



# **ALPHA KAPPA PSI**

*The Professional Business Fraternity*

## **Chapter Finance Manual**

**Revised 5/2015**

# Table of Contents

<b>Introduction</b> .....	5
<b>Getting Started</b> .....	5
<b>Duties</b> .....	5
<b>Bonding</b> .....	6
<b>The Alpha Kappa Psi Accounting System</b> .....	7
<b>The Budget</b> .....	7
<b>The Audit</b> .....	7
<b>Chapter Audit Reference Guide</b> .....	8
<b>Dues</b> .....	9
<b>Instructions for Payment of Dues and Fees</b> .....	10
<b>POLICY ON PAST DUE BALANCES</b> .....	10
<b>CREDIT CARD POLICY</b> .....	10
<b>PLEDGE FEES</b> .....	10
<b>MEMBERSHIP DUES</b> .....	10
<b>MEMBERSHIP ROSTER</b> .....	10
<b>NEW INITIATES</b> .....	11
<b>CORRESPONDENCE</b> .....	11
<b>RETURNED CHECKS</b> .....	11
<b>CHAPTER CREDITS AND REFUNDS</b> .....	11
<b>Accounting System</b> .....	12
<b>Budgeting Basics</b> .....	13
<b>Advantages of Budgeting</b> .....	13
<b>Fundraising</b> .....	14
<b>Funding sources for organizations:</b> .....	14
<b>Ideas for successful fundraising:</b> .....	14
<b>During the campaign:</b> .....	14
<b>After the campaign:</b> .....	15
<b>Characteristics of a good fundraising campaign:</b> .....	15
<b>Exploring Student Government Funding</b> .....	15
<b>Corporate Sponsorship</b> .....	16
<b>Checklist for Charity Event Pre-Planning</b> .....	16
<b>Questions to help generate quick fundraisers to raise money for an Alpha Kappa Psi Event:</b> .....	17

**Collections**..... 18

**How to Read Invoices** ..... 19

**Summary** .....19

**Invoice Parts** .....19

**Credits** .....19

**Statements** .....20

**Appendix** ..... 21

**Sample Chart of Accounts** .....21

**Sample Balance Sheet** .....22

Alpha Kappa Psi Professional Business Fraternity				
CHAPTER NAME				
Balance Sheet				
As of December 31, 2011				
<b>ASSETS</b>				
	Current Assets			
		Cash		406.00
		Accounts Receivable		210.00
		Deposits		-
	Total Current Assets			616.00
	Long Term Assets			
		Investments		-
	Total Long Term Assets			-
<b>TOTAL ASSETS</b>				<b>\$ 616.00</b>
<b>LIABILITIES &amp; EQUITY</b>				
	Liabilities			
		Current Liabilities		
			Accounts Payable	28.00
			Due to Pledge Class	-
		Total Current Liabilities		28.00
	Total Liabilities			28.00
	Equity			
		Earnings		-
		Net Income		588.00
	Total Equity			588.00
<b>TOTAL LIABILITIES &amp; EQUITY</b>				<b>\$ 616.00</b>

**Sample**

<b>Income Statement</b> .....	22
<b>Sample Budget</b> .....	24
<b>Sample Letter to Student Government</b> .....	25
<b>Sample Proposal to Student Government</b> .....	26

# Introduction

The Treasurer (VP of Finance) is responsible for recording the financial transactions of the chapter. The Treasurer maintains and reconciles all the accounts of the chapter, collects monies owed to the chapter, and pays bills as incurred by the chapter. The Treasurer may serve on the Financial and Audit Committee and the fundraising committee (a separate or subcommittee may exist).

## Getting Started

In order to start on the right foot, it is important that you have an effective transition with your predecessor. You need to have him/her walk you through his/her bookkeeping methods to ensure you understand them. If possible, try to structure your methods in a similar manner. If the chapter has computer access and records are not already on a computerized system, your transition provides the perfect opportunity to do so. The following actions will ensure your term starts off on the right foot:

- Study the Chapter Bylaws.
- Read and be familiar with Alpha Kappa Psi's Constitution and Statutory Code and Board of Directors Statement of Policy.
- Become familiar with Robert's Rules of Order.
- Review and become familiar with The Ritual of Alpha Kappa Psi.
- Attend the weekly executive committee meeting.
- Become familiar with the AKPsi web site at [www.akpsi.org](http://www.akpsi.org)
- Set up a transition meeting with the outgoing treasurer.
- Go to the bank and place your name and the chapter president's name on the signature card. The previous treasurer will have to go with you in order to remove his/her name from the account.
- Ensure that two signatures are needed for every check.
- Obtain the chapter books of account from the outgoing Treasurer.
- Immediately familiarize yourself with outstanding obligations of any member to the chapter, but particularly those of graduating seniors.
- Immediately investigate any outstanding bills payable by the chapter and make arrangements for payment.
- Obtain a copy of the current, or immediate past budget.

