Temple Finance and Accounting

Presented by:

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Topics

- Temple Operating Budget
- Accounting and Reporting Requirements
- Fraternal Fundraising Activities
- Shrine Hospital Patient Transportation Fund

Temple Operating Budget

- §334.4 Budget
- Requirement. Every temple is required to adopt an annual budget which must be prepared in accordance with the Uniform Chart of Accounts prescribed by Shriners International.
- Preparation. The Chief Rabban, in conjunction with the board of directors, shall prepare and complete the proposed annual budget of the temple for the ensuing year in time for submission at the temple meeting at which the budget is to be approved.
- Inspection. The completed proposed budget must be made available upon request to all members for inspection before it is adopted.

Temple Operating Budget (cont'd)

- Presentation. The Chief Rabban is responsible for the presentation of the proposed budget unless the temple bylaws provide otherwise.
- Budgeted revenues and expenses should be realistic based on prior year actuals and realistic proposed changes in revenues and expenses.
- It is permissible to submit a budget that projects a loss if, despite realistic best efforts to at least break even, that is the probability of the financial outcome.
- Adoption. The budget must be adopted at the annual meeting or at a meeting called for that purpose or at a stated meeting no later than the first day of March following the annual meeting.

Temple Operating Budget (cont'd)

- Appropriations. The adoption of the budget constitutes the appropriation of funds for the purposes indicated in the budget.
- Amendment. The budget may be amended at any meeting of the temple.
- Temple Reports. At each meeting the Treasurer or other fiscal officer must give a summary of expenditures, or such details as may be requested, relating them to the budget.
- A copy of the budget, and any amended budget, must be filed with the Imperial Recorder within 30 days after its adoption.

Temple Operating Budget (cont'd)

SHRINERS INTERNATIONAL

______________________ SHRINERS

TEMPLE ANNUAL BUDGET AND COMPARISON REPORT

ANNUAL OPERATING BUDGET

Account Number	REVENUES	Year End 12/31/25 Budget	Year End 12/31/25 Actual *	Year End 12/31/26 Estimated
4000	Initiation Fees			
4010	Membership dues & PCT			
4100 & 4110	*Less: Dues writeoffs*	( )	( )	( )
4030	Rental income			
4040 & 4050	Investment income			
4070	Realized gains/losses			
4060 & 4080	Miscellaneous income			
4090	Donations			
4400-4599	**Charitable fundraising - net proceeds**			
7970	***Less: Distribution to S.H.C.***	( )	( )	( )
7980	***Less: Retained for Hospital Patient Transportation Fund***	( )	( )	( )
4600-4799	Fraternal fundraising gross revenues			
6400-6459	*Less: Direct fundraising costs*	( )	( )	( )
4800-4999	Other revenues - net			
	TOTAL REVENUES	0.00	0.00	0.00
	EXPENSES			
6000-6099	Shriners Intl. ($50 per capita & $2.50 diploma fee) **(Do not include $5/Noble Hosp. Assessment)**			
6100-6399	Administrative			
6500-6699	Building operations			
6700-6999	Business sessions/Ceremonials			
7000-7199	Social activities/Entertainment			
7200-7399	Visitations & Pilgrimages			
7400-7599	Promotion & Publicity			
7600-7899	Unit & Club expenses			
7900-7949	Donations to fraternal groups			
7950-7969	Members' relations			
7990-7999	Donations to charities			
	TOTAL EXPENSES	0.00	0.00	0.00
	NET SURPLUS (DEFICIT)	0.00	0.00	0.00
3750 & 3760	Transfer To/From Designated Funds			
	OPERATING SURPLUS (DEFICIT)	0.00	0.00	0.00
4079	Unrealized gain(losses) from investments - net			
	CHANGE IN EQUITY	0.00	0.00	0.00
CAPITAL BUDGET 1500-1639	Fixed asset additions			

I hereby certify the 2026 Temple Budgets were adopted on (DATE): ______________

______________ Potentate

______________ Chief Rabban

______________ Assistant Rabban

______________ Treasurer

______________ High Priest and Prophet

______________ Recorder

______________ Oriental Guide

*Pre-audited balances are acceptable for this comparison report. NOTE: Email budget comparison reports to Temple Accounting by March 2, 2026.

