

## **DISTRICT 4-L2 POLICY AND PROCEDRES**

### **FINANCIAL POLICY AND PROCEDURES**

In to provide a common understanding of the bookkeeping, accounting and other fiscal practices of Lions District 4-L2 during the transition from one fiscal year to the next, for the administration of the fiscal affairs during the year and to supplement the provisions of the District Constitution and By-Laws the following policies and procedures are adopted:

1. (a) The nomination committee is encouraged to inquire of every candidate for the office of district governor respecting his or her knowledge of these policies and fiscal operations of the district. (Revised May 2022)
- (b) The financial oversight committee recommends the use of model chart of accounts for every item of expense and revenue which the budget committee a reasonably anticipate for the fiscal year. Attached as Exhibit A is a proposed model chart of accounts.
- (c) The budget for the ensuing fiscal year shall be proposed by the incoming governor in cooperation with the first vice district governor and the budget committee and shall be adopted at the annual district convention.
- (d) The governor shall not incur any expense or obligation not already authorized in budget without considering its impact up on the budget the district.

#### **2. Period May 15th through June 30th of each fiscal year:**

- (a) As soon as possible after the close of the annual district convention in May, the chairperson of the financial oversight committee shall provide a copy of these policies, including the Chart of Accounts to the incoming governor and treasurer and discuss their provisions with them.
- (b) Two bank accounts will be maintained - one active and one dormant. The active account will be used as the business account for the current year. The dormant account is the prior year's business account and will be used for next year's business account. Any reserves will be held in the dormant account.

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- (c) In order to segregate income attributable to the next year such as advertising for the directory for the ensuing year and tickets for the installation dinner, the incoming governor and his/her treasurer shall as soon as possible in May be authorized to sign on the district accounts, shall deposit all receipts received by them for advertising, installation dinner and other sources to his/her year in said dormant account and pay any expense attributable to said matters from said account. The incoming district governor, treasurer, and convention chairperson shall use the Chart of Accounts established by the budget committee and enter their income and expenses for their year on such a chart.
- (d) To facilitate execution of the foregoing policies, the outgoing governor, his/her treasurer and his/her convention chairperson shall pay as soon as possible all expense of the respective accounts not later than June 30th of the fiscal year. At such time, they shall prepare and deliver to the incoming governor, his/her treasurer and the chairperson of the financial oversight committee a statement of assets and liabilities, revenue and expense statement as of June 30th and comparison of revenue and expenses to the budget for his/her fiscal year. They shall deliver all contracts, correspondence, receipts, paid invoices, issued checks, bank books, deposit slips and bank statements, a list of any unpaid bills and other documents to the chairperson of the financial oversight committee by July 31<sup>st</sup>.

### **3. Period July 1<sup>st</sup> through June 30th of the fiscal year:**

- (a) If arrangements for the location of the upcoming annual district convention have not been completed by the time of the current annual district convention, an amended budget reflecting revised convention revenue and expenses shall be submitted at the earliest district meeting for approval.
- (b) At each district meeting, the treasurer shall submit a statement of revenue and expenses and changes in revenue and expenses compared to the budget. Each quarter, the treasurer shall meet and submit to the financial oversight committee all records which it may require to determine compliance with these policies and regular accounting practices.

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- (c) The financial oversight committee shall submit to the current governor a report of its findings of the income and expense of the presiding year. The financial oversight committee may submit a new report of compliance by the current governor and treasurer. All report shall be given to the Governor, 1<sup>st</sup> VDG, 2<sup>nd</sup> VDG, all active PDG's and all Clubs.
- (d) All checks issued on the district business Account must contain two (2) signatures, one (1) of whom is the treasurer. All requests for checks should be accompanied by documentation (receipts, invoices) justifying issuance of each check. At list once every month of the year the governor and treasurer shall confer regarding the status of the budget.
- (e) Not send twice monthly, the treasurer shall deposit all funds received into the active account with the bank in which the district deposits it's funds and shall promptly pay all bills and expenses of the district from the active account. Monthly the treasurer shall reconcile bank statements.
- (f) With approval of the governor, transfers may be made between line items within the budget. No money may be expended in excess of the amount specified in the budget without the approval of the governor and treasurer. No new sub-account of expenses may be established in either account without approval of the financial oversight committee.
- (g) The signatures of the outgoing district governor, treasurer and convention chairperson should be removed from the bank accounts as soon as possible at the end of the fiscal year.
- (h) The governor and treasurer shall cooperate with the financial oversight committee and the person who prepares the federal and state income tax returns in responding to their request for information. Federal and State Tax returns should be filed by November 15<sup>th</sup>.
- (i) By August 29<sup>th</sup> the treasurer must file IRS Form 8822-B showing the change of responsible party and address.

