



# TREASURER'S MEETING 2021



**THANK YOU FOR VOLUNTEERING TO  
BE YOUR CLUB'S TREASURER**

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# RRP

## Chapter 8

### Financial Information Summary



Chartered Clubs are separate financial entities from the Association

RCSCW is a 501(c)4 with its own EIN

Clubs are entities with their own EIN



Chartered clubs may apply and qualify for any 501(c) tax exempt status with the IRS - Refer to [irs.gov](http://irs.gov)

# RRP

## Chapter 8

### Financial Information Summary

It is recommended that Clubs engage professional counsel for tax matters, legal issues or financial practices

Sales, fundraisers, and taxes are individual club related items that each club addresses per their tax/501(c) status

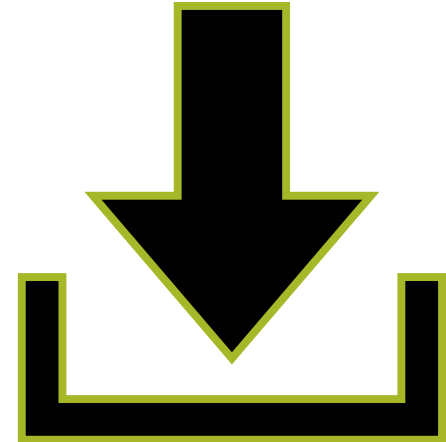
Clubs are required to submit Form CR-7 (Annual Financial Statement) to the RAM by Feb. 15 for the preceding calendar year

## CR-7 Check List

- The check list must accompany Form CR-7 when it is turned in to the Recreation Activities Manager
- Make sure club name and reporting period is on each page
- Make sure page one contains required signatures
- Include bank statements for November & December or December & January reconciled to Balance Sheet
- Include bank statements for any CD's and/or Reserve Accounts
- Include copies of 1099 and 1096, if applicable
- Complete the Equipment and Simplified Inventory values on Page 2
- Copies of any correspondence with IRS
- Copy of filed IRS Forms 990N, 990EZ, 990, 990T, AZ Form 99

# scwclubs.com

- To download the CR-7 go to [scwclubs.com](http://scwclubs.com)
  - Click on documents
  - Click on CR-7 it will be a zip drive at the bottom of your computer
  - Click on arrow of the zip drive to open
  - Open the file and save it to your computer
- This document has formulas to help you complete the form



# Annual Financial Statement

- Income Statement (Net Income = Total Receipts Less Expenses)
- Gross receipts (Income) equals all amounts received by the organization during its annual accounting period from all sources without reduction for any costs or expenditures
- Balance Sheet/Statement of Net Worth (Assets Less Liabilities)
- Membership Summary & Dues Recap



# Bank Reconciliations

- Reconcile to your book balance – not your account register
- All reconciliations must be done as of 12/31
  - Why you may ask? The reconciled balance must agree with the CR-7; page 2, line 27 (B)
- Make sure you have recorded all deposits & checks for the month of December
- Record any special adjustments (i.e. bank charges, interest, etc.)



# Inventories

- **Unit price of \$300 or more**
- **Due end of December**
- **Submitted to Recreation Activities Manager**
- **Simplified Inventories unit price under \$300 – must be in bylaws**

# Independent Contractor

- An Independent Contractor is a self-employed person or entity contracted to perform work for or provide services to another entity as a nonemployee
  - Please see [irs.gov](https://www.irs.gov) for rules, regulations and qualifications
- It is required that each independent contractor complete a W9 which will be held on file
- IRS requires Form 1099-NEC to be filed for each contractor receiving \$600 or more during the year
- Copy B of the 1099-NEC must be furnished to the contractor (recipient) by January 31



## Forms 1099 & 1096

- A single Annual Summary and Transmittal (Form 1096) shall be used to summarize all of the 1099 Forms issued for the calendar year and to submit them together to the IRS and the Arizona Department of Revenue
- Failure to comply can result in severe penalties to the Clubs
- Noncompliance could result in the revocation of the Club's Charter

## Federal and State Returns/Forms

- Clubs are responsible for submitting all applicable federal and state returns/forms to the taxing authority
- Tax Exempt Clubs with Annual Gross Income of \$50,000 or more from all sources during the preceding annual accounting period must file 990 or 990EZ
  - Clubs may also need to file a 990T for taxable income generated from non-members
  - Consult with tax accountant if necessary
- Tax Exempt Clubs with less than \$50,000 must file a 990N

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Need help?  
For an  
appointment  
with Clif  
please call or  
email Dori  
first

# Thank you

- For any assistance do not hesitate to call us
- We are here to help you
- Dori will be calling all clubs that file a 990N and will set up an appointment to come in for her to assist you