



FARMHOUSE

FRATERNITY

VICE PRESIDENT OF FINANCE QUICK REFERENCE GUIDE



Vice President of Finance Responsibilities

As the Vice President of Finance you are responsible for all financial affairs of the chapter. Primary responsibility is the preparation of a budget and maintenance of that budget. In order to maintain the budget, it is necessary to work closely with the VP of House Operations, VP of Administration, Kitchen Manger, Cook, House Director/Mother, and other officers who are provided with budgeted funds to ensure prudence in the maintenance of their budgets. Additionally, the VP of Finance is responsible for collecting all fees, dues, assessments and fines. He shall collect all new member registration and initiation fees.

Chapter Vice-President of Finance is responsible for:

- Approving all chapter expenditures, either in person or by use of a reimbursement form.
- Establishing and work with an Assistant Treasurer, that is interested in eventually becoming the VP of Finance and also is organized and responsible.
- Ensuring that each check is signed by two authorized executive members, per crime/bond insurance policy requirement.
- Preparing a chapter budget for the year to the chapter.
- Establishing accounts receivable for membership dues and other expected revenue sources. Account for all fines levied against members of the chapter.
- Assisting members in developing payment plans if they are encountering financial difficulties.
- Maintaining the checkbooks and financial records of the chapter.
- Managing the chapter's relationship with any billing group, collection agency, accountant, or other financial vendor.
- Preventing the accumulation of debt to the Headquarters, Association Board, or other parties and, if applicable, develop a plan to reduce or eliminate past debts.
- Reviewing the accuracy of the chapter books before the audit by an external accountant.
- Supervising the completion and submission of the IRS tax forms (990) applicable to your chapter.
- Serving as a President Pro Tempore ("for the time being") in the absence of the Chapter President.
- Attending to any other paperwork or tasks related to the fiscal health of the chapter.
- Establishing and utilizing a Chapter Audit Committee/Financial Review Board.

Questions to ask at the beginning of your term....

- Does the chapter have a established budget for the year/semester?
- Are we using some type of financial system to help us keep track of our operations? (i.e. QuickBooks, Omega Phi)
- What is the financial relationship with the Association? International Office?
- Am I knowledgeable about all policies and procedures and/or know where to find the answers?
- What is the current system for reimbursement?
- Are we following our policies of providing two signatures for each check? If so, who is allowed to sign?
- Are we providing a weekly/biweekly update of our chapter finance's to keep everyone knowledgeable?
- What are the deadlines for when dues, rent, and others fees?

Questions to ask mid-way through your term....

- Is our budget in line with what we planned? Anywhere we need to cut or add more?
- Is everyone on the executive board following their budget?
- How are we doing on collecting bills? Is anyone behind on paying?
- How are we doing financially? Do we need to have a fundraiser or talk with Association or Alumni?
- Are we continuing to be transparent with the entire chapter and Association?

Best Practices:

- Have a notebook that has all necessary documents, manuals, and guidelines that can be handed down during officer transition.
- Utilizing an internet banking program allows checking balances, deposits, and expenditures 24/7/365.
- Keep members up to date of current account balances and expected receipts or disbursements. A copy of the budget, divided by major programming areas should be posted on the bulletin board next to the house bills that are due. The VP of Finance should announce the current balances and any major transactions at each chapter and house meeting.

Financial Committee:

- Appoint a committee to review previous year's budgets and create budgets accordingly.
- Work with the Budget Review committee
- Represented on this committee should be a senior, junior, at-large member, president and led by the VP of Finance.
- The committee meets on a monthly basis and evaluates the month's expenditures and bank statements

Collections:

- Introduce and implement new methods to improve house bill collection.
- Every member signs a housing contract, which states that if payment isn't made by the due date 1.5% interest is added.
- Members who are overdue and owe more than \$150 should be placed on social probation.
- Each semester before members move out for the winter/summer break have them check-in with you and see if they owe anything. If they do owe, have them pay right-away or establish a payment plan. **Note:** If they do not pay and do not setup a plan after talking with you it is acceptable to turn them over to a collections service.