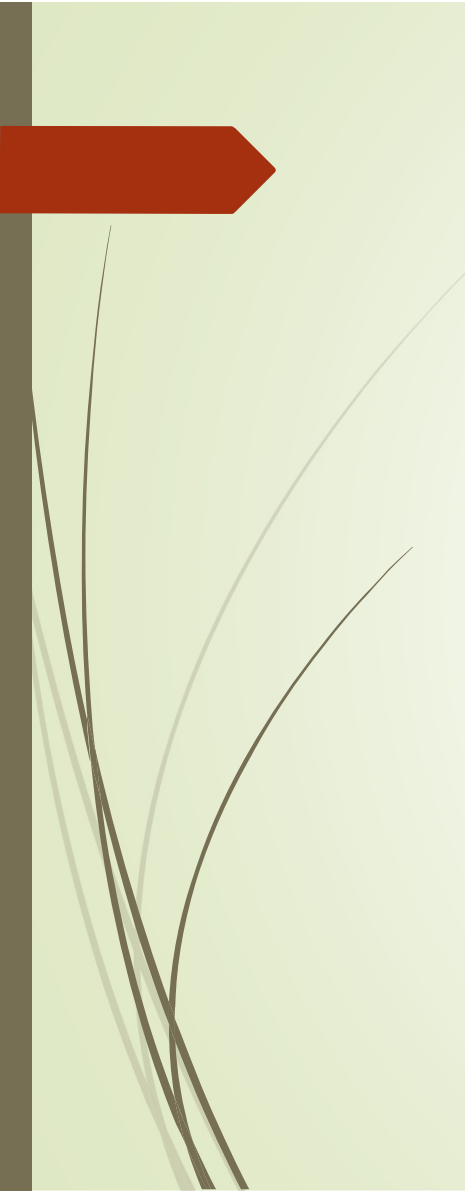


# All-Breed Clubs Committee Recommended Best Practices

## Financial


All-Breed Delegate Committee - Best Practices Sub Committee


Cathy Rubens (Chair), Margaret DiCorleto, Nancy Fisk, Michael Houchard,  
John Ronald, Ann Wallin


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- The All Breed Clubs committee has set a goal to establish recommended best practices for all breed clubs. In the Fall of 2014, a subcommittee consisting of Margaret DiCorleto, Nancy Fisk, John Ronald, Ann Wallin, Peggy Wampold, and Cathy Rubens, chair, began work on the first phase of the project which dealt with club membership. We want to thank Peggy Wampold for her membership and service. In 2016 Mike Houchard joined the committee.
  - The 2016 survey which was sent to licensed and member all breed club presidents, secretaries and delegates addressed club finances.
  - Complete survey results and the entire *Best Practices: Finances* document can be found at the [All Breed Clubs Resource](#) site located on the AKC website. The document can be revised, updated and amended as needed in the future. The committee welcomes suggestions from other delegates.
  - After carefully reviewing all the survey results, the committee offers the following Best Practices recommendations which are divided into three sections: Treasurers' Organization, Club Finances, and Show Finances.



# Treasury Organization

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- The club should have oversight of the treasurer which ensures transparency.
  - A Treasurer's report should be given in writing, and backed up with bank statements, on a monthly basis.
  - Reconciling the club's books should be done monthly. Problems can arise if the checkbook is not balanced regularly.


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- ▶ All Club Treasurers should be bonded and insured.
  - ▶ Directors and Officers liability insurance is strongly recommended.
  - ▶ Clubs should maintain general club liability insurance in the amount of 2 Million Dollars.
  - ▶ The AKC website offers information on the availability of insurance through [Equisure](#), a company with which AKC has worked.


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- ▶ A club should have a finance committee that will prepare budgets, analyze revenues and expenses, provide oversight of the Treasurer, and recommend financial practices.
  - ▶ A club should have an audit committee which should be comprised of up to four (4) people, and will not include the club treasurer. Composition of committee should ensure objectivity and independence.

Audit committees review the Treasurer's records to ensure accuracy and completeness. The club's financial records should be examined at least annually.


IT IS IMPERITIVE FOR CLUBS TO PREPARE, MEMORIALIZE AT A MINIMUM OF ONCE PER YEAR AND FILE FOR AUDIT, an "Inspection of Financial Records". Not doing so could result in any insurance company holding a "Financial Bonding" with their organization, not to be compelled to honor such financial bonds.