## Duties

- Leads the preparation of Annual Budget.
- Responsible for adherence and interpretation of annual budget.
- Keeps accurate account of Chapter's Financial Records.
- Heavy coordination with VPs and committee heads.
- Determine financial goals.
- Ensure fundraising is fulfilling their goal.
- Enforce collecting of chapter dues.
- Membership reporting and fee control to the Heritage Center.
- Year End Audit and Clean up.
- Update chapter roster with the Heritage Center (this is what the Fraternity uses to invoice chapters for their student member dues and insurance fees).

## **Bonding**

The Treasurer is bonded by the Fraternity to protect the chapter from financial loss due to embezzlement or misappropriation of funds by the Treasurer. In the event of such an occurrence, the bonding agency guarantees full restitution to the chapter and is authorized to pursue all legal remedies, including criminal prosecution, against the perpetrator(s) and to recover owed funds. The chapter is invoiced an amount to pay the bonding charge. This amount is included on the insurance invoice received by the chapter each year.

## **The Alpha Kappa Psi Accounting System**

The “Chapter’s Books” is the accounting system required for chapter use by the Constitution. The AKPsi Accounting System consists of the following items:

- Invoices
- Receipts
- Expense Vouchers
- Membership Records
- Standard Chart of Accounts
- Cash Journal Sheets
- Loose-leaf binder for Accounting

## **The Budget**

The budget is prepared each year as soon as possible by the Treasurer and lists the anticipated revenues and expenses for the entire academic year. The Treasurer should review budgets from past years, as well as entries that past Treasurers have made in the Officers’ Journal when preparing the budget. The budget must be presented to the chapter for approval and a copy sent to the Chapter Advisor, Section Director, and Regional Director by Oct 15<sup>th</sup> (fall budget) and Feb 15<sup>th</sup> (spring budget).

## **The Audit**

A review of the books by the Audit/Finance committee should be made whenever a new Treasurer is elected, thus absolving the new Treasurer from any liability for mishandling of funds by the outgoing Treasurer. A complete annual audit is to be conducted after the close of the chapter’s fiscal year (March 31). The audit should be performed by members of the Audit/Finance Committee (other than the Treasurer), by a qualified faculty member, or by a qualified accountant. Copies of the audit should be maintained in the chapter’s files, and copies should be forwarded to the Chapter Advisor, the Section Director, the Regional Director, and the Heritage Center. Each chapter is required (at minimum) to send a copy of the chapter audit to the Heritage Center by May 31 each year.

## **Chapter Audit Reference Guide**

<b>Topic/Item</b>	<b>Description</b>	<b>TIMING</b>	<b>HINTS</b>
<b>Audit Committee</b>	Small group (2 or 3) members/faculty/alumni that are responsible for reviewing the financial records held by the treasurer. If the chapter can afford it, a CPA can be used as well (an alumni CPA could donate their services)	At a minimum, this must be done once a year before the ACR is submitted to Heritage Center.  Another time to perform an audit is when changing officers to relieve former officers of fault when auditing at the end of the year and to ensure that current officers receive good information	Assign committee members that are not on the Exec. Board. Members should be accounting majors or have accounting experience.
<b>Income Statement Audit</b>	Treasurer is required to submit an Income Statement to Audit Committee. This statement shows all revenue, expenses, and profit for the chapter. Audit Committee must review this statement and all supporting detail (invoices, bills, large program Income Statements) for accuracy. If adjustments are necessary, work with the Treasurer.	At a minimum, this must be done once a year before the ACR is submitted to Heritage Center.  Another time to perform an audit is when changing officers to relieve former officers of fault when auditing at the end of the year and to ensure that current officers receive good information	If guidelines are followed on budgeting, monthly reporting, A/R, A/P, and large projects, this is a simple exercise. The Committee must always remember to report their findings to the Exec. Board – they are not accountable to the Treasurer.
<b>Balance Sheet Audit</b>	Treasurer is required to submit a Balance Sheet statement to Audit Committee. This statement shows all assets (cash, A/R, Inventory, equipment, property), liabilities (A/P, Loans, Payables), and equity (Retained Earnings) for the chapter. Audit Committee must review this statement and all supporting detail (invoices, bills, mortgages/loan documentation) for accuracy. If adjustments are necessary, work with the Treasurer.	At a minimum, this must be done once a year before the ACR is submitted to Heritage Center.  Another time to perform an audit is when changing officers to relieve former officers of fault when auditing at the end of the year and to ensure that current officers receive good information	If guidelines are followed on budgeting, monthly reporting, A/R, A/P, and large projects, this is a simple exercise. The Committee must always remember to report their findings to the Exec. Board – they are not accountable to the Treasurer.
<b>Management Letter</b>	Report filed by the Audit Committee to E-Board that lists all findings, recommendations on improving reporting, documentation, & control.	Report filed once the audit is completed. Make sure this is done before the ACR is submitted.	Do not make the report wordy – keep it to a short Audit Letter (one page) and bullets on recommendations. Make sure to sign.