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#### 4. Records and Documents

- (a) When invoices are paid, the amount of the check, it's number, date and other pertinent information shall be endorsed on the copy of the invoice/receipt by the treasurer.
- (b) Receipts for miscellaneous income shall be issued in sequential order. Receipt shall contain all necessary information to identify the transaction upon which the receipt is issued.
- (c) Bank statement issued and returned checks shall be maintained by the treasurer and delivered to the financial oversight committee at the end of the fiscal year.
- (d) Records of separate checking, savings, certificate of deposits and other accounts shall be separately maintained and shown on the balance sheet of the district.
- (e) The treasurer's annual report to the financial oversight committee shall contain a summary of the budgeted account, actual amount and totals for each category, fund and overall totals according to the Chart of Accounts.
- (f) Any net revenues or expenses of the Melvin Jones activity should not be included in the district revenue and expenses.
- (g) Reserves if the District:
  - 1. The reserve shall be the balance of funds remaining in the active account at the end of each fiscal year plus the reserve funds held in the dormant account.
  - 2. At the end of each fiscal year the reserve will be combined into the dormant account.
  - 3. Prudent management requires that a reserve of 25% of the annual revenue of the district be maintained in the dormant account.
- (h) The treasurer shall provide all information and records necessary to the budget committee for it to prepare a budget for the upcoming fiscal year.

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**EXHIBIT A**

**MODEL CHART OF ACCOUNTS**

**BUSINESS ADMINISTRATION BUDGET**

REVENUE

4-L2 Dues from MD4  
\*Installation Dinner  
\* 4-L2 Directory Advertising  
\*District Cabinet Meeting  
\*International President VIP Dinner  
Training & Seminars  
\*District Fundraiser  
\*District Convention  
Miscellaneous Revenue  
\*Melvin Jones Dinner  
Total Revenue

EXPENSES

District governor  
1<sup>st</sup> Vice District governor  
2<sup>nd</sup> Vice District governor  
Administration Supplies/Postage  
Awards/Badges/District Officer Crests  
Honorariums  
\*District Cabinet Meeting  
Administrative Fund Transfer to Convention  
\*4-L2 Directory  
Installation Dinner Advance  
\*Installation Dinner  
International President Visit  
\*International President VIP Dinner  
Leos  
\*Melvin Jones Dinner  
New Clubs  
Student Speaker Contest  
Training/Workshops  
Electronic Communications & Newsletter  
\*District Fundraiser  
Printing  
Miscellaneous Expense  
\*District Convention  
Total Expenses

Note: \* Each major event should have its own budget with the appropriate revenue and expense.

\*\*Any dollars raised by the Melvin Jones activity in excess of its expenses will be distributed to LCIF only.

These monies are not to be included in the District finances.

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**(Updated May 2022)**

**1. Annual International President's Visit for Rose Parade**

- a. Establish Roles for the visit
  - i. Define District versus Lions Float Inc.
  - ii. Define Budgets
- b. Communicate a schedule for Lions Float Inc.
  - i. Define timelines
    - 1. Arrival and Departure
    - 2. Scheduled Events and create guest list
    - 3. Greetings and chaperone during visit
    - 4. Establish Hotel and thoroughly review contract
    - 5. Phoenix Float
- c. Budget the event
  - i. Budget includes obligations per LCI for the President
  - ii. Budget the IP Reception
  - iii. Budget the District Governor's Dinner with IP
  - iv. Budget required meetings with IP
    - 1. Governors
    - 2. Club President
    - 3. Leos
    - 4. Projects
  - v. Budget Transportation
    - 1. Non-scheduled event that are not reimbursed by LCI
  - vi. Budget special meals with IP
    - 1. Host a Breakfast, Lunch or Dinner with the IP
  - vii. Budget gift basket and hospitality.
  - viii. LCIF Donation to International President
- d. Agendas
  - i. Master Agenda for reception and Governor's Dinner
  - ii. Agenda or introduction for meetings.