Updated SEPT 2025 1-6j

Accounting and Reporting Requirements

- Shriners International Chart of Accounts
- The accrual basis of accounting is required for all temples.
- § 334.6 Review of Financial Statements
- (a) Requirement. Every temple is required to have its financial statements, including temple holding corporations, **reviewed** in accordance with U.S. standards for reviewed financial statements, by an independent certified public accountant.
- However:
- (1) The Imperial Potentate may, for good cause, order a temple to have an audit instead of a review.
- (2) A temple may, by its bylaws, require an audit instead of a review.
- (3) A temple may, at a stated or special meeting, require an audit instead of a review.

Accounting and Reporting Requirements (cont’d)

- (b) Report. The review must contain all the statements, footnotes and supplemental schedules that are required of Shrine temple financial statements under Shrine law. The sample financial statements can be located in Shriners International bylaws and online in the Temple Financial Manual at www.shrinersinternational.org.
- Accounting reviews / audits prepared by an independent CPA are a temple’s Board of Directors responsibility, not a staff responsibility.
- The CPA that prepares the temple’s reviewed financial statements must be independent from the temple.

Accounting and Reporting Requirements (cont'd)

- It is imperative for the temple's financial transactions to be recorded timely and properly. A qualified accountant, bookkeeper or trained office person, full-time or part-time, is essential.
- Internal controls / Segregation of duties
- We have observed nearly a 100% correlation between temples that fail to regularly submit reviewed / audited financial statements and other very significant financial management / reporting issues.

Accounting and Reporting Requirements (cont'd)

- All reports submitted to Shriners International by Associations, Temples, Units and Shrine Clubs must be printed in English (General Order No. 1, Series of 2025-2026, page 45).
- International Temples only - Compliance with International Reporting Requirements (General Order No. 1, Series of 2025-2026, page 51).
- The Budget and Comparison Report, Reviewed Financial Statements, 990s and Temple's Report of Hospital Patient Transportation Fund can all now be uploaded into the Temple Financials module of WebFez.

Accounting and Reporting Requirements (cont'd)

- <u>IRS Required Reporting (U. S. Temples only)</u>
- Temple 990 – includes all units. No change.
- Holding Co 990 (if applicable). No change.
- Group 990 – utilized for club reporting. Major changes in 2023 filing year. For all clubs with gross receipts equal to or less than $50,000 in gross revenue, a 990-n e-postcard may be generated. For all clubs with gross receipts greater than $50,000 a 990-EZ may be generated. This negates the need to generate a Group Return. The Group Return should be the exception and not the rule per memo dated 6/20/24.
- Automatic revocation letters dated 2/23/26 with a revocation date of 5/15/25 have gone out from the IRS. This should affect very few temples.
- Annual IRS verification letters will be mailed the end of the month to both the Treasurer and Recorder.
- Other potential filings: Payroll tax, Unemployment tax, State filings, etc.

Fraternal Fundraising Activities

- General Order No. 1
- Fraternal Fundraisers
- New Temple Fundraising Activity Approval Form

Fundraising for Fraternal Purposes

- No Noble (in his capacity as a Shriner), club, unit, organization of Nobles or affiliated corporations shall engage in any fundraising activity without the written consent of the potentate of the temple having jurisdiction thereof.
- There can be no representation, expressed or implied, that the proceeds will be for the benefit of Shriners Hospitals for Children.
- The temple potentate shall carefully examine all phases of the advertising, promotion and solicitation to ensure that there is no representation, expressed or implied, that would lead a reasonably prudent person to believe that the proceeds will be for the benefit of Shriners Hospitals for Children. If the potentate is in doubt, he must receive the opinion of the Imperial Potentate who, after consultation with the Director of Temple Accounting, shall make the final determination.

Fundraising for Fraternal Purposes (cont’d)

- The temple potentate must approve the terms and provisions of any contract for a fundraising activity after receiving the advice of the temple attorney, and, additionally, as may be required by the temple bylaws.
- A copy of temple potentate’s written consent shall be mailed to the Director of Temple Accounting, Shriners International.