## **Dues**

The Fraternity bills each chapter in September and January for each student member enrolled in college. Payment must be made no later than October 15 and February 15, respectively. As soon as the semester/quarter begins, the Treasurer should remind the brothers of the amount and due date for chapter dues. Each chapter Treasurer must ensure that accurate payments are made, records kept, and that both the chapter and the Heritage Center agree on the chapter account (count of members). All payments mailed to the Heritage Center must include a completed chapter accounting form. The Chapter should send **ONE (1) Chapter check** for each of the following: pledge fees, initiation fees, dues and insurance. Individual member checks will not be accepted.

**All payments mailed to Heritage Center must be itemized.** Make sure you are fully explaining what the check is for. If payments are not designated it will be applied to the chapter's general account. When you receive the invoice and roster for member dues, please review the roster carefully. Any necessary additions or corrections can be updated using [www.akpsi.org](http://www.akpsi.org) feature.

Meet with delinquent brothers to determine the reason for the delinquency, and attempt to obtain full payment. If full payment cannot be made at one time, the Executive Committee may decide upon another payment process. If a brother will not repay the debt, the Treasurer should make a motion to suspend the Brother at the next Chapter Meeting. **Refer to the Constitution & Statutory Code for policies regarding financial delinquency.**

# Instructions for Payment of Dues and Fees

Please read the following information regarding dues and fees carefully. Each Chapter Treasurer should be familiar with this information to ensure accurate payments are made to the Fraternity, and records are properly kept. This document will help keep the chapter's records and the records of the Heritage Center balanced.

## **POLICY ON PAST DUE BALANCES**

Chapters are not allowed to carry past due balances. The intent of this is to facilitate cash flow management on an annual basis. Past due balances appear on the monthly chapter statement in one of four aging categories: 0-30, 31-60, 61-90, or over 90 days past due. Chapters will be notified in writing when balances appear later than 30 days with copies sent to the Chapter Advisor, the Regional Finance Manager, and the Regional Director. If the issue is not resolved or paid within 30 days after receiving the notice, the chapter could be asked to appear before a "Show Cause Hearing." If a balance is carried for more than 90 days, the Fraternity President may recommend revocation of the chapter's charter without further investigation or hearing.

## **CREDIT CARD POLICY**

The Heritage Center will accept credit card payments on behalf of the chapter for payment of dues and fees (VISA, MC, Discover and American Express). Only one credit card will be accepted for payment of fees; individual payments will not be accepted.

## **PLEDGE FEES**

Pledges must be reported after every induction ceremony, and sent to the Heritage Center, along with \$39.00 per pledge. **This is due within seven (7) calendar days of the induction ceremony.** If both the form and the money are not received within 30 days of the induction ceremony, the chapter will be assessed the greater of \$25.00 or 5% of the total fees. Upon receipt of the forms and money the Heritage Center will send, within 48 hours, one Pledge Manual and Pledge Exam for each pledge listed on the Pledge Report. In order to have Pledge Manuals at the beginning of the pledge process, chapters are encouraged to maintain an inventory of Pledge Manuals. If a pledge drops the program within 10 days of induction, the pledge fee may be credited to the chapter upon written notification within 24 hours (mail@akpsi.org). If this happens after the Pledge Manuals have been sent the chapter will still incur the price of the manual(s) sent.

## **MEMBERSHIP DUES**

The Heritage Center must **receive** the chapter's payment of student member dues BY **October 15th** for the fall semester and **February 15th** for the spring semester. If either of these dates should fall on a weekend, payment will be accepted without penalty on the following Monday. Late payment of dues will result in a \$25.00 fine for the billing period and a 15% penalty for every 30 days late.

## **MEMBERSHIP ROSTER**

When you receive the invoice and roster for student member dues, please review the roster very carefully. Any member listed on the roster that is not in good standing with the chapter for the academic term can be removed by updating your roster online at [www.akpsi.org](http://www.akpsi.org) by **November 1st** for the fall term and **March 1st** for the spring term. If your roster is not updated by these deadlines, your chapter will be responsible for these dues. If a member is being suspended, please state why on the form. If the reason for suspension is failing to meet financial obligations then please include the dollar amount owed on the form. The Fraternity website will greatly improve the correction of the roster and the processing of your

Membership Reporting. Any members that are returning from an internship, suspension, or anything else should be added to the roster by submitting a reinstatement. Please reinstate brothers online and submit the \$47.50 payment of dues with it.

## **NEW INITIATES**

New members must be reported within seven (7) days of the ceremony and **\$65.00 per initiate** must be submitted to the Heritage Center. If both the forms and the money are not received within 30 days of the initiation ceremony, the chapter will be assessed the greater of \$25.00 or 5% of the total fees.

Every chapter is entitled to one free Faculty Member initiation fee and Honorary Member initiation fee per fiscal year (7/1 to 6/30), subject to an administrative fee of \$15.00. The chapter must submit an application BEFORE the initiation (found in the Student and Alumni Awards Catalog). Additional faculty initiates require the regular, \$65.00 fee & application. All faculty and honorary initiates must be reported after the ceremony.

## **CORRESPONDENCE**

All correspondence mailed to the Heritage Center concerning chapter finances should be accompanied by a completed "Chapter Accounting Form."

