



Chapter Treasurer **Duties and Responsibilities**

Congratulations!

You have been elected to serve as chapter treasurer.

As the Chapter Treasurer You Will ...

- Account for the money received, spent and invested by the chapter
- Manage the finances and budget
- Make required payments and report on time

Your Duties and Responsibilities Are:

- Administer the operating accounts of the chapter, keeping itemized records of all receipts and expenditures in a permanent file.
- Distribute funds as directed by the president and/or the executive board.
- Serve on the budget committee that prepares a draft budget for approval of the chapter at the first meeting of the fiscal year.

Bank Accounts

- In the United States, obtain a chapter EIN (Employer Identification Number) from the Executive Director to open a bank account.
- Change the two signatures on bank accounts (treasurer and president are usually the authorized signers).
- Scholarship funds must be retained in a separate bank account. They cannot be combined with the general chapter fund.
- Reconcile bank statement each month and report balances to chapter.

Processing Dues Payments

- Encourage members to submit International dues online and follow up with members who chose to submit payment by check by January 1.
- Send S/P/N dues to the S/P/N treasurer by January 1.
- Send the ITE payment to Headquarters by January 1.
- Send district dues to the district treasurer, if applicable, by January 1.

Membership Designations That Impact International Dues

- Life: If a member has a life membership, she pays S/P/N, chapter and district (if applicable) dues.
- Limited: This is a special status granted by International Headquarters at the request of the chapter. This member has no financial obligations to Alpha Delta Kappa.
- Honorary: This person, not in education, pays no dues, fees or assessments. The chapter pays the \$9.00 annual honorary International dues.

- International Chapter / Executive Board member: International dues are \$9.00. This member does **not** pay S/P/N, chapter and district (if applicable) dues.

Important Due Dates

• February 1 – late fee of \$5.00 per member is charged if International dues are paid after this date. Late fees for S/P/N dues may apply.

• June 30 – (or one month following the end of the chapter fiscal year. Most chapters' fiscal year mirrors International's from June 1 – May 31) Annual Chapter Audit must be filed with the S/P/N treasurer. This is the annual audit report of the chapter's receipts and disbursements.

• October 15 – Chapters in the United States and the Commonwealth of Puerto Rico file with the Internal Revenue Service.

In the United States, File the Correct Internal Revenue Service (IRS) Forms.

- Form 990-N e-postcard if gross receipts are less than \$50,000
- Form 990 or 990 EZ if gross receipts are more than \$50,000
- Form 990-T if fundraising for chapter operations from non-members and/or interest earned is \$1,000.00 or more

The Importance of Filing IRS Form 990

Failure to file IRS Form 990 for three consecutive years will result in automatic revocation of federal tax-exempt status for the chapter. The chapter will be required to pay Federal taxes for the years failed to file Form 990 and for future years until 501(c)7 status is received.

Record Retention Requirements

Permanently retain:

- EIN Number (provided by Executive Director), any IRS correspondence, copy of any reports to the IRS, and copy of any IRS correspondence from Headquarters
- Filed tax returns
- Audit reports and financial statements
- Financial ledgers and journals

Retain for **8** years in virtual or paper file:

- Bank reconciliations and bank statements

Retain for **3** years in virtual or paper file:

- Petty cash vouchers
- General correspondence
- Expense reports
- Paid bills

Accessing Chapter Treasurer Forms on the AΔK Website

Forms available are:

- 990-N IRS E-Postcard Filing
- Chapter Cash Flow
- Chapter Balance Sheet
- Chapter Annual Budget
- Finances Spreadsheet

Find a detailed list of guidelines in the ***Alpha Delta Kappa Financial Booklet***.

Email headquarters@alphadeltakappa.org OR call International at 1(800)247-2311

Monday – Friday, 8:30 – 4:30 CST with specific questions.

Understanding AΔK’s Non-Profit Status

- The AΔK International and the AΔK Foundation are 501(c)3 charities. States, Puerto Rico and chapters are 501(c)7 non-profit organizations, exempt from federal income tax but not sales tax.
 - Provinces and other nations are subject to their respective tax laws and requirements.
- Meals and items purchased for state, Puerto Rico or chapter events are subject to sales tax.
- Dues and donations to states, Puerto Rico or chapter events are not tax deductible.

Understanding the Different IRS Categories

501(c)(3) AΔK International/AΔK Foundation	501(c)(7) Chapters, States, Districts
Recognized by IRS as a charitable and educational purpose	Recognized as a nonprofit, Social Club
Federal tax-exempt and sales tax exemption in most states.	Federal tax-exempt; not sales tax exempt
International Dues are deductible.	State, District, Chapter dues not deductible.
Charitable donations are tax deductible	Charitable donations are not tax deductible

Enjoy this opportunity to serve as your chapter treasurer!

Cherish our sisterhood and the friendships you make along the way!



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