



**2023-2024 DISTRICT OH-5 CABINET
STATE COMPLIANCE COMMITTEE REPORT
THIRD QUARTERLY REPORT**

February 24, 2024,

REPORT #S-1

Honorable District Governor Mike Kerek
1st Vice District Governor Toni Gray
2nd Vice District Governor Carl Gass
District OH-5 Cabinet

SUBJECT: 3rd Quarter State Compliance Committee Report

Dear Governor Mike:

It is both an honor and privilege to be appointed as the State Compliance Committee representative from OH-5.

In addition, it is an honor to have been elected as Chairperson of the State Compliance Committee for this current Lions year.

The Lions of Ohio, at its annual State convention in May 2019 voted to include the State Compliance Committee as a standing and funded State committee.

The Lions of Ohio approved the introduction of the State Compliance Committee to include its purpose as stated, "The purpose of this committee is to ensure all clubs within Multiple District 13 are compliant with current Federal and State Agencies, including but not limited to the Internal Revenue Service, the Ohio Department of Taxation, and the Ohio Attorney General."

This committee is made up of seven Compliance Committee members each appointed by its District Governor and approved by its Cabinet.

The Compliance Committee held its Second Quarterly meeting via Zoom format on Sunday, October 8, 2023.

The agenda for the January 14, 2024, third quarterly meeting conducted via Zoom meeting format contained many discussion points to include current and updated compliance laws and rules of law and previous video/internet platform

meetings, emails, text messages with both the Ohio Attorney General Charitable Law Section and with the IRS by the Committee Chairman PCC Dave Risen as well as any communications and communications with the Ohio Department of Commerce Unclaimed Funds Division.

Each District Compliance Committee member that was present presented updated status reports to include objectives and suspense dates by each District in addressing those clubs/Foundations that are not in compliance with either the Ohio AG or IRS.

A current Ohio Lions Club Status data report that was sent forward to all Compliance Committee members in late December 2023 by Chairperson Risen for their review and action during this quarter. An updated and current Ohio Attorney General Charitable Law Section Ohio Lions status report will be sent prior to third quarterly meeting for individual review and action.

The ongoing concern continues to be that we continually see the same clubs routinely appear as non-compliant in many of our Districts. The hope and anticipation will be that efforts by both the district leadership team and extended club and leadership communication to include actively pro action by those clubs will begin to show positive results.

This third quarter period will best determine the current compliance status of our Ohio Lions clubs and Foundations. The emphasis during both this third quarter, and continuing toward the fourth quarter, will be to concentrate our efforts on those who are non-compliant along with the help and assistance of the Ohio Lions leadership.

It is important to note once again the concern regarding the issue of reporting to the Ohio Department of Commerce Unclaimed Funds Division by our clubs and Foundations.

Chairperson PCC Risen has on numerous opportunities stated his frustration and concern with direction and information provided by the Ohio Department of Commerce Unclaimed Funds to include its demand for "online only" file process through the Ohio Business Gateway. PCC Risen was notified most recently by the Ohio Department of Commerce Unclaimed Funds Division that a one-year paper file reporting window was placed.

PCC Risen notified all committee members of this status and requested that our Lions Clubs and Foundations be informed of the same.

It should be once again noted that the positive compliance percentage Multiple District wide has shown a marked improvement from the beginning of the conception of this committee and the implementation of a Compliance Officer in each sub-District.

A review of committee goals and standards have been previously discussed to include the introduction and implementation of expanded committee focus to include, but not limited to, club fiduciary and policy duties, gaming laws, sales tax issues and liability matters. The emphasis during this third quarter will be on focusing direction and concentration by this committee regarding these important legal considerations.

Additional discussions regarding the Compliance Committee working in concert with the Global Leadership team in educating our leaders and clubs in compliance matters will be ongoing. Joint meetings with both committees reviewing these objectives will be scheduled.

Further, it was determined that the Global Leadership team, in association with the State Compliance Committee, will begin discussions and implementation of Ohio statewide compliance training. The Ohio Attorney General Office will be contacted and can assist with sending representatives that can provide information regarding OAG requirements and assistance to our Ohio Lions clubs and Foundations. Important to note that during the second quarterly COG meeting that a representative of the Ohio Attorney General Office made a presentation to the Ohio Lions leadership regarding compliance with the Ohio Attorney General. It is my understanding that this was well accepted by those attending.

It has been, and will continue to be policy, that the Compliance Committee Chairperson will continue to receive status reporting from each District monthly was reintroduced.

Introduction of updated IRS statutory codes and rules of law will be reviewed and discussed in detail at each ZOOM or in person committee meeting.

It is imperative that the Compliance Committee and its Chairperson continue to keep the line of communication open between this committee and the Ohio Lions leadership with the focus of direct communication with each District Governor and District Compliance Committee member. Never has the importance of communication by the District Governor and the District Governor team with this Compliance Committee and its District representative be present.

I look forward to my continued service as the State Compliance Committee Chairperson and in working alongside each of the State Compliance Committee representatives and in collaborating closely with Council Chairperson David and the Council of Governors.

It is because of that commitment to the importance of compliance that this Compliance committee will continue to meet those objectives in keeping our Ohio clubs and Foundations in compliance.

I, along with the State Compliance Committee, ask for your continued support and know that each committee member will be available for any assistance or information.

Respectfully Submitted,

PCC David Risen
Compliance Committee Chairperson