## **RETURNED CHECKS**

The Heritage Center reserves the right to charge the chapter the greater of \$25.00 or 5% of the check for all checks returned for non-sufficient funds, closed account, no signature, or any other reason that causes a deposited check to be returned.

## **CHAPTER CREDITS AND REFUNDS**

Overpayments or refunds will be applied to the chapter account. This credit will appear on the monthly statement and may be used for future orders or billings. If there are questions regarding the monthly statements, please contact the Heritage Center. For large overpayments in excess of \$1,000, the Heritage Center will issue a check upon written request from the chapter treasurer. Checks will only be written to the chapter.

# Accounting System

- Two signatures required on all checks.
- A cash on hand fund of not more than \$25.00 unless a larger amount is authorized by the chapter at a regular meeting.
- Each disbursement must be supported by either a voucher or an invoice. Approval for payment must be indicated by the alternate check signer when the check is signed. Signers of the check should not be the Payees.
- Each voucher or invoice should be cancelled by marking the invoices paid, with the date paid and check number also indicated on the invoice voucher. These will be maintained for at least a three-year period and should be filed by vendor or some other formal filing system.
- Receipts and disbursements must be summarized and posted to the general ledger on at least a monthly basis. The general ledger should be balanced after each posting.
- Bank accounts must be reconciled with the general ledger on a monthly basis.
- Membership ledgers should reflect the current balance owed by each member. These ledger cards should be posted on not less than a monthly basis, and the total of these cards should be reconciled to the control account in the general ledger.
- The Chapter's fiscal year budget will be prepared in accordance with the standard chart of accounts.
- Pay invoices immediately to avoid late fees and penalties.
- Chapters are not allowed to carry past due balances.
- Chapter could be asked to appear before a "Show Cause Hearing" if balances are not paid within 30 days.
- If a balance is carried for more than 90 days, the Fraternity President may recommend revocation of chapter's charter without further investigation or hearing.
- The Chapter should send ONE (1) Chapter check for each of the following: pledge fees, initiation fees, dues and insurance. Individual member checks will not be accepted.
- Make sure all financial correspondence and/or payments are accompanied by a completed "Chapter Accounting Form."
- Contact your Regional Finance Manager if you have questions or need help resolving any financial issues.
- Make copies of every check sent to the Heritage Center along with the backup documents describing what the payment was for.
- Send all payments to the Heritage Center by certified mail/return receipt and attach copy of receipt to your check copy to facilitate dispute resolution.

# Budgeting Basics

- Be conservative.
- Prepare a yearly budget, split into semesters.
- Make sure you don't spend more than what you will earn.
- Study your chapter's spending trends for previous years and calculate an average amount for each category in your budget.
- Ask each of your officers and committee chairpersons for input on how much they will need to spend to exercise their duties.
- Add all your income sources.
  - Membership and pledge dues.
  - Fines and penalties income.
  - Fundraising income.
  - University funding.
- Add all your projected expenses
  - Pledge fees (\$39/person)
  - Brother dues (\$47.50/person)
  - Initiation fees (\$65/person)
  - Insurance (\$30/person)
  - Pledge education
  - Professional programming
  - Social events (parties, banquets, etc.)
  - Ritual expenses
  - Supplies
  - Bank fees
  - Officer Training (\$50/semester)
  - Fraternity/Regional education (PBLI, Convention)
- Don't forget to include funding for Regional/Fraternity events (PBLI, Biennial Convention)
  - Estimate transportation, registration and lodging costs.
  - Remember the Fraternity will charge the chapter for one registration fee whether you send a delegate or not! Each chapter has \$600 to use for Convention registrations (Convention Savings Plan). It is billed \$150 per academic term.
  - Set aside a portion of the brother & pledge dues to cover costs (i.e., increase dues by \$3 and use it to fund attendance to fraternity/regional events).
- Establish a travel reimbursement policy
  - Brothers/Pledges who meet requirements will be able to get reimbursements.
  - For example, 90% attendance at meetings plus attendance at a specified number of social, professional & charitable events.
  - Cover lodging costs based on quad occupancy.

## **Advantages of Budgeting**

- Helps to save money.
- Allows chapter to view where the money is going.
- Can be used as a tool to reduce costs and to plan fundraising needs.
- Used as a planning tool for academic year.

# Fundraising

Sometimes chapters find themselves needing more funds than they have available. In order to provide the quality of services to members and the university community that they want, chapters find that they need to raise additional funds. Below are some suggestions for running a successful fundraising campaign.

## **Funding sources for organizations:**

- Foundations/grants - Sources generally fund only new projects for traditional community groups and rarely fund for operating expenses. The time line between application and award are quite long. The politics of grants increase the difficulty of getting award.
- Membership donations - A basic source of funds. The least risky method.
- Contributions from outside vested interests - Merchants, parents, alumni, etc.
- Mutual benefit projects - Donors with no direct link to the organization receive a service for their money. For example: sales of products, services, advertising, etc.
- Host a bingo game.
- Hold a raffle.

