Accounting and Budgeting Controls

Alpha Kappa Psi is recognized as the premier developer of principled business leaders.

- 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

- Bank fees
- Brother dues ($60/person)
- Fraternity/Regional education (PBLI, Convention/College of Leadership, etc)
- Initiation fees ($84/person)
- Insurance ($30/person: actual spring member dues + spring initiates)
- Officer training
- Pledge education
- Pledge fees ($48/person)
- Professional programming
- Ritual expenses
- Social events (parties, banquets, etc.)
- Supplies

Don’t forget to include funding for Regional/Fraternity events (PBLI, 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). Chapters are billed $150 per academic term.
- Set aside a portion of the brother and 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 and charitable events.
  - Cover lodging costs based on quad occupancy.

Advantages of Budget

- Helps save money.
- Allows chapter to view where the money is going.
- Can be used as a tool to reduce costs and to plan fundraising need
Accounting Controls

- 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 at least monthly. 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 at least monthly, 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.
- Contact your regional manager of finance if you have questions or need help resolving any financial issues.
- Make copies of every check sent to the Heritage Center along with backup documents describing what each payment was for.
- Send all payments to the Heritage Center by certified mail/return receipt and attach a copy of the receipt to your check copy to facilitate dispute resolution.