



Chapter Finance Department

Presented by Chapter Business Manager

Date



MEETING PROFESSIONALS INTERNATIONAL



Today's Objectives



Overview of Topics:

- Highlight the Chapter Finance Department and review the team responsibilities
- Expand your knowledge of how to be successful during your time on the Board
- Examine the tools and resources available to you





What does success look like for the Chapter Finance Department?

Success Can Be Achieved by Doing the Following:

- Ensuring board members are accountable for their own budgets, and question them regarding revenues and expenses
- No money is spent without your approval
- Avoid conflicts of interest
- This position requires an active, concerted effort to be engaged and ready to make informed decisions



What responsibilities does the Finance team have toward the chapter to ensure success?

- Accounting & Banking Procedures
- Financial Reporting
- Budgeting
- Tax Issues
- Fiduciary Responsibilities
- Insurance Issues
- Reserves & Investments



Best way to control the money going in and out of the chapter?

- 2 signatures on all checks or wires
- Bank reconciliations performed by people that don't have access to the chapter's money
- Annual financial reports reviewed by a third party not attached to the chapter
- Board motions to be made for requesting funds



Accounting Best Practices

- Invoices from suppliers
- Check requests with signatures
- Account codes
- Highlight bank reconciliations immediately
- Dual signatures on all checks written, and make sure to change authorization signatures with new chapter leaders



When Should Monthly Financials Be Completed?

- Prior monthly financials should be ready by the 5th business day of the next month
- Lack of timely financials creates risk
- Forecasting in the middle of the month will help to review potential areas of concern



What type of financial statements should be shared with the Board?

- Balance Sheet
- Statement of Activity (Profit & Loss Statement; Income Statement)
- Information should be shared monthly with the Board and reviewed at Board Meetings



When should budgeting take place and how should you start the process?

- Integrated with the business plan, so the process should start well in advance of the year-end board retreat
- Start with a zero budget, not prior year totals
- Recognize cash sponsorship as revenue, and understand the impact of in-kind sponsorship
- Create a stop doing list of processes or scenarios that have not worked in the past



What tax forms do I need to be aware of?

- Gross receipts \leq to \$50K – 990N
- Gross receipts $<$ \$200K; total assets $<$ \$500K – 990EZ
- Gross receipts more than \$200K and total assets more than \$500K – 990
- Only applies to US chapters
- Deadline to submit is November 15th, 2015
- International chapters should follow their own countries tax requirements



How to handle reserves & investments?

- A chapter should be working towards a minimum of 1 year in operating revenues set aside
- Investments should have a low risk, should be managed through a professional organization like a bank
- Your board should have a policy on how it handles its investments



Where Can I Find Additional Resources for Finance?

Your Chapter Business Manager (CBM) is here to help YOU!

- Chapter Leader Resource Page (CLRP)
- Peer Role Leaders at Other Chapters – you're each other's greatest resource!
- Attending Chapter Business Summit (CBS) in April 2016
- Attending World Education Congress (WEC)/ Chapter Leader Forum (CLF) in August



Success.

How will You Succeed?



By Hitting the Ground Running!

- Transition! Work with your predecessor to ensure you understand your position, your responsibilities, and the dynamics of your committee – filling the roles with volunteers who will help you meet those needs
- Have fun! If you're not having fun, are you in the right role?