## **Ideas for successful fundraising:**

- Run a good publicity campaign - People who have to be told who you are won't give.
- Develop a detailed annual budget - Show how much money you will earn and prevents you from premature spending.
- Set goals for funds to be elicited - This will prevent approaching only easy sources of funds who may expect to dictate your program.
- Find a good accountant to handle your budget.
- Assign one or two fundraisers and give different people responsibility for the current and next year's budgets, to spread involvement and prevent expectations that one-year will pay for the other.
- Develop a plan – Maximize your communication and efforts by planning around major events. T-shirt sales, raffles and dance marathons are great anchors for smaller contests.
- Share the plan with everyone involved - get feedback and commitment.
- Guard against reduction of regular funding - Inform regular funding sources that additional funds raised will go to supplemental, not regular programs.

## **During the campaign:**

- Never allow funds to be controlled by an adversary.
- Never allow fundraising to disrupt regular services or programs.
- Assign each fundraiser reasonable portion of the total plan.
- First approach individuals with an interest in or connection to you.
- Approach unrelated donors through mutual contact.
- Get organizations to match funds raised from their members. Match individual donations with large contributions. (People often give more if their money is doubled through matching funds).
- Give donors something tangible for their money (a pen, receipt, certificate, etc.).

## **After the campaign:**

- Follow-up immediately on pledges. (Generally only 50% of pledges actually pay. Immediate follow-up may raise this statistic).
- Publicly reward fundraisers.
- Review campaign for successes and failures.
- Plan next year's campaign.

## **Characteristics of a good fundraising campaign:**

- The organization raising funds is respectable.
- Hard money is raised. Money which can be spent on what you want, rather than what the donor wants.
- Front money is avoided.
- Little is financially risked. As much as possible, supplies and services needed are donated.
- Incentives are built-in for donors and fundraisers.
- Money comes in over time, not in one lump sum. On the basis of contributions, the plan is reevaluated and reworked if necessary.
- Staff time is not eaten up with fundraising.
- Publicity for the organization is built in.
- The plan is repeatable.

*Adapted from "Successful Fundraising" Doug Smith, Public Interest Research Group The University of Iowa Office of Campus Programs & Student Activities Leader Sheet*

## **Exploring Student Government Funding**

- Approach your university's Student Government Association, or the governing body that disperses funds to student organizations, and request a grant to pay for the registration fee, lodging, and transportation expenses to Principled Business Leadership Institute or the Biennial Convention.
- Also approach the Dean of the Business School for any other avenues that will help your chapter secure funds. Emphasize the educational program and how it will benefit your chapter members as business students.
- Plenty of sources exist for funding student organizations; you just need to find them. If you remain persistent, your chapter has a good chance to defray at least some of the expenses to attend. You'll never know if you don't ask.
- Your request for funding packet should contain the following items:
  - Brief cover letter - Be concise and to the point. Most people do not want to read for hours to get to the point.
  - Proposal - This is where you outline the exact dollar amount that you are looking for. You should also emphasize why the funds are important and what benefit will be derived from their use.
  - Event brochure

## **Corporate Sponsorship**

Securing local, area and national businesses as event sponsors is the most effect way to raise a large sum of money. A business becomes a corporate sponsor when it donates money to a charity in return for publicity. Alcohol-related sponsors, such as beer distributors, liquor stores and bars are not acceptable sponsors for Alpha Kappa Psi events.

The amount of money businesses donate varies. Much of this variance depends on the following items:

- Event type. Attract businesses, which sell items specific to your event, to sponsor the fundraiser. If your chapter sponsors a bike-a-thon, contact local bike stores, sporting goods stores and regional bicycling magazines. However, once a company becomes a sponsor, do not solicit sponsorship from competing businesses.
- Profile of Attendees and Participants. Companies direct advertising to certain groups within society and spend their advertising dollar accordingly.
- Event Longevity. If this is the third straight year for your bike-a-thon, stress this fact to potential sponsors. The event is a proven success.
- Competition. Assure the business managers/owners that their business will be the only company which sells a particular product to sponsor your charity. Cultivate businesses who do not compete with one another as sponsors.
- Charity. Tell business owners/managers of the positive effect their donation will have. In addition, remind them of the positive influence donating to charity will have upon the public's perception of the company.
- Affordability. Sell potential donors on the affordability of your "advertising." Often chapters publish the names of corporate sponsors on programs, T-shirts, flyers, banners, newspaper advertisements, letters to other organizations, signs, newsletters, etc.

Prepare a list of various ways in which corporate sponsors will be promoted and an accompanying price list. Show this to business owners/managers when soliciting for donations. For example, if a company donates \$25, the company will be listed in the program. However, if a company contributes \$200, the organization's logo will be published in the program and on all publicity materials, including free T-shirts to contestants. Sometimes, companies prefer to donate a service rather than money. Many chapters accept this type of payment. For example, a printer prints the programs for the event free of charge. Since this "donation" saves the chapter \$200, the chapter publishes the printer's name in the programs and on all the publicity material.

