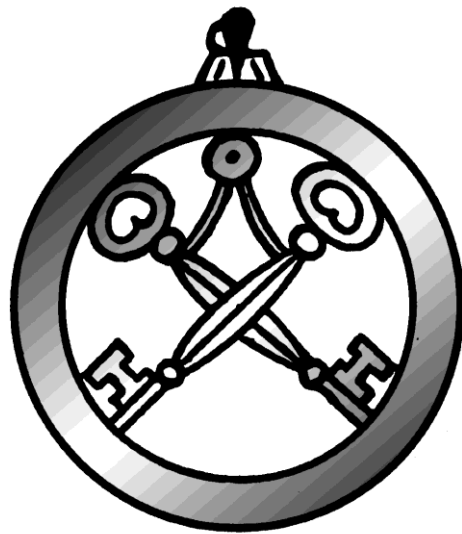


KAPPA ALPHA ORDER

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

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

THINGS YOU WILL NEED

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

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

EXCELLENCE IS OUR AIM

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

EXCELLENCE IS OUR AIM

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**