



THE TREASURE TROVE

MARCH 2021

THIS EDITION: OFFICER'S DESK REFERENCE

COUNCIL EXPENDITURES & THE \$500 RULE

THE FORUM

- UKNIGHT INTERACTIVE – WEB DEVELOPER

- INCOME TAX TIPS

OTHER PUBLICATIONS

INDEX (ARTICLES OF INTEREST IN PAST NEWSLETTERS)

WORTHY COUNCIL FINANCIAL SECRETARIES & TREASURERS

Welcome to **THE TREASURE TROVE** dedicated to all Council Financial Secretaries & Treasurers but shared with the Council Grand Knight and all District Deputies. You may share this with anyone in your Council, but it relates strictly to your responsibilities in the Council. It is designed to provide Financial and other information on the Rules and Laws of our Order.

Remember...it is your responsibility to ensure that the Council Executive knows, understands, and follows these Laws and Rules.

Sources of Information

Several sources of information are used in the preparation of this bulletin:

- Supreme's Charter Constitution and Laws of the Order. This booklet is printed annually as there may be amendments to the contents...so request the latest version from your Council Advocate
- Officer's Desktop Reference (ODR) – this is a section on Supreme's website containing expanded information on the Rules and Laws of the Order. If you do not have access to the ODR website, ask your Grand Knight to set you up with Supreme
- State By-Laws

OFFICERS DESK REFERENCE (ODR)

The Officers Desk Reference (ODR) is a guidance on the interpretation of the Constitution and Laws of the Order, Laws and Rules Governing the Fourth Degree, Council and Assembly governance. It is not intended to be legal advice upon which any person can rely for securing rights or remedies cognizable under the law of any jurisdiction.

The ODR may be accessed off the Supreme website at kofc.org. It is available to Grand Knights, Financial Secretaries, and Advocates at the Council level. The following also have access to the ODR...all District Deputies, State Membership Director, State Program Director, Executive Secretary, and all State Officers.

If you do not have access, then please contact Supreme and obtain the proper access credentials for this site. The ODR provides a wealth of information and complements the Charter, Constitution, and Laws booklet which every Council should also have a copy.

COUNCIL EXPENDITURES AND THE “\$500 RULE”

Section 122(b) of the Laws of the Knights of Columbus, also known as “the \$500 Rule,” is intended to ensure that major Council expenditures are authorized by the Council’s members. This rule is intended to supplement the ordinary rules of parliamentary procedure, which require formal advance approval for all Council expenditures. This approval may be in the form of a motion at a Council meeting or an annual budget passed at the beginning of the fraternal year.

Under Robert’s Rules of Order and the Laws of the Knights of Columbus, all expenditures, regardless of the amount, ordinarily must be presented to and approved by the Council. As a rule of parliamentary procedure, subject to certain specified exceptions in the Laws of the Knights of Columbus, Council expenditures must be authorized by a vote of the members at a regularly scheduled business meeting. An expenditure that exceeds \$500 requires advance notice and a two-thirds majority vote of the members present and voting at the next regular business meeting:

No money more than \$500.00 shall be paid or transferred from the treasury, of any Council except such moneys as the Council is called upon to regularly pay for its current budgeted expenses.

Councils are permitted to write stricter Council bylaws to require a two-thirds majority vote when authorizing an expenditure that is lower than \$500.

Section 122(b) applies only to funds that are held in the treasury of the Council. Should a Council raise funds for a specific cause or a recognized charity (e.g., Special Olympics), the Council may, by a simple majority vote, and regardless of whether the donation is over \$500, direct that the funds be paid directly to the selected charity or recipient.

Section 122(b) does not imply that expenditures under \$500 may be authorized without a vote of the Council. Neither this section nor any other section authorizes a Grand Knight to make discretionary “petty cash” expenditures of Council funds without prior approval.

Annual Budgets Satisfy the \$500 Rule

To avoid voting on multiple expenditures throughout the year and to satisfy the requirements of Section 122(b) for expenditures exceeding \$500, Councils should consider scheduling a single vote on one budget resolution at the start of the Columbian fiscal year.

Budgets ensure accountability and transparency. Indeed, reporting the actual figures of the budget is good for transparency and for future planning. Moreover, once a budget has been approved, that approval satisfies the requirements of Section 122(b) with respect to every item listed in the budget.

Council budgets need not be the final word on annual expenditures. Provided that a Council follows the procedures in Section 122(b) and Robert's Rules of Order, it retains the flexibility to respond to unforeseen financial situations by considering additional funding resolutions or budget amendments during the fraternal year.