## **Checklist for Charity Event Pre-Planning**

- Organize a Fund Raising Committee
- Establish responsibilities for each member.
- Ensure that all committee members understand their obligations.
- Choose a fundraiser
- Evaluate selection
- Establish a budget
- Keep costs to 5-10 percent of expected contributions.
- Establish a calendar with intermediate deadlines to ensure each item in the planning process is completed on time.
- Set an appropriate date.
- Consider weather conditions.
- Take into account other events.
- Contemplate Holidays.

- Develop a contingency plan for rain.
- Establish possible rain dates or an inside location.
- Determine a location appropriate for the event
- Secure contributions.
- Corporate Sponsors.
- Entry Fees.
- Publicize the event.

These steps are merely broad guidelines to chapter fundraisers. Every chapter, campus, and community is different.

### **Questions to help generate quick fundraisers to raise money for an Alpha Kappa Psi Event:**

- When do the dorms stop serving meals before the Holiday Break? Do some students stick around who would be willing to pay for a spaghetti dinner? It's cheaper than eating in a restaurant. Can you find a restaurant that will donate the spaghetti or at least the sauce?
- Is there a Bakery on campus or in the community that will donate some holiday cookies? This would be great publicity for them. Sell them on campus to student and advertise the bakery.
- Hold a Flea Market. Get people from all over campus and the community to donate items to your flea market. Then sell the items at your market. What a great way for students to Christmas shop!

## Collections

- Prepare invoices.
- Include a due date (i.e. the 1st general meeting of the academic term).
- Send invoices prior to the start of the academic term.
- If a member has financial problems and cannot pay; have them sign a promissory note.
- 1st installment should be at least the amount due to the Heritage Center.
- Final payment should be made at least 61 days prior to the end of the academic term.
- Enforce your late fees and penalties.
- Generate invoices for late fees, penalties and non-attendance fines, and include a due date (no later than 60 days prior to the last meeting of the academic term).
- If a member does not pay, remove the member from the roster (30 days after due date).
  - Once paid, reinstate member to the roster.
- If a member does not pay, suspend the member (60 days after due date).
- Report this member on the website so you won't be charged for someone who doesn't pay.
- Include amount due by the brother.
- If a member is suspended for financial reasons they cannot vote, attend meetings, professional events, participate in committees, participate in social activities, etc. (I.e. anything related to the chapter until their fees have been paid and they are reinstated).
- Refer to the Constitution & Statutory Code for delinquency policies.

# How to Read Invoices

## Summary

Invoices are sent to chapters when there are any changes in the chapters account. Membership invoices are due upon receipt of the invoice. All other invoices are due in 30 days. All payments received after 30 days will accrue late charges.

Note: Alpha Kappa Psi charges 18% per year on all overdue invoices.

## Invoice Parts

- Invoice Number - The number Heritage Center has assigned your invoice.
- Invoice Date - The Date changes are adjusted to chapters account.
- Page - The number of invoice/ invoices.
- Customer I.D. - Your chapter's account number.  
*Note: All chapters have an account number starting with the 2 letters of your region (i.e., MW1048). If a call is made to the Heritage Center, please have the customer number ready for quicker service.*
- Customer P.O. - Internal Abbreviations.
- Payment Terms - When the payment is due at the Heritage Center.
- Sales Rep I.D. - N/A
- Shipping Method - N/A
- Ship Date - N/A
- Due Date - N/A
- Quantity - The number of specified charges.
- Item Number - Internal Use.
- Description - A detailed description of charges.
- Unit Price - Price for each item charged.
- Extension - Total charges for item.
- Sales Tax - N/A for most invoices.
- Note: Only Indiana Residence will pay 7% Sales Tax for Merchandise Orders ONLY.
- Total Invoice Amount - Amount of all charges.
- Check Number - If a check is received by the Heritage Center along with the invoice, the check number will appear here.
- Payment Received - Any Payments received by the Heritage Center from chapter.  
*Note: If multiple checks are received for the same invoice (ex. pledge fees being paid by each individual pledge), only one check will appear in the payment received section of the invoice. The full Payment WILL BE APPLIED to your account. You will see the FULL PAYMENT on your monthly statements.*
- Total - The total amount due from chapter, to the Heritage Center.

## Credits

Credits will be handled in the same manner. The only difference is the Invoice will have the word CREDIT on the top of the invoice. Also, there will be a minus sign in front of the amount of the charge (example, - \$100.00).

## **Statements**

- Customer Account ID – Unique number used on all chapter finance information.
- Reference Column – links invoices and payments through Invoice #'s and Check #'s, respectively. Sometimes, "VISA," MC" or "Cash" is used instead of a check number for payments.
- Description Column – displays "Payment" for payments made on the account and the Customer PO.
- Aging Boxes – displays the age categories and amount due for each category.

