



TOASTMASTERS INTERNATIONAL®

Tips

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*A bimonthly
publication to club,
area and
district officers
for circulation
to members*

Welcome New Club Officers!

Congratulations to all new club officers coming on board this month! If this is your first time holding office in a Toastmasters club, welcome! You've got an exciting year ahead as you learn the ropes and lead your club to new heights of success. If you're a veteran club officer, welcome back! Your experience will be invaluable in mentoring the new club officers.

If you haven't done so already, make sure to get your hands on the most recent copy of the club officer manual that corresponds to your office. And remember—there are *two* club officer trainings per year: the one you'll complete soon (or have already completed) and another one in six months or so. Both are very important to your club's ongoing success.

Once again, welcome aboard! We look forward to working with you in the year ahead.

Smedley Award – August 1 – September 30

Now that your club has Beat the Clock and added new members in May and June, it's time to gear up for another membership building contest!

The Smedley Award is in honor of the founder of Toastmasters, Ralph Smedley. This contest provides an opportunity for your club to revitalize membership, come together to achieve a common goal through teamwork and be recognized and rewarded in the process. By adding five new, dual or reinstated members to your club in August or September, the club will receive a special Smedley Award ribbon to display on your club's banner, as well as one item of your choice from *The Successful Club Series*, *The Better Speaker Series*, or *The Leadership Excellence Series*. Please remember, members must have a join date of August or September to make your club eligible for this award.

Additional information regarding this contest, as well as other membership building contests, is available in TT's membership programs flier (Item 1620).

Club Coach Awards

Congratulations to all who successfully completed their club coach assignment this year! Once the year is officially over and all data is gathered and entered in the system, the report will be updated accordingly to reflect the appropriate status for those being recognized. Certificates will begin going out in early August.

"You gain strength, courage and confidence by every experience in which you really stop to look fear in the face. You are able to say to yourself, 'I have lived through this horror. I can take the next thing that comes along.' . . . You must do the thing you think you cannot do."

Eleanor Roosevelt

BOLO for DCP Ribbons

World Headquarters will send 2006-07 Distinguished, Select Distinguished and President's Distinguished Club ribbons to outgoing 2006-07 club presidents in early August. The year-end DCP report and ribbon will be mailed together, so **Be On the Look-Out!**

Featured Product

Retaining club paperwork such as policies and procedures, bylaws and financial and administrative records is important. TT's Portable File Case (Item 1329) is perfect for not only storing club records, but also for organizing home or office documents. This sturdy light gray case is 12" w x 9 ½" h x 9 ½" d, made of a durable plastic and features the Toastmasters logo in blue on the front. A snap-close latch and handle makes this case handy for transporting files and is excellent for passing on the records from one administration to the next.

To purchase this item and get the special price of \$22.95 during the months of July and August, simply e-mail supplyorders@toastmasters.org, call the Orders Department at (949)858-8255, or fax your order to (949)858-1207.

Whether you order via e-mail, phone or fax, be sure to mention this article! **NOTE:** Special price not available for online orders.

Club leaders – this part of the International Convention is for you!

Don't miss the special education sessions designed for your club's success!

As a leader in your club, you've worked very hard to build success for the members who are counting on you. Perhaps you've put in long hours and hoped for even stronger results than were achieved. Have you really taken stock of what works and what doesn't? Toastmasters International cares deeply about the success of club leaders and offers some educational programs at the International Convention to assist you with your leadership tasks.

The final of four educational tracks is all about achieving club and district success. With four programs within this track designed specifically to increase *your* skills, you'll find this year's Convention particularly attuned to your needs. There's a discussion on how to help people become members and two seminars on winning free publicity. A third session provides tips on organizing a winning demonstration meeting, and a fourth offers a panel discussion with experts sharing their personal insights on succeeding at area, division and district levels with a focus on the Distinguished District program. This panel discussion may be of particular interest to club leaders who are considering a move up to district leadership.

There is also a seminar on resolving conflicts. Learn how to choose the best solutions for turning confrontation into collaboration. With so much to accomplish in your leadership position, be sure to expand your skills at the Convention this August 15-18! Register at www.toastmasters.org.

How Foster Plaza Toastmasters Fostered Membership Growth!