An audit committee protects both the club and the treasurer.

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- ▶ Clubs should use a tax expert or some other outside professional to prepare tax returns. Not only does this provide additional oversight, but these professionals can also ensure the club is in compliance with state and federal requirements.





## The records should be kept on a computer that is owned by the club.


- ▶ Using computers to store and process the club's financial information is a good idea. The data is uniformly organized so reports are consistently presented. Historic data is safely stored for future reference and is easily transferred to successive treasurers.
  - ▶ Computers should have acceptable software for keeping records. (e.g. Excel, Quicken, QuickBooks, and supporting software).
  - ▶ A club-owned computer is recommended because all the data and software could simply be handed off whenever necessary. Also, the hardware, software and data would clearly belong to the club.
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# Club Finances



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- Clubs should have an annual budget. It is important to know where revenue is coming from, how money is being spent, and how to plan for expenditures.
  - Club finances and show finances should be accounted for separately.
  - You should measure your actual results against your budget for each year/event.

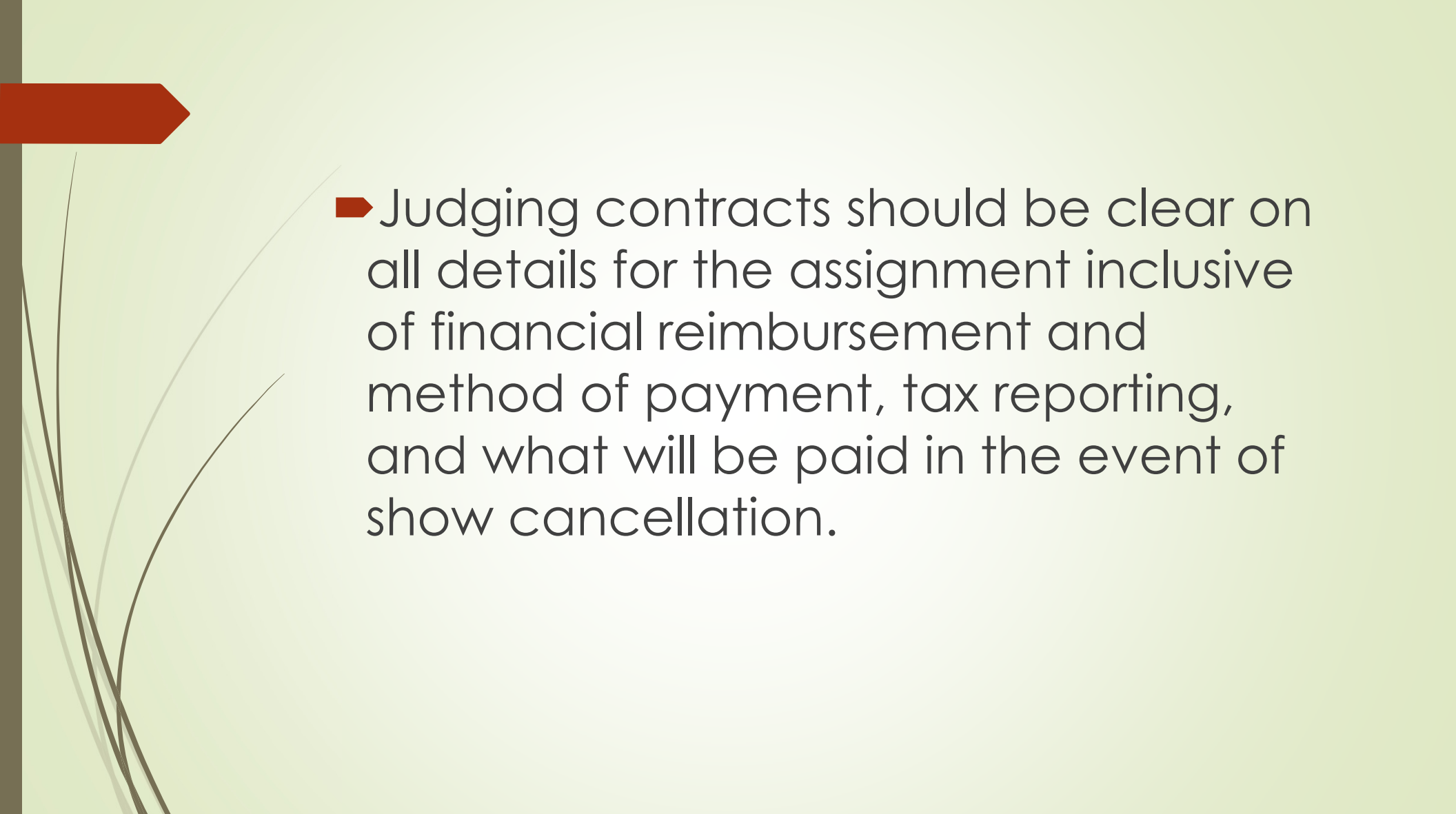
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- ▶ Two signatures should be required for checks written above a club predetermined amount, especially for items other than judges or show expenses.