## Sample Chart of Accounts

**Alpha Kappa Psi Professional Business Fraternity**  
**CHAPTER NAME**  
**Chart of Accounts**

Acct #	Description	Type
100.00	Cash-Checking account	Current Asset
110.00	Accounts receivable	Current Asset
120.00	Deposits	Current Asset
150.00	Investments	Long Term Asset
200.00	Accounts payable	Current Liability
205.00	Due to Pledge class	Current Liability
300.00	Earnings	Equity
310.00	Net income	Equity
400.00	Membership dues income	Income
405.00	Pledge fees income	Income
410.00	Late fees/penalties	Income
415.00	Fundraising income	Income
420.00	Banquet income	Income
500.00	Membership fees	Expense
505.00	Insurance fees	Expense
510.00	Pledge fees	Expense
515.00	Initiation fees	Expense
520.00	Faculty/Honorary initiation fees	Expense
600.00	Bank charges	Expense
605.00	Fundraising expenses	Expense
610.00	Late fees	Expense
615.00	Miscellaneous	Expense
650.00	National/Regional education expenses	Expense
655.00	Professional Programming	Expense
660.00	Recruiting expenses	Expense
665.00	Ritual expenses	Expense
680.00	Banquet/Entertainment	Expense
800.00	Other revenue	Other Income
805.00	Interest income	Other Income
850.00	Other expenses	Other Expense

## Sample Balance Sheet

Alpha Kappa Psi Professional Business Fraternity				
CHAPTER NAME				
Balance Sheet				
As of December 31, 2011				
<b>ASSETS</b>				
	Current Assets			
		Cash		406.00
		Accounts Receivable		210.00
		Deposits		-
	Total Current Assets			616.00
	Long Term Assets			
		Investments		-
	Total Long Term Assets			-
<b>TOTAL ASSETS</b>				<b>\$ 616.00</b>
<b>LIABILITIES &amp; EQUITY</b>				
	Liabilities			
		Current Liabilities		
			Accounts Payable	28.00
			Due to Pledge Class	-
		Total Current Liabilities		28.00
	Total Liabilities			28.00
	Equity			
		Earnings		-
		Net Income		588.00
	Total Equity			588.00
<b>TOTAL LIABILITIES &amp; EQUITY</b>				<b>\$ 616.00</b>

# Sample Income Statement

CHAPTER NAME						
Income Statement						
For the Period Ended December 31, 2011						
		Fall	%	Budget	%	Variance
<b>REVENUES</b>						
400	Membership dues	2,800.00	60%	2,800.00	57%	-
405	Pledge fees	1,140.00	24%	1,425.00	29%	(285.00)
410	Late fees/penalties	50.00	1%	-	0%	50.00
415	Fundraising	700.00	15%	700.00	14%	-
<b>TOTAL REVENUES</b>		<b>\$ 4,690.00</b>	<b>100%</b>	<b>\$ 4,925.00</b>	<b>100%</b>	<b>\$ (235.00)</b>
<b>EXPENSES</b>						
<b>Fraternity Dues</b>						
500	Membership fees	1,050.00	22%	1,050.00	21%	-
505	Insurance fees	640.00	14%	640.00	13%	-
510	Pledge fees	360.00	8%	450.00	9%	90.00
515	Initiation fees	550.00	12%	825.00	17%	275.00
520	Faculty/Honorary initiation fees	-	0%	-	0%	-
<b>Total Fraternity Dues</b>		<b>2,600.00</b>	<b>55%</b>	<b>2,965.00</b>	<b>60%</b>	<b>365.00</b>
<b>Operating</b>						
600	Bank charges	36.00	1%	40.00	1%	4.00
605	Fundraising expenses	15.00	0%	-	0%	(15.00)
610	Late fees	-	0%	-	0%	-
615	Miscellaneous	-	0%	100.00	2%	100.00
<b>Total Operating</b>		<b>51.00</b>	<b>1%</b>	<b>140.00</b>	<b>3%</b>	<b>89.00</b>
<b>Programming</b>						
650	Fraternity/Regional education expenses	850.00	18%	1,000.00	20%	150.00
655	Professional programming	-	0%	50.00	1%	50.00
660	Recruiting expenses	198.00	4%	200.00	4%	2.00
665	Ritual expenses	53.00	1%	50.00	1%	(3.00)
<b>Total Programming</b>		<b>1,101.00</b>	<b>23%</b>	<b>1,300.00</b>	<b>26%</b>	<b>199.00</b>
<b>Social</b>						
680	Banquet/Entertainment	350.00	7%	200.00	4%	(150.00)
<b>Total Social</b>		<b>350.00</b>	<b>7%</b>	<b>200.00</b>	<b>4%</b>	<b>(150.00)</b>
<b>TOTAL EXPENSES</b>		<b>4,102.00</b>	<b>87%</b>	<b>4,605.00</b>	<b>94%</b>	<b>503.00</b>
<b>Net Ordinary Income</b>		<b>\$ 588.00</b>	<b>13%</b>	<b>\$ 320.00</b>	<b>6%</b>	<b>\$ 268.00</b>
<b>OTHER INCOME/EXPENSE</b>						
<b>Other Income</b>						
800	Other Income	-	0%	100.00	2%	(100.00)
805	Interest Income	-	0%	-	0%	-
<b>Total Other Income</b>		<b>-</b>	<b>0%</b>	<b>100.00</b>	<b>2%</b>	<b>(100.00)</b>
<b>Other Expenses</b>						
850	Other Expenses	-	0%	50.00	1%	50.00
<b>Total Other Expenses</b>		<b>-</b>	<b>0%</b>	<b>50.00</b>	<b>1%</b>	<b>50.00</b>
<b>Net Other Income</b>		<b>\$ -</b>	<b>0%</b>	<b>\$ 50.00</b>	<b>1%</b>	<b>\$ (50.00)</b>
<b>NET INCOME</b>		<b>\$ 588.00</b>	<b>13%</b>	<b>\$ 370.00</b>	<b>8%</b>	<b>\$ 218.00</b>