Any item in an approved budget may be considered to be authorized by the Council. However, the Treasurer may not write a check or make any other kind of payment for this item unless and until a voucher (also known as an Order on Treasurer or a Warrant Voucher) has been signed by the Financial Secretary and the Grand Knight.

For additional information please visit item 3. *Section 122(b) – The \$500 Rule* found in the Officer's Desktop Reference section of Supreme's website (kofc.org).

THE FORUM

This section is designed to share information and feedback with Councils from comments or inquiries sent to the author.

UKnight Interactive -web developer

I recently received this inquiry regarding Councils using UKnight to set up a Council's web page... "I am curious whether Supreme has reached a deal with the UKnight people. They are the organization that helps Councils set up their web page. A number of years ago, we were told by the State at a Chapter meeting years ago, Supreme advised Councils not to engage UKnight. Has that changed? "

Councils, assemblies, states, agents, and others are free to work with UKnight as they choose. Councils are neither required nor forbidden to use UKnight. Many Councils and agents use them and like them. Many use other web platforms and like them as well.

Whenever a Council, assembly, state, agent, or other entity decides to work with a web provider, it is important to protect the KC Order's name and logos and ensure that the confidentiality of member information is preserved consistent with Supreme Bylaws § 162.11 (regarding use of the Order's name), the Order's Board of Director's August 2, 2014 resolution (regarding use of the Order's names, its trademarks and

service marks, and membership lists), and third party hosting information security protocols.

Income Tax - Tips

It's tax time again where we must settle with the Canada Revenue Agency (CRA) whether we must remit or the CRA owes us a refund. Here are a few items that are often overlooked when completing a tax return.

The following is for information only. Each individual should check with their accountant and/or CRA for complete details on any of these benefits to determine eligibility and applicability.

Pension Income Splitting – allows a Canadian resident who receives qualifying pension income to allocate to their spouse up to one-half of that income thereby reducing their overall tax load.

Disability Tax Credit – helps persons with disabilities, or their supporting persons, reduce the amount of income tax they must pay. The maximum deduction for 2020 is \$8,576. Being eligible for this credit may open the door to other programs.

Home Accessibility Tax Credit – a person eligible for the Disability Tax Credit can qualify for a tax relief of up to \$10,000 in eligible expenses. These expenses must be incurred in relation to a renovation allowing for better mobility and functionality or reduce risk of harm.

Increasing Age Amount – depending in the person's net income this allows seniors to claim up to \$7,637 on the 2020 tax return.

Climate Action Incentive – Alberta residents may claim the \$735 incentive and is to offset a portion of the Carbon Tax paid.

Medical Expense Deduction – This applies to a number of eligible expenses. The amount you may claim is = (total of all expenses) - \$2,397 or 3% of the claimant's income (whichever is less). There is no limit on the amount of eligible expenses a person can claim for himself or herself, a spouse / partner, or a child under 18.

Child Care Expense Deduction – You are eligible for this benefit if you paid someone to look after your children while earning an income from employment, operating a business (as sole owner or with a partner), attended school or conducted research.

For children under 7 years old, claim \$8,000 per child

For children 7 to 16 years, claim \$5,000

For children eligible for the Disability Tax Credit, claim \$11,000

Home Office Tax Credit for 2020 – If you worked more than 50% at home in 2020... There are 2 methods to claim this benefit. The complex method is to calculate

all expenses (ie.: gas, power, phone, etc.) based on the square footage used for work... OR Simply claim \$2.00 per day to a maximum of \$400.

Note: Any benefits received in 2020 due to the COVID-19 Pandemic, such as the Canada Emergency Response Benefit (CERB) or other benefits, are considered taxable income to CRA and must be reported. As there was no tax taken off at source there may be tax due on these amounts depending upon your personal income level.

OTHER PUBLICATIONS

Here are other newsletters published. I encourage those Council Executive members holding the respective position to access these newsletters to assist in performing their position's duties.

- as the State Warden, the "**Warden's Corner**", and
- as the State Advocate, a newsletter "**The Advocate**".

All newsletters and this Bulletin are also available on our State website kofc.ab.ca
Go to Publications.

Please send any questions or comments to st2019@kofc.ab.ca

Thank you for your attention...and God Bless.

Vivat Jesus
Sir Knight John Onyskiw
State Treasurer

INDEX

February 2021

Officer's Desktop Reference
The Council Fiduciary Process
The forum

- Credit card policy
- KC Insurance Coverage

Other publications