



LIONS DISTRICT 2-E2 OFFICER TRAINING



TREASURER TRAINING

2025 – 2026

DON NOBLIT, 2E2 TREASURER

ADMINISTRATIVE

Formed under Internal Revenue Code Section 501 (c) (4)

Income



Dues

Fines

Advertisement revenue

Rental fees



Other individual Lions contributions

ADMINISTRATIVE FORMED UNDER INTERNAL REVENUE CODE SECTION 501 (C) (4)

EXPENSES



- Public Projects
- Internal Lions use such as meeting and convention expenses, incorporation fees, audit fees, newsletters, bulletins, and other club administrative expenses

DEFINITION OF ADMINISTRATIVE FUNDS

- Administrative funds are contributions from Lions thru dues, fines, advertisement revenue, rental fees and other individual Lions contributions.
- These funds may be used for either public projects or for internal Lions use such as meeting and convention expenses, incorporation fees, audit fees, etc.



LIONS PROPERTY

A percentage of the net proceeds from funds raised through the use of property owned by Lions clubs and districts may be used toward the operating and maintenance expenses of the property under the following guidelines.

- Property Used for Public Purpose
- Property Used for Administrative Purposes
- Mixed Use of Property



POLITICAL ACTIVITY



As a non-partisan charitable organization, Lions Clubs and Districts cannot contribute public or administrative funds to support or endorse an elected official or candidate for local, state, federal or foreign office.

DEFINITION OF PUBLIC/ACTIVITY FUNDS

Fund raised from the public are the net earnings of income raised from activities open to the public, public contributions, bequests and money accumulated from invested public funds.

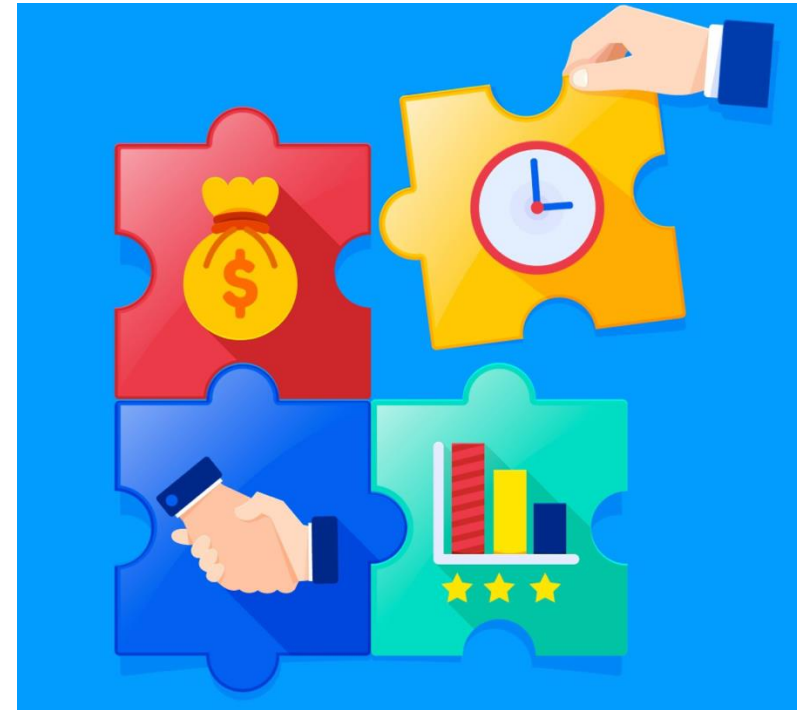


PUBLIC ACTIVITY - FOUNDATION

FORMED UNDER INTERNAL REVENUE CODE SECTION 501 (C) (3)

INCOME

- Net earnings of income raised from activities open to the public
- Public contributions
- Requests
- Money accumulated from invested public funds



DIRECT EXPENSES OF A FUNDRAISER



Direct Expenses of a public fundraiser may be deducted from the proceeds of the fundraiser to replenish the administrative funds used to hold the fundraiser

PUBLIC ACTIVITY - FOUNDATION

FORMED UNDER INTERNAL REVENUE CODE SECTION 501 (C) (3)

DISBURSEMENTS

- Must be used for the benefit of the public
- No part of the net earnings funds raised from the public shall benefit any individual Lions member or other private individual or entity



USE OF FUNDS GUIDELINES

These guidelines are intended to assist Lions members, clubs and districts in following the Use of Funds Policy adopted by the International Board of Directors.

IT SHOULD BE NOTED THAT THESE GUIDELINES ARE NOT INTENDED TO CONSTITUTE LEGAL OR TAX ADVICE.