# Sample Budget

CHAPTER NAME									
Cash Budget									
For the Year Ending June 30, 2012									
		FALL SEMESTER			SPRING SEMESTER				
		#	\$	Amount	#	\$	Amount		
<b>Beginning cash balance</b>				\$ 1,250.00				\$ 1,487.50	
<b>Revenues</b>									
400	Membership dues	35	\$ 90	3,150.00	45	\$ 90	4,050.00		
405	Pledge fees	15	\$ 120	1,800.00	20	\$ 120	2,400.00		
420	Banquet								-
	Fundraising								
415	Car wash			-					120.00
415	Concession			750.00					-
415	University funding			500.00					-
<b>Total Revenues</b>				\$ 6,200.00				\$ 6,570.00	
<b>Expenses</b>									
500	Membership fees	35	\$ 47.50	1,662.50	45	\$ 47.50	2,137.50		
505	Insurance fees	40	\$ 30	1,200.00					-
510	Pledge fees	15	\$ 39	585.00	15	\$ 39	585.00		
515	Initiation fees	15	\$ 65	975.00	15	\$ 65	975.00		
520	Faculty/Honorary initiation fee (1 per yr)		\$ 15	-		\$ 15	-		-
520	Additional faculty initiations		\$ 65	-		\$ 65	-		-
600	Bank charges			40.00					40.00
605	Fundraising expenses			-					-
610	Late fees			-					-
615	Miscellaneous			100.00					100.00
650	Fraternity/Regional education expenses			800.00					500.00
655	Professional programming			150.00					150.00
660	Recruiting expenses			200.00					200.00
665	Ritual expenses			50.00					100.00
680	Banquet/Entertainment			200.00	50	\$ 60	3,000.00		
<b>Total Expenses</b>				\$ 5,962.50				\$ 7,787.50	
<b>Ending cash balance</b>				\$ 1,487.50				\$ 270.00	

# **Sample Letter to Student Government**

<Date>

\_\_\_\_\_ University  
Student Government Office

Dear \_\_\_\_\_:

Alpha Kappa Psi Professional Business Fraternity is hosting the <name of event>. Although the <name of event> is sponsored by Alpha Kappa Psi, it is open to anyone who would like to attend. The <name of event> will provide a full range of educational experiences for college students and young professionals across the country. Enclosed is the brochure for your review. The program covers a wide range of topics pertaining to <list educational topics to be covered>.

The \_\_\_\_\_ Chapter of Alpha Kappa Psi would like to attend the <name of event> in <location> on <date of event>. We feel this program is an excellent opportunity to enhance our classroom education. We ask that the Student Government support us by funding our attendance. With this support, the Student Government would be making great strides to support the mission of \_\_\_\_\_ University. The vision is: "Alpha Kappa Psi is recognized as the premier developer of principled business leaders." The Fraternity's vision and the University's mission are both focused on the education and training of future leaders.

I have outlined our specific requests on the following page. I will call you the week of \_\_\_\_\_ to discuss this proposal with you in more detail. Alpha Kappa Psi Professional Business Fraternity looks forward to working with the student government at \_\_\_\_\_ University. Thank you for your consideration.

Best Regards,  
Chapter President  
Alpha Kappa Psi Fraternity  
XYZ Chapter

# **Sample Proposal to Student Government**

<Name of Event>  
*Designed by Alpha Kappa Psi  
Professional Business Fraternity*

## **FUNDING PROPOSAL**

\_\_\_\_\_ UNIVERSITY'S COMMITMENT

1. Fund 12 people to attend the <event>

### Specifications

Registration Fee (<reg. fee> x 12)	\$ _____
Lodging (<hotel rate> x 3 rooms x 2 nights)	\$ _____
Travel (\$0.15/mile or airfare)	\$ _____
TOTAL	\$ _____

## **ALPHA KAPPA PSI'S COMMITMENT**

1. Utilize this opportunity to enhance our classroom education with "real world" experiences.
2. Share our experience with other \_\_\_\_\_ University students.

## **WHAT THE <EVENT> CAN MEAN TO \_\_\_\_\_ UNIVERSITY**

1. \_\_\_\_\_ University's support provides an educational opportunity for students who wouldn't otherwise be able to attend.
2. By supporting the <event>, \_\_\_\_\_ University is supporting leadership. Alpha Kappa Psi is grateful for the support afforded it by student governments across the country. Thank you for your gracious consideration of this request.

Please include additional names on back.