The Foster Plaza Toastmasters Club, in Greentree, Pennsylvania, is an amazing success story. Rebecca Lamperski, ACB, reports that her club was down to three members, and they saved it by going into action and presenting an Open House event. With only a month to prepare, they leaped into action. First, they moved the club to a more convenient location. They created fliers and e-mailed them to all the people who had visited or joined the club over the years. They also dropped off fliers at all the neighboring buildings and asked the landlords to e-mail notices to the tenants. Then, club members partnered with a local restaurant, which put their fliers in all carry-out orders and displayed one, as well. Finally, these energetic Toastmasters put together a great speaker line-up and offered a free lunch.

This club now has 29 members! Your club can find success, too and earn the Smedley Award by implementing a successful Open House from August 1 to September 30. Clubs adding five new, dual or reinstated members during these two months will receive a Smedley Award ribbon to display on the club's banner. The club will also earn a choice of one module from *The Better Speaker Series*, *The Successful Club Series* or *The Leadership Excellence Series*. Good luck!

Has Your Club Heard from the IRS?

Some clubs in the United States have received a letter from the Internal Revenue Service stating that the IRS has not received a Form 990 (Return of Organization Exempt from Income Tax) from the club. Along with the letter, the IRS asks for a form to be filled out and returned.

A Toastmasters club is not required to file a Form 990 as long as its annual gross receipts are \$25,000 or less and its unrelated business income is \$1,000 or less. However, the IRS has requested that if a club receives a Form 990 with a pre-addressed label, the club should complete and return the Form 990 even if it is not required to do so. Per the IRS instructions for the 990 and 990EZ, a club should:

- ▶ Verify the Taxpayer ID number listed on the label.
- ▶ Attach the label to the name and address space on the return.
- ▶ Check box 'K' in the heading of the Form 990 or 990EZ to indicate that the organization's gross receipts are normally not more than \$25,000.
- ▶ Have a club officer sign the return.
- ▶ Send it to the Ogden Service Center.

Note: The club does not have to complete Parts I through X of the Form 990 or Parts I through V of the Form 990EZ.

By submitting the return, the club will eliminate any further correspondence from the IRS.

If you have any questions, e-mail jmcperson@toastmasters.org.

Reminders:

- ✓ Set goals for your club
- ✓ Work on membership building
- ✓ Complete your club officer training
- ✓ Contact your district leaders for guidance
- ✓ Look ahead and plan for a successful year

Tax Deductions for U.S. Toastmasters

Every year, Toastmasters members in the United States ask: "Are my Toastmasters dues and expenses tax deductible?" We'll attempt to answer that question in accordance with current legislation.

Generally, two classifications cover club dues and other membership expenses, which may or may not be deductible if you itemize your deductions on your tax return.

A. CHARITABLE CONTRIBUTIONS

Toastmasters International is a nonprofit organization under Section 501(c) (3), so some items may be deductible as charitable contributions. Deductions for charitable contributions may not exceed 50% of a member's adjusted gross income.

Category 1: If you give your club a check as a gift (and for no other reason), it is deductible as a charitable contribution.

Category 2: If you're a duly-appointed delegate representing your club at the international convention, and you attend all meetings as the delegate and report back to your club, many of your out-of-pocket expenses are deductible as charitable contributions. However, your club cannot have reimbursed you and no significant element of personal pleasure or recreation can have been involved.

B. EDUCATIONAL/BUSINESS EXPENSE

Because the organization is educational, some expenditures may be deductible as educational expenses, provided they can be considered ordinary and necessary in your trade, business or profession.

Category 3: Your income-producing activity may require the skills you develop in Toastmasters. The expense may be an ordinary, necessary expense for education and:

- a. meet the express requirements of your employer for keeping your salary, status or employment, or
- b. maintain or improve skills required to perform the duties of your present employment, trade or business.

This third category could include a commissioned salesperson, a supervisor or manager, a lawyer or instructor, but would not include work where effective public speaking is not a prerequisite.

