

## AWARENESS TIPS: Managing Chapter Finances

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### Know the Costs

- ▲ Be aware and understand all financial obligations with the national Fraternity including member dues, pledge fees, jewelry, regalia, insurance, and the GCC savings fund. A complete list of current costs of each item is published to all chapters every August for the upcoming year.
- ▲ Establish local chapter dues and conduct enough fundraisers to cover costs of doing business as a chapter. Expenses include recruiting supplies, awards, historian supplies, newsletter expense, insurance, publicity, outbound regalia shipping, bank charges, secretarial and financial record keeping, and upfront costs for fundraising, professional or other projects.
- ▲ Social events, travel to conferences, banquets, photo composites, and other per person costs may always be considered personal expenses of the member except when the chapter has a surplus of funds or has allocated savings for the cost as in the case of Grand Chapter Congress. Individual reimbursement for items of this nature usually requires a vote of the chapter.
- ▲ Miscellaneous:
  - A few chapters may have on-campus costs with their university such as meeting room fees, office equipment fees, or storage rental.
  - If a chapter needs to file insurance claims, they must meet their deductible first just as you would with a medical policy.
  - Most chapters pay the fees and badge lease for faculty and honorary initiates (or split the cost with them).
  - Interest charges accrue on unpaid items with the National Fraternity.
  - Be aware of service fees or charges with the chapter checking account.

### Inform the Chapter

- ▲ Each major officer of the chapter should submit a budget for expenses they believe are needed for their specific positions. With that information, and the anticipated income from fundraising, dues, and other sources, the VP-Finance must prepare a chapter budget. All budgets are for activity within two 6-month periods; July-December and January-June. Present the budget for approval at a chapter meeting.
- ▲ The VP-Finance must give a report at all regular chapter meetings stating income and expenses since the last meeting and the current account balance.
- ▲ Any members who have not paid dues by the due dates provided to them should be reported to the chapter. This should be done during a confidential portion of the meeting when pledges, alumni, and other guests have been excused from the meeting. (National

officers, faculty and Fraternity staff are permitted in all confidential meetings). Any chapter member may prefer charges and request a trial for another member with unpaid dues.

### **Manage the Cash Flow**

- ▲ Collect a \$10.00 deposit from pledges just prior to conducting the Pledging Ceremony to cover the cost of *The Crown & Delta* and copying costs of the pledge education program.
- ▲ Collect at least \$50.00 from each pledge no later than 21 days before initiation to cover the cost of their badge lease.
- ▲ Make all dues and initiation fee payments by the due dates to avoid late fees and interest charges.
- ▲ Do not initiate a pledge who has not paid the initiation fee.
- ▲ Reduce or eliminate regalia shipping costs by visiting other chapter initiations, invite nearby chapters to attend your initiation to obtain regalia or drive to meet another chapter half way to transfer regalia.
- ▲ Provide receipts for any cash received. Deposit cash collections immediately. Encourage dues and fees payments by check. Do not allow VP-Finance (or anyone) to hold a petty cash fund.
- ▲ Minimize individual brothers buying chapter supplies and requesting reimbursements. Follow budgets. Do not allow unapproved spending.
- ▲ Seek all income possibilities and maintain a minimum \$500.00 balance in checking after all expenses are paid.