Fraternal Fundraiser Statement of Purpose and Disclosure

- Every fundraising activity must contain factual information on its solicitation material, tickets, programs and documents, social media promotion, and all other electronically transmitted material, regarding the use of the proceeds.
- Example: "Proceeds are for the benefit of (______ Shriners) (______ Shrine club) activities."
- Every fundraising activity which is not entirely for the benefit of Shriners Hospitals for Children shall prominently state on all solicitation material, including tickets, programs, documents, social media promotion, and all other electronically transmitted material, that "payments are not deductible as charitable contributions."

Fundraising (cont’d)

- Compliance with Applicable Laws: It is the responsibility of the temple Potentate,after receiving the advice of the temple attorney, to determine that there is compliance with all applicable laws in its jurisdiction for the temple’s fundraising activities.
- Financial Records:
- (a) The temple shall maintain detailed financial records pertaining to all fundraising activities involving Nobles, clubs, units, organizations of Nobles and affiliatedand appendant corporations. Details of all revenues and expenditures shall be maintained in such financial records.
- (b)The temple must retain such detailed financial records for a period of seven (7) years.

Fundraising (cont'd)

- Notification to Nobility: A copy of the Fundraising Activities provisions of thisGeneral Order shall be printed in the temple publication at least once every calendar year. If there is no temple publication, then a copy shall be sent to each Noble in the temple not later than the last day in March of each calendar year.
- Shriners International Education Foundation - Notwithstanding the previous provisions of FUNDRAISING ACTIVITIES stated above, Nobles may contribute, encourage other Nobles to contribute and engage in charitable fundraising activities directly to Nobles and their families for the benefit of the Shriners International Education Foundation.

Temple Fundraising Activity Approval Form

TEMPLE FUNDRAISING ACTIVITY APPROVAL FORM

TO: Potentate, ________________________________ Shriners, located _____________________, ____________
TEMPLE NAME — CITY — STATE/PROV

RE: Temple Approval to Conduct a Shrine Fraternal Fundraiser

We respectively request permission to hold the following Fraternal fundraising activity for the benefit of

____.
FUNDRAISER TYPE AND NAME

We understand that the statement of purpose and the disclosure published on any solicitation materials, tickets, programs, and documents, including all electronically transmitted material, regarding the use of proceeds shall read:

Proceeds are for the benefit of (_____________________________ Shriners)
TEMPLE NAME
(____________________________________ Unit/Club) activities. Payments are not
UNIT OR CLUB NAME
deductible as charitable contributions.

CHECK ONE

☐ **This fundraiser is not a gaming or raffle related activity.**

☐ **This fundraiser is a gaming or raffle related activity.** If this fundraiser is related to gaming or raffles **see pages 26 and 27 of the General Order No. 1, Series 2025-2026.** The section below; "Notice to Temple Attorney", will need to be completed.

Sponsor of the activity: ____
TEMPLE, UNIT OR CLUB NAME

Type of activity: ____

Date(s) of activity: ____

To be held: ____

Requested by: _________________________________ **Title:** _________________________
PRESIDENT OR CHAIRMAN ONLY

Mailing Address: ____

Phone: Cell _______________ **Home** _______________ **Email** _______________________

TEMPLE OR REVIEWING ATTORNEY:

I, _______________________________, attorney for ____________________ Shriners having received and reviewed the written description, contracts, applications or registrations, along with the applicable sections of the General Orders as noted above, am of the opinion that the laws of ____, where the activity is to be held, support the Potentate's approval of the requested fundraising activity and have provided the temple Potentate a written opinion to that effect.

Signed: ____, Temple/Reviewing Attorney

Potentate's Approval: ________________________________, Date: ____________

The completion of the above follows the Temple Governance section, along with the Shrine Fundraising policy and procedures of the current General Order No. 1, under the Fundraising Activities section.
Do not use this form for fundraising events benefitting Shriners Hospitals for Children.