There are now limits on the amounts that are tax deductible as ordinary and necessary business expenses. Only 50% of the cost of meals is deductible. Also, all educational/business expenses (including 50% of the cost

of meals) are deductible only to the extent that they exceed 2% of adjusted gross income. These expenses are no longer allowed as income adjustments; they may be taken only as miscellaneous itemized deductions. Two things to keep in mind:

1. Any items for which you are reimbursed aren't deductible unless the reimbursement is included in income.
2. Records must be kept to substantiate the amounts deducted and to show that you actually attended sessions and workshops of the meetings and conventions.

If you have any questions, please contact Jane McPherson, Controller, at jmcperson@toastmasters.org.

Below are some typical expenses and answers about their tax deductibility under each category:

EXPENDITURES	CATEGORY 1	CATEGORY 2	CATEGORY 3
Club Dues	No	No	Yes
Club Meetings:			
Luncheons	No	No	No
Registration Costs	No	No	Yes
Mileage from work to meeting			
At .485 per mile (effective 1/1/07)	No	No	Yes
Parking at meetings	No	No	Yes
Flat tire fix	No	No	No
Regional Conference:			
Registration/Meals	No	Yes	Yes
Other meals	No	Yes	Yes
Room	No	Yes	Yes
Mileage to and from conference site:			
At .14 per mile	No	Yes	No
At .485 per mile (effective 1/1/07)	No	No	Yes
100 miles, site-seeing	No	No	No
Golf, tennis, etc.	No	No	No
Purchased Parliamentary law book and gave to club:	Yes	Yes	No
Toastmasters International Convention:			
Taxi to Airport	No	Yes	Yes
Air fare	No	Yes	Yes
Registration	No	Yes	Yes
Meals	No	Yes	Yes
Hotel Room	No	Yes	Yes
Meals	No	Yes	Yes
Tips	No	Yes	Yes
Telephone home	No	No	No
Night Club Entertainment	No	No	No
Tour of convention city	No	No	No

Retention of Club Records Guidelines

Frequently, clubs ask WHQ how long they should keep certain financial and administrative records. Following is a list of items and the length of time they should be kept as part of the club records.

Depending on your club's individual needs, you may add items to this list. Your club should have a procedure in place to pass on records from one administration to the next administration. Be sure to include a review of these records as part of your club's audit.

▶ **FINANCIAL RECORDS**

	<u>Minimum</u>
Audit Reports (Internal)	3 yrs
Bank Statements	1 yr
Cancelled Checks (if returned)	7 yrs
Cash Receipts/Cash Disbursements	7yrs
Check Register and Receipts	7 yrs

▶ **ADMINISTRATIVE RECORDS**

Correspondence (routine)	1-3 yrs
Correspondence (legal, controversial, or other important matters)	Permanently
Internal Reports (including officer and committee reports)	3 yrs
Membership Rosters (clubs may choose to keep membership rosters permanently for historical purposes)	4 yrs
Minute Books	Permanently

▶ **GOVERNANCE RECORDS**

Articles of Incorporation and Bylaws of Toastmasters International	Permanently
Club Constitution and Standard Club Bylaws (including any amendments the club has made)	Permanently
Club Policies and Procedures of Standing Rules (including any amendment the club has made)	Permanently

▶ **OTHER RECORDS**

Charter Papers (including roster of charter members)	Permanently
Club Charter Certificate	Permanently

E-MAIL DIRECTORY

- New clubs:
newclubs@toastmasters.org
- Contact information changes:
addresschanges@toastmasters.org
- Club officer questions or club list requests:
clubofficers@toastmasters.org
- Award applications:
educationawards@toastmasters.org
- Password requests:
lostpassword@toastmasters.org
- Membership-related questions:
membership@toastmasters.org
- Dues renewals:
renewals@toastmasters.org
- Club statements:
statements@toastmasters.org
- Club bylaws amendments or questions:
clubbylaws@toastmasters.org
- Orders:
supplyorders@toastmasters.org
- Other questions:
See the Contact Us section of *www.toastmasters.org* or e-mail: *tminfo@toastmasters.org*

What Your Club Can Do on the TI Web Site

Are you familiar with all the club-related business you can do at www.toastmasters.org?

- Update the club's bylaws
- Submit education awards
- Add/update club officers
- Pay dues renewals
- Add new members
- Update club meeting time/place information
- Check DCP progress
- Order supplies and recognition items via the store