KAPPA ALPHA ORDER

Officer Transition Guide

NUMBER VI

Former Number VI: ______________________________________

Number VI: ____________________________________________

Date of Transition: _____________________________________
**DUTIES OF YOUR OFFICE**

The Number VI

*Kappa Alpha Laws – 9-136. The VI – Purser. The VI shall collect all fees, dues, fines and assessments; keep the financial records of the chapter; have custody of the funds of the chapter; be responsible to the I for the safekeeping of all property of the chapter for which another officer of the chapter, exclusive of the I, is not responsible; and report to the chapter as often and in such detail as may be required by the chapter or the I, at least once a month, the status of each member’s account with the chapter or with the Order, the accounts of the chapter, and such other matters as may be disclosed from the chapter’s financial records.*

**THINGS TO DO**

- Introduce yourself to the Alumnus Advisor
- Introduce yourself to the Faculty Advisor
- Call and introduce yourself to the House Corporation President
- Review the latest Report 7 from the Associate Director for Chapter Services
- Go to the bank and change the signature card and get a current statement (Must have 2 signatures on all checks)
- Read and understand the National Reporting System
- Reconcile bank statements
- Contact Omega Financial and establish yourself as the primary contact for the chapter’s account
- Participate in Omega Financial Webinar training program
- Use Omega Financial’s budgeting tools for upcoming year/semester.
- Make sure all member records/addresses are up to date on Omega Chapter Desktop.
- Ensure you have Income/Disbursements Ledger
- Review rental contracts if applicable
- Ensure you have a member ledger – review every member’s balance
- File the IRS Form 990
- Make sure you have promissory notes
- Make certain you have membership agreement forms
- Distribute all forms and contracts and have them signed by each member of the active chapter
- Appoint an Assistant Treasurer

**THINGS YOU WILL NEED**

- A copy of the *Kappa Alpha Laws*
- A copy of the chapter’s bylaws
- A good monthly calendar and planner
- Access to Omega Financial chapter desktop
- Written Budget
- A current chapter financial statement
- Rental contracts if applicable
- Membership agreement contracts
- Promissory notes
- Member ledger
- Check book and Canceled Checks
- Income/disbursements ledger
- Reconciled bank statements
- Information on IRS form 990 if applicable
- Meal contracts if applicable
- Permanent home addresses for the entire chapter (actives and new members)
- Name and contact information for account or other account manager
- List of chapter’s A/R to be updated monthly
- National Reporting system information
- Copy of the Kappa Alpha Order Risk Management Policy
- Chapter Finance Manual

*If you are missing any of the items supplied by the National Administrative Office (marked by a *) please call (540) 463-1865.*
Chapter Budgets

Every active and provisional chapter of the Order must have a Prudential Committee and a budget. Without it your chapter cannot be successful. If you need assistance please contact your Associate Director for Chapter Services.

9-225. Prudential Committee. Each Active Chapter of more than five members shall have a Prudential Committee composed of active members of the chapter excluding the VI. The I shall appoint and be chairman of the Prudential Committee. The Prudential Committee shall supervise the financial affairs of the chapter so that expenditures shall not exceed income, prepare an annual chapter budget, consult with the VI and inspect his books, and advise the chapter on all financial matters. The Prudential Committee shall procure from each member at the end of each school year written evidence, as in its discretion may be necessary and proper, of his indebtedness to the chapter or to the Order at that time.

Funds of the Order

9-224. Funds of the Order. The Active Chapter shall collect from the member, the member awaiting initiation fee and the initiation fee prescribed by the Executive Council and forward such fee immediately to the Executive Director. No funds of the Order collected by an Active Chapter shall be co-mingled with funds of the chapter, but all funds of the Order shall be held by the chapter and its officers as trustees for the benefit of the Order. In any case where an Active Chapter is delinquent by more than 60 days in the remittance of any payment due to the Order, the Executive Director shall notify such Active Chapter in writing directed to the I that the matter of the delinquency in payment will be referred to the Executive Council for action against the appropriate chapter member or against the Active Chapter itself 30 days from the date of the letter. Amended by 67th Convention, 1997; amended by the 69th Convention, 2001.

Internal Revenue Service Form 990

Do not forget to file an IRS Form 990 or 990-EZ if your chapter revenues exceed more than $25,000 per year. If you need an IRS Form 990 you can contact the National Administrative Office or the IRS website (www.IRS.gov)

Common Errors Found on the Form 990

✓ 52% of the forms with mistakes failed to complete Schedule A, the section of the form that requires charities and certain types of charitable trusts to list the salaries and benefits awarded to top officials and to top-paid independent contractors. This part of the form also focuses on advocacy activity and contains additional questions about financial issues not covered on the Form 990 itself.

✓ 17% did not have the signature of any of the organization's officers.

✓ 10% did not list the correct tax year.

Common Errors Found on the Form 990-EZ

✓ 54% of the forms with mistakes failed to complete Schedule A (as above)

✓ 15% should have filed the Form 990 instead of the EZ form.

✓ 6% did not list the correct tax year.

✓ 5% did not have the signature of any of the organization's officers.
****ATTACH COPY OF 990****
NO. VI GOAL SETTING

Finances
Current # of active members with an A/R delinquent:______________

Goal # of active members with an A/R delinquent:______________

Current # of alumni members A/R delinquent:______________

Goal # of alumni members A/R delinquent:______________

Number of reports over due last year:______________

Goal for reports this year:____

Current balance with the National Administrative Office:________

Goal balance with the National Administrative Office:________

Total chapter debt:________

Goal chapter debt 1 year from now:________

TRANSITION NOTES:

ASSISTANT TREASURER

The purpose of having an assistant treasurer is two fold: one is to lighten the VI's workload and the other, more importantly, is to train a potential successor. Clearly delineated duties should accompany both positions, with ultimate responsibility for successful chapter financial operation resting on the VI.

BUDGET GUIDELINES

Below are the guidelines for preparing the budget. Review them all before to save time.

- Estimate income low and expenses high
- Review last years and previous years records to get actual expenses and to extrapolate the future costs of those same functions
- Estimate the portion of dues that you consider un-collectable (i.e. 95% of the chapter pays)
- Cash flow analysis: Determine a monthly break down of income and expenses from your budget to make sure you don't spend money you don't have
- Do not include alumni contributions as income in the budget. You may want to prepare separate budgets for alumni contributions, designating them for specific things, like house improvements, scholarships, etc.
- Do not include fines as income in the budget
- Include a "parlor fee" for those members not living in the house. This will ensure that the whole chapter participates in the cost of the house
- Remember the "rent", "parlor fees" and "chapter dues" must all be competitive on campus
- Expenditures for repairs to the house are the responsibility of the chapter. Renovations and major purchase items are the responsibility of the chapter and its housing corporation. If the chapter rents it's house, maintenance is the chapter's responsibility, while the landlord can, in most cases, take care of large items
- Budget for all upcoming expenses
- A balanced budget is required under KA Laws, Section 9