**2. Annual Melvin Jones Luncheon**

- a. Work closely with LCIF District Coordinator.
  - i. Set date
  - ii. Acquire Guest Speaker
  - iii. Define budget
    - 1. Establish Cost
      - a. Location
      - b. Meals
      - c. Printing
      - d. Certificates
      - e. Center Pieces
      - f. Raffles
  - iv. Approve location of event and Time
  - v. Review meals options
  - vi. Approve agenda

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### 3. Review District Governor, 1<sup>st</sup> VDG and 2<sup>nd</sup> VDG responsibilities at the Council of Governors

- a. Review duties per LCI
- b. Review timelines
- c. District Duties versus Multiple District Duties
- d. Review Cost

### 4. Non-Disclosure and Confidential Agreements

- a. Identification of the parties.
- b. Definition of what is deemed to be confidential.
- c. The scope of the confidentiality obligation by the receiving party.
- d. The exclusions from confidential treatment.
- e. The term of the agreement.

### 5. Technology Committee

- a. Formation of a technology committees
  - i. Digital Committee Coordinates online assets
    1. Website
    2. Social Media
    3. District portals example, Constant Contact, agreed upon credit card service
  - ii. Audio Visual Committee
    1. Inventory Control
    2. District Events
      - a. Transport
      - b. Setup
      - c. Operate
      - d. Post Event Storage
      - e. Maintains Equipment

### 6. Hero Awards (Youth Cancer Survivors) – Special Account

- a. Design narrative of the project
  - i. Medals to be awarded to Young Cancer Survivors
  - ii. Create a budget for the District
    1. Funds are ear marked
    2. Funds used only to replenish supplies of the following
      - a. Medals
      - b. Ribbons for Medals
      - c. Certificate
      - d. Certificate Holders
- b. Committees' duties include
  - i. Creating and maintaining subcommittees
    1. Admin
    2. Outreach & Communications
    3. Inventory Control
    4. Fundraising

## DISTRICT 4-L2 POLICY AND PROCEDURE

### 6. ELECTION PROCESS. (Moved from By-Laws Section 5) (Revised May 2022)

(a) The election of district governor and first and second vice district governor shall be by written secret ballot unless there is only one candidate for the office, in which event the election of that candidate may be conducted by voice vote. The candidate for each office receiving the simple majority a vote shall be declared elected. The poles shall be open during the day of the last scheduled business session of the convention at a time to be announced at the fourth (4) district meeting. Each candidate may have one poll watcher present at all times during the voting and counting of the ballots. There shall be no campaigning within one hundred (100) feet of the polling place. In the event there is more than one candidate for any office, the election committee chairperson shall write the name of each candidate onto paper of equal size and, in the presence of the candidates, place the names into a hat or the like of, then blindly draw each name one by one and until the ballot order is set. The first name pulled is the first name on the ballot, the second name pulled is the second name on the ballot, and so on. (Revised May 2015)

(b) The election committee shall have charge of the balloting and conduction of the election and shall report the winner of each office and the results of the balloting on each proposition on the ballot, to the convention when called upon by the presiding officer prior to the close of the convention.

(c) In the event of a tie vote for the candidates of the offices of district governor or first or second vice district governor, the tie shall be announced at the earliest possible time and thereupon, the delegate (or if he or she not be then present at the convention, the alternate to that delegate) designated on the delegate certification form as a delegate or alternate to act on behalf of his or her club for the purposes of this section, shall be entitled to cast one vote for his or her club for the office. The vote shall be by written secret ballot. The voting polls shall be open at a time specified by the district governor and shall remain open for two hours after opening on the last day of the business sessions of the convention. If after such vote, a tie shall exist, the candidates shall draw lots to determine the winner.