Received by Shriners International Headquarters: __________ **Date:** _______

Rev. OCT 2025 — Fraternal Fundraiser Temple Approval Form

Shrine Hospital Patient Transportation Fund

- Temple Hospital Patient Transportation Fund questions and requests for use have transitioned to SHC's - Office of Philanthropy.
- General Order No. 1
- Authorization- Separate bank account or accounts designated *Shrine Hospital Patient Transportation Fund*.
- Purpose – A restricted account designated for receipts and disbursements as defined in General Order No. 1. See General Order No. 1 for a list of approved expenses.
- Hospital Van. In the event a temple wishes to purchase a hospital van and it desires to use moneys from a charitable fundraising activity or from its temple Shrine Hospital Patient Transportation Fund, or both, it shall make a written request to the chairmen of the boards of directors and trustees of Shriners Hospitals for Children. Contact Shriners Hospitals for Children's Office of Philanthropy for the requirements.
- Investment. The moneys in the temple's Shrine Hospital Patient Transportation Fund may be invested only in accounts which are insured by the FDIC or are the obligation of the United States of America or the Canadian Federal Government.

Shrine Hospital Patient Transportation Fund

- SSGA option (Bequests only)
- Temple CPA's Report - The independent CPA's annual review report for the temple shall separately disclose the temple's Shrine Hospital Patient Transportation Fund activity in the required supplemental schedules.
- Temple's Report of Hospital Patient Transportation Fund - An annual report required of the all Shrine temples that details all receipts into and expenditures from the temple's Shrine Hospital Patient Transportation Fund.
- Shrine Clubs - In the event that a temple determines that a Shrine club should be allowed to expend money from the temple's Shrine Hospital Patient Transportation Fund due to the distance of the Shrine club from the temple, the temple board of directors must establish an imprest checking account for the Shrine club. The procedures for establishing such an imprest checking account may be obtained from the Director of Temple Accounting at International Headquarters.

Temple's Report of HPTF Receipts and Expenditures

Temple's Report of Hospital Patient Transportation Fund for Year Ending December 31, 2025

DATE:

TEMPLE: ____

Temple HPTF balance (including NBV of vans) per auditor's report as of December 31, 2024	**$**	**0.00**
Receipts - 2025		
Memorials		
Donations		
Interest and dividends		
Authorized retention from an approved charitable fundraiser		
Bequests		
Unrealized gain / loss		
Realized gain on sale of investments		
Gain on sale of fixed assets		
Other (Explain)		
Total Receipts for 2025	**$**	0.00
Expenditures - 2025		
Transportation - air fare, bus fare, train fare, taxi fare and rental costs		
Tolls		
Lodging (driver, parent or guardian and patient only)		
Meals (driver, parent or guardian and patient only)		
Self transport - mileage (calculated using an on-line map program and the IRS medical rate)		
Office telephone long distance (exclusively for hospital transportation use)		
Mobile phone (exclusively for hospital transportation use)		
Clerical wages (actual time devoted to transportation arrangements substantiated with time records)		
Postage (exclusively for hospital transportation use)		
Office supplies (exclusively for hospital transportation use)		
Garage rent (exclusively for hospital transportation use)		
Garage utilities (exclusively for hospital transportation use)		
Garage insurance (exclusively for hospital transportation use)		
Van fuel (exclusively for hospital transportation use)		
Van signage (exclusively for hospital transportation use)		
Van maintenance (exclusively for hospital transportation use)		
Van improvements (exclusively for hospital transportation use)		
Van insurance (exclusively for hospital transportation use)		
Van taxes and tags (exclusively for hospital transportation use)		
Van depreciation		
Realized loss on sale of investments		
Bank charges (HPTF account only)		
Loss on sale of fixed assets		
Off-premise clinics		
Telemedicine off-premise clinics		
Donations to SHC		
Transfer to other funds (Hospital Patient Transportation Fund of another temple)		
Other - Approved by the chairmen of the boards of directors and trustees (Ex. HPTF van purchase)		
Total Expenditures for 2025	**$**	0.00
Unaudited HPTF balance per temple as of December 31, 2025	**$**	**0.00**

NOTE: CONTEMPORANEOUS RECORDS OR VOUCHERS MUST BE KEPT OF EACH ITEM.

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Additional Resources

- Online Temple Financial Manual – www.shrinersinternational.org
- Matt Noell (813) 281-7169 mnoell@shrinenet.org
- Deb Domini (813) 281-8102 ddomini@shrinenet.org
- Kim Jarvis (813) 518-7668 kjarvis@shrinenet.org
- Temple external auditor / CPA