management decisions of the organization. They must perform these duties with Due Diligence or conduct that a reasonable person will exercise to look out for the well-being of the organization. There can be severe consequences for breaches of fiduciary duty. Standard legal duties owed to the organization:

- a. Duty of Care
- b. Duty of Loyalty
- c. Duty to Manage Accounts
- d. Duty of Compliance

### **Vital Information:**

- a. Lions Clubs are 501 c 4 organizations, not charities.
- b. Avoid "employment" issues – gift cards, waiving dues.
- c. Avoid political issues – no endorsements.
- d. Know gaming regulations – games of chance, bingo, raffles.
- e. Sharing EIN and reporting with supporting organizations.

### **Mandatory Annual Filing Requirements:**

- a. Internal Revenue Service – Form 990 Informational Return
- b. Ohio Attorney General – Charitable Registration
- c. Ohio Department of Commerce – Unclaimed Funds

### **Additional Situational Filing Requirements:**

- a. Ohio Secretary of State – Incorporation Status
- b. Ohio Department of Taxation – Sales Tax

### **Instructions:**

More information and step-by-step filing instructions for each of the above topics is available on the Ohio Lions website. Go to [www.OhioLions.org](http://www.OhioLions.org) and click on the "Links" tab at the top of the homepage. Then scroll down to the section of "Lions Club Legal Considerations and Procedures". Click on "Legal; Considerations for Lions Clubs" or one of the individual topics.

**Club Self-Check:**

A self-check of club compliance issues is available on the Ohio Lions website. Go to [www.OhioLions.org](http://www.OhioLions.org) and click on the "Links" tab at the top of the homepage. Then scroll down to the section of "Lions Club Legal Considerations and Procedures". Click on "Lions Compliance Check." A completely compliant club should be able to answer all questions and check every box on this internal review. If you cannot, please consider making the appropriate changes. For assistance, contact the Compliance Committee.

**Better Communication:**

It is suggested that the following club-specific information be presented to all club members with each written financial report.

The Troy Lions Club (EIN = 31-6060882) is incorporated with the Ohio Secretary of State (Entity number = 812307) and the next Statement of Continued Existence is due in February 2027. The club's fiscal year ends June 30<sup>th</sup>. The club files a 990-n return with the IRS and a Charitable Registration with the Ohio Attorney General annually before November 15<sup>th</sup>. A negative Unclaimed Funds report with the Ohio Department of Commerce is filed annually by November 1.

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