

## IMPROVING YOUR CLUB'S FINANCIAL TRANSPARENCY

Here are some suggestions for improving financial transparency in your club:

- Publish a fiscal year-to-date Statement of Financial Income and Expense (Profit & Loss Statement) and a Statement of Financial Position (Balance Sheet) as of the same date to the club board of directors at each board meeting. At least annually, publish those same reports as of fiscal year end to the entire membership.
- Publish a current Accounts Receivable Aging, an Accounts Payable Aging at each board meeting. Publish a check register from the date of the last report to current as of the same date as the P&L and Balance Sheet at each board meeting.
- If your club has a 501c3 charity, then the trustees or board of directors of that organization should receive those same types of reports at each of their meetings as well.
- Assign a committee of at least three members to review financial reporting details after fiscal year end of the year just completed. The club president and the club treasurer should not be part of the committee in order to keep the reviewers at arm's length.
- Keep financial records in a shared data storage area accessible for update by a limited number of collaborators and as read -only access for all other club members.
  - A variety of free internet file storage options are available. Some are intended for private storage accessible only to the owner while others offer shared access.
  - Many Rotary organizations use DropBox. This service offers free access for enough space to hold at least a year's worth of club records and offers collaborator access for those posting files or making changes to existing files but also offers read only access to others who can see but not change the contents. This allows information sharing without exposing records to be altered or deleted in error.
  - Collaborators would minimally be the club treasurer and the member other than the treasurer who receives the bank statements by mail from the bank. If board meeting agendas are posted to the folder then the person who prepares the agenda (president, secretary?) might also need collaborator access.
- Back up financial software data to the same internet folder. General backup of all computer data is recommended, but this item only is talking about backing up the financial software data which can occur automatically when the application is closed. Our district sets the financial software to create a backup every fourth time the software is closed and to retain only the 3 most recent backups.

Confirming success of single-entry data:

- Add new members, update existing members, and terminate departing members and update club officers in DaC-DB. Our system is designed to automatically share that information to the RI database. DaC-DB automatically updates RI, but RI does not automatically update DaC-DB, so prefer DaC-DB as your entry point.
- It works most of the time, but sometimes one system or the other is temporarily down, and they cannot exchange data. Usually when connection is restored the updates occur, but not always.
- It is up to your club to assure that the data in both systems is the same, but it is easy to do.
- In DaC-DB, go to My Club. In the classic version look at the menu on the left side and select RI Integration. That opens a more detailed list.
- Select Member Compare. The new page will display two lists – on the left the RI list of your members and on the right the DaC-DB list. They should be the same, but if they are not, for each mismatch there are two option links that will correct whichever choice is incorrect.
- Also under RI Integration there is an option labeled Club Officer Compare. RI only tracks a few positions. The list on the left shows who RI shows in each of those few positions while the list on the right shows the DaC-DB entry for those same positions. You can copy the RI entry to the DaC-DB record using the >> arrows in the center of that row, or use the << arrows to copy the DaC-DB entry to RI. Note that RI will only accept one person in each of the tracked positions at any one time, therefore the order of copying can be critical. If you have two people assigned to one office in your club then select one to record in DaC-DB as the occupant of that position and assign the other as a CO, as in co-president, co-treasurer, etc.
- The importance of keeping the Member Compare in sync is that RI and District will bill you for dues based on the membership according to the RI database. Also remember that RI is two time zones away from us so close of business is earlier on the last day of the period there than here.
- The importance of keeping Club Officer Compare in sync is that access to club data on RI is limited to those stated officers (things like club invoices, club recognition summaries, etc.) while other members can only see their own personal data.

This list has been generalized to cover all the clubs, but if you have questions about how to adapt it to the specific conditions in your club please contact Don Murphy. Contact information is in the District Directory or DaC-DB.

Submitted by Don Murphy  
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