

Conference Annual Review

By Joe Riley, Phoenix Council Board Member

(Excerpted from *Vincentian Life: Conference*)

There are a number of things that must occur at the beginning of the fiscal year. The standard fiscal year for SVdP is October 1 through September 30. The things identified here should occur within the first two months of each year. This is a time of reviewing, evaluating and reporting.

Solidarity Contribution

The solidarity contribution is mentioned first, not because of importance but because it is generally due on the first day of November. According to the Rule and Bylaws of the Society, the National Council can assess a solidarity contribution to be made by Councils and Conferences for the support of the National Council, its facilities, staff and works. This solidarity formula will not be described here since it can be changed at any time by resolution of the National Council. All Councils and Conferences are expected to make their appropriate contribution to the National Council.

Also, District and Diocesan Councils are permitted to assess a solidarity contribution that each expects from its subsidiaries. There are District and Diocesan Councils throughout the country that do not operate stores or special works and have no specific source of income. These Councils are dependent upon the support of the Conferences in order to fulfill their responsibilities. Although this solidarity contribution is due on November 1, this date can vary from Council to Council. The actual assessment formula from Council to Council can vary as well.

Annual Report

The Conference Annual Report is due by November 30 each year. That gives each Conference two months after the close of the fiscal year to complete the annual reporting task and submit the report to the District Council. Where no District Council exists, the Isolated Conference is to submit its report directly to the National Council office.

The Conference Annual Report form may vary from one year to another depending on the data-gathering requirements of the National Council. The form is available online January 31 each year (click here: <https://members.ssvpusa.org/annual-report-forms-2/>) and contains complete instruction on how the data should be entered.

Data for the Conference Annual Report may be entered on a paper form and mailed to the appropriate Council, or it may be entered online through the National Council Database in October after the start of the new fiscal year (<https://www.svdpmembers.com/annual-reports/annual-reporting-cycles>). Complete instructions are also presented for online entry. Whether on paper or online the due date is the same.

Annual Review With Pastor/Parish

After the Conference Annual Report is prepared by the Conference President, Secretary and Treasurer it is to be shared with the members of the Conference. The President, Secretary and Treasurer should be prepared to answer any questions that the members have regarding the report.

After the Conference Annual Report has been reviewed and approved by your District Council President a summary of the annual report should then be prepared and submitted to the pastor for his review. The review and approval by the District Council President is necessary to ensure the numbers are correct before sharing them with the pastor or parish. Emphasis here is on the word “summary.” The summary should also be presented to the Parish Council as well as to the parishioners through the parish bulletin.

Although this should be scheduled more often, it is expected that the Conference President will meet with the pastor and review all the work that the Conference has accomplished throughout the year. This should not only cover what has been done but what the Conference has planned for the upcoming year.

IRS Form 990

The IRS requires all nonprofits to submit a Form 990 describing their financials and works at the end of their fiscal year. The IRS gives our Councils and Conferences until February 15 of the following year to submit this report. However, not all Conferences are required to submit it.

Only those Conferences that have their own EIN need to submit this report. For all Conferences that have been allowed to use their Council’s EIN, the Council (District or Diocesan) will submit a consolidated 990 to the IRS which includes the Conference information. (Additional information about Exemption Requirements – 501(c)(3) and submitting Form 990 tax returns appears at the end of this article.)

Guidelines

The Conference guidelines for service should be reviewed each year during October and/or November to ensure that they reflect current conditions. This is the time that changes in the guidelines should be considered. However, the guidelines are the work of the Conference members and they may change them at any time. There is nothing magic about this time of year. A regular review is good practice.

Audit

This is the time of year recommended for all Conferences to have an annual audit. This is an informal audit and may be done by two or three members of the Conference, but not by those responsible for accounting or disbursing funds. The purpose of the audit is not to find fault. Its purpose is to assure the members of the Conference that all proper procedures are being

followed and all the funds of the Conference have been reconciled on a regular basis. It is recommended that an audit take place when a new President takes office.

The National Council website has a sample audit procedure on the Growth & Revitalization page under Conference Officer Training (click here: <https://members.ssvpusa.org/growth-revitalization/conference-officer-training/>).

Recordkeeping

In the Manual of the Society there is a list of the various types of documents and records that the Conferences typically deal with. Some are kept permanently. Some are kept for seven years and then destroyed. Some are kept for three years and then destroyed. Some are kept for one year.

The beginning of the fiscal year is the time for the Secretary and Treasurer to review their records and do what is appropriate with each type of document.

Summary

The beginning of the fiscal year is a time to ensure that everything related to last year has been properly reviewed and reported. It is also time for records to be properly stored. This is a time when Conference members should have every assurance that they are moving into the new fiscal year in good form.

Form 990

Tax-exempt organizations, such as the Society of St. Vincent de Paul, which operate with a 501(c)(3) status are obligated to report their activities to the Internal Revenue Service on an annual basis. This reporting is done on Form 990, *Return of Organization Exempt From Income Tax*. The form is intended to give the IRS and the public a picture of the organization's activities each year. Some donors rely on Form 990 as their primary or sole source of information about a particular organization when selecting charities to support.

Form 990 includes information about the organization's finances, governance, and compliance with certain IRS rules and reporting requirements. Additional schedules may be required depending upon the activities of the entity.

Generally, subsidiary Conferences that are using the Council's EIN can rely upon the Council to submit a Form 990 to the IRS using information they provide to their Council. If your Conference or Council has its own EIN, it **must** file a 990 series report every year. Depending on your situation, this may be a 990, a 990-EZ, or a 990-N. A Conference whose tax exemption is covered under a Council's group ruling must annually submit a Form 990 for their individual EIN.

The Form 990 is due on the 15th day of the 5th month following the end of the organization's taxable year. Your fiscal year should be set forth in the bylaws of the Conference or Council. For Conferences and Councils with a September 30 fiscal year end, the due date is February 15. For

those on a calendar year (December 31), the date is May 15. A six-month extension may be secured by filing Form 8868.

Timely filing of Form 990 each year is critical. If you miss the filing deadline, you will owe a late penalty. Failure to file a 990 for three successive years **will** result in an automatic revocation of your tax-exempt status. If your status is revoked, you will have to file a Form 1023 for tax-exempt status, pay the filing fee, and wait for the IRS to approve your status. ***If a Council's tax-exempt status is revoked, all Conferences which use the Council's EIN and operate under the Council are not tax-exempt.***

Which form 990 do we file? As of the date of this writing, the general guidelines are as follows:

- Gross receipts of \$50,000 or less and not filing a Group Return: may file a 990-N.
- Gross receipts between \$50,000 and \$200,000 AND total assets less than \$500,000, and not filing a Group Return: may file a 990-EZ.
- Gross receipts of \$200,000 or more, or total assets of \$500,000 or more, and filing a Group Return: may file a 990.

There are exceptions to these rules that should be reviewed and those eligible to file a 990-N or 990-EZ, may choose to file a 990. This article should not be considered legal or tax advice.

Details related to each Council or Conference will differ, and Conferences and Councils are encouraged to seek professional advice by hiring an accounting firm, Certified Public Accountant, or attorney familiar with tax-exempt organizations. These professionals will review the Council's or Conference's operations, organizational and legal status, and finances in order to determine the application of all rules under its specific circumstances and to prepare the appropriate Form 990 return.