

September 6th, 2016 – Special E-Board Meeting

Meeting called to order at 6:00pm

Roll Call of Officers: All Present.

Also Present is Rebecca Roy and Richard Ganong from Tax World Inc. Tax Preparation in Alfred, Maine.

The Club contracted Tax World Inc. to review the books, the way we are going about doing things and how to prepare them for the IRS.

They found that there were things that the club was doing that could conceivably put our file 501C4 status at risk and could be revoked by the IRS.

Issues;

- Record Keeping/Retention
- Supporting Documents
- Multiple Bank accounts

We can use any form of record keeping system that we want (i.e. Monthly & Annual Excel Spreadsheets), that suits our club activities. It doesn't have to be a computerized system, but our current excel spreadsheet is working right now.

For the club to reimbursement to members for supplies needed for club events and activities, the receipts need to be kept and turned into the treasurer. The Treasurer needs to account in case of an audit. Basically, if there is no receipt, the club can't reimburse members.

When making deposits into the Club's Bank Account, we need to be able to determine what the deposit was for (i.e. Rentals for Club House, Rent for Tables at the Gun Show). For Tax purposes, depending on what the deposits are for, they could be treated differently. We should have a legend that lists various events and its income.

There were multiple necessary records that were not accessible to the Treasurer during the review which made it difficult.

There were also multiple bank Accounts that also made it difficult for record keeping. For example, the Cowboys have their own Bank Account where they collect money from events, deposit it, and spend it. But the records of those transactions are supposed to go through the treasurer. The Income that came in was accounted for, but because of the lack of receipts that were kept and turned into the treasurer that made it difficult to account for money spent/reimbursed.

The Treasure should be the only one with access to the Bank Accounts and the only one writing checks to members or paying bills. We can have separate accounts for all the different entities of the club, but it needs to all go through the Treasurer because they are the ones held accountable.

Also, the club cannot have several debit cards out among its members (i.e. Cowboys, Archery, etc.) because the treasurer can't separate out those purchases.

The \$200.00 per month that was paid out to the "directors" was okay, if it is considered reimbursement and records/receipts need to be kept (i.e. receipts for office supplies, mileage logs). Members of the Committee

Board can be paid and fill out a 10-99 sub-contractor form, but if it's a regular member of the club, they would be considered an employee and would have to fill out a W-2.

We also need to come up with an updated list of assets that the Club has. Also, depending on what the club buys and how high the dollar amount is on those items (i.e. Archery Targets), they should be listed on the Clubs list of Assets. We are currently compliant on our assets, but should still have an updated list.

Moving Forward;

It was recommended to the club that at least every three years we can do an outside audit, but we can do yearly inside audits.

We could also research back and rectify our past accounts, but from this point forward the club is ok. Our current Treasurer has been doing a good job with keeping records since January, so we don't have to reconstruct. We are going to be working and moving forward from this point on and making positive changes (i.e. better record keeping, receipt keeping, documenting on spread sheets, etc.)

We also need to make Budgets for club and group spending. It will be up to the club to determine how money is given out. Groups should be able to spend what they take in, but also provide a financial statement to the club.

The Archery Bank Account has been closed, but the funds have been divided and documented by Donna on her spreadsheet.

There will be only one (1) checkbook and generally only one person writing checks (primary). There are only three (3) debit cards that are distributed to committee members (President, Treasurer, Financial Secretary).

Upon research, Rebecca found that Berwick has the right to charge a property tax, regardless if we are tax exempt.

Our Club taxes have been filed and Tax World Inc. will be providing the club with a receipt and a written report.

Meeting adjourned at 6:49pm.