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- A club should have a complete list of club property that is updated annually. Large items such as sheds, trailers or agility equipment should be valued and listed. Even small items should be inventoried.



# Show Finances

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- ▶ Shows represent clubs' greatest source of income and expense.
  - ▶ Clubs should have a show budget for each show. Budgets should be reconciled within 30-60 days following EACH event. This means there should be agreement in clusters on the timing of the cluster treasury reports.
  - ▶ Accounting for profit or loss on a per dog basis can be a helpful tool. If a club's entry fee is not high enough to cover all of the show related expenses (venue, judges, superintendent fees, hospitality, trophies, etc.), ancillary revenue sources are essential.
  - ▶ Cluster treasurers should be separately bonded and insured.


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- ▶ Judging contracts should be clear on all details for the assignment inclusive of financial reimbursement and method of payment, tax reporting, and what will be paid in the event of show cancellation.



Clubs should have a plan for show cancellation. Shows can be affected by natural disaster or local catastrophe. There is a detailed [procedural plan on the AKC website.](#)

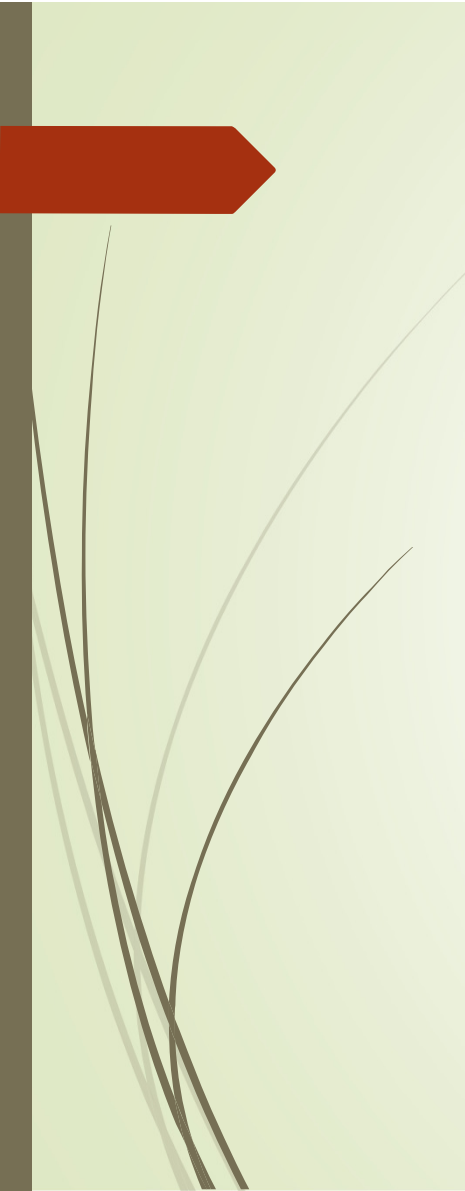
Clubs should incorporate the show cancellation recommendations into their planning of the show and show contracts.





If your club is struggling, reach out to AKC for their support and guidance. AKC is now offering this resource through the Club Development Dept. If you feel the need, take advantage of it.

- Club Development: [clubdevelopment@akc.org](mailto:clubdevelopment@akc.org)
- Glenn Lycan: [Glenn.Lycan@akc.org](mailto:Glenn.Lycan@akc.org) 919-816-3560
- Guy Fisher: [Guy.Fisher@akc.org](mailto:Guy.Fisher@akc.org) 919-816-3705

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- Remember that a club is a business and should be run as such. Careful financial accounting and planning allows clubs to make changes and be successful.