PROPERTY

- A Lions Club raised funds from the public to build a community center. May the building be used for Lions meetings as well as for the community?
- The Lions Club owns a building and permits the local Boy Scouts (or other community related group) to use the building free of charge. May we use funds from the public account to clean the building after the use by such organizations?
- The Lions Club maintains a public park. may we use public funds for maintenance of the public park?
- Our Lions Club owns a Clubhouse and we want to sell it.
- Are the proceeds from the sale considered public funds?



OPERATING EXPENSES



- Our Lions Club purchased directors and officers liability insurance with the crime/fidelity (bond) coverage to protect the officers of the club and to protect the club from losses as a result of fraudulent acts. What funds may be used to purchase this insurance?
- Our Lions Club purchased excess umbrella liability and liquor liability insurance for our annual fundraiser. What funds may be used to purchase this insurance?
- Our Lions Club has decided to create a separate Lions foundation. May we use public funds for the start-up costs for creating the legal entity?
- Our Lions Club received a large bequest and would like to create a permanent endowment for scholarships. What funds can we use for the expenses related to setting up the endowment as well as ongoing fees for managing the endowment?

BENEFITS TO LIONS OR FAMILY MEMBERS

- A member of our Lions Club recently lost their house due to a fire. May we use public funds to assist him?
- The sister of one of our Lions Club members recently lost their house due to a flood. May we use public funds to assist her?
- Our town recently suffered a devastating flood and many of the Lions as well as the community at large suffered extensive loss to their homes. May we use public funds to assist the community which would include affected Lions?
- Our Lions Club wants to establish a scholarship fund for children or grandchildren of Lions members. May we raise funds from the public to support this fund?



PUBLIC FUNDRAISERS VS PRIVATE LIONS FUNDRAISERS

- We are having a Lions dinner open to all Lions Clubs in the District. May we use the proceeds from the sale of the tickets to the dinner for our administrative funds?
- Our Lions Club is working the vending area at the local football game and is getting paid a percentage of the sales by the stadium. May we designate our payment as administrative funds?
- May our Lions Club accept a personal bequest from a member of the public (non-Lion) to be designated administrative funds?
- A Lions Club provides free food for participants (and is recognized for it) in a fundraiser for a non-Lion cause, such as the Cancer Society 5K Race. Some participants want to make donations for the food. If the club puts a donation box on the table, what must be done with the donations? What if people just hand the club money with no directions?



INTEREST/ INVESTMENT OF PUBLIC FUNDS



- If our Lions Club invests our public funds, would we be able to use the interest for administrative costs?
- How long can our Lions Club invest public funds before spending it?

OTHER QUESTIONS

- Our Lions Club sells advertisements in our Calendars. May we use the proceeds from the sale of advertisements as administrative funds?
- Can the administrative funds and public funds be maintained in the same checking account?
- Our Lions Club sponsors a Leo Club. May we use public funds for the Charter of the Leo Club?
- Can public funds be used to recognize a club member with a Melvin Jones Fellowship?
- Direct expenses of a public fundraiser may be deducted from the proceeds to replenish the Administrative Account for funds used to hold the fundraiser.



IMPORTANT INFORMATION FOR DISTRICTS AND CLUBS SUBJECT TO UNITED STATES TAX LAWS

In order to determine if your District or Club is required to file either the Form 990, 990-EZ or 990-N (e-postcard), two elements must be reviewed:

1. The gross receipts amount
2. the total value of the District or club assets



LIONS CLUBS HAVE A NEW FILING REQUIREMENT

- It's short, easy and electronic—it's the new E-Postcard and it's required by the IRS.
- Don't throw away your tax-exempt status—be sure to file your e-Postcard
- When is the e-Postcard due?
- What information does your club need to provide on the e-Postcard?
- What happens if you don't file?
- Why is the IRS calling it an e-Postcard?



FORM 990-N

- How do I file the e-Postcard?
- How much does it cost to file the e-Postcard?
- Do I need an email address to file the e-Postcard?
- Who must file the 990-N?
- When is the e-Postcard due?
- Are there exceptions to the filing requirement?
- Will I get a confirmation that I filed the e-Postcard?
- Can an organization file an e-Postcard for a prior year?



FORM 990-N

- Does an organization whose gross receipts are normally \$25,000.00 or less have to file the e-Postcard if its application for tax exemption is pending?
- What happens if I fail to file the e-Postcard or a Form 990 or 990-EZ?
- Can an organization have its tax-exempt status reinstated if it was revoked for failing to file for three consecutive years?
- Who should I contact if I'm having trouble with the e-Postcard website?
- How can I get the latest information about filing the e-Postcard (form 990-N)?





WHERE CAN YOU GET HELP? WE HAVE A HOTLINE !

- DG – Michelle Greco
- GMT – PDG John Paul Burnett
- GLT – Lion Deb Cashen
- GST – Lion Deborah Cottle
- GET – PDG Vince Rosen
- GMA – Sidonna Foust



THANK YOU FOR YOUR COMMITMENT TO SERVE

