**Alpha Kappa Alpha Sorority, Incorporated**

**Tau Upsilon Omega Chapter**

**Financial Operations Procedures**



**April 2019**

**Tau Upsilon Omega Chapter Financial Operations Procedures**

**A. PURPOSE**

The purpose of the Financial Operating Procedures is to set forth the chapter procedures and guidelines for collecting and disbursing funds, and to delineate the financial responsibilities of all members. These procedures supplement any existing guidelines of Alpha Kappa Alpha Sorority, Incorporated, and Tau Upsilon Omega documents relating to financial transactions.

**B. AUTHORITIES**

This Chapter document should be used in conjunction with the following approved documents: Alpha Kappa Alpha Constitution and Bylaws; Alpha Kappa Alpha Manual of Standard Procedure; Financial Fundamentals: Guide to Chapter Financial Procedures; and Tau Upsilon Omega Bylaws.

**C. COLLECTION OF FUNDS - PECUNIOUS GRAMMATEUS**

The Pecunious Grammateus receives and records all monies for the chapter.

She gives receipts for all income received and maintains duplicates of all receipts in the

Receipt Book. She gives all money to the Tamiouchos within **5-7 calendar days** for deposit,

with a detailed report indicating sources of income. She maintains the Cash Receipts Journal for the chapter. She maintains a current alphabetical list of all financial members. She maintains a

record of funds submitted to the Tamiouchos. She keeps a record of all payments made by

each soror and brings it to chapter meetings.

1. **Policy**

* The general policies for collecting funds within the chapter are as follows:
* No post-dated checks will be accepted.
* **The Tamiouchos does not receipt funds for any purpose.**
* All checks received by a soror of this chapter from a non-member ***must*** have the soror’s name and the event/activity on the memo line of the check.
* All monies received from non-chapter sorors for headquarters activities (i.e. Boulé, Regional, Cluster, etc.) must be in the form of a money order or cashier’s check.
* Tickets are only distributed when paid for. A running account of tickets issued and paid for should be maintained.
* Deadlines for receipt for funds ***must*** be established and ***must*** be adhered to. Any tickets not paid for by a specified date are the financial responsibility of the soror who has them.
* Checks will be accepted from non-members if submitted fifteen (15) days prior to the event. After that time, cash, certified check, cashier’s check or money order will be the ONLY acceptable method of payment. All payments from vendors ***must*** be made in the form of cashier’s check or money order. Any other form of payment will not be accepted and will be returned to the vendor.
* Money will not be receipted in a public place.
* All mail containing money, retrieved from the PO Box by the Epistoleus, should be given to the Pecunious Grammateus within 3-5 business days. Sorors may mail money directly to the home of the Pecunious Grammateus.
* Any ACH (automated clearing house) money transfers (e.g. PayPal) executed by the Tamiouchos, must be communicated to the Pecunious Grammateus within 3-5 business days.
* Funds received electronically are to be handled by the Pecunious Grammateus in the same way as all other funds received in the name of the chapter.
* If the bank does not honor a check that was included in a deposit, the Pecunious Grammatues is responsible for collecting payments returned for insufficient funds.

 **2. Roles and Responsibilities**

* Responsibilities of the **Pecunious Grammateus** - The Pecunious Grammateus shall receive monies of the chapter, make entry of the amounts in her records, and turn the money over to the Tamiouchos. She shall maintain a list of financial sorors and notify all sorors of their financial status. She shall submit records necessary for an annual audit. She shall be a member of the Executive Board and Co-Chairman of the Finance Committee.
* Each **Chapter Committee Chair** designated to receipt monies for particular events (i.e. Winter Gala, Day at the Races, African American Expression Fundraiser, Sisterly Relations Activities, special events, etc.), will follow procedures stated below as an assist to the Pecunious Grammateus:
* Keep a receipt book or record for the activity, and verify the amount collected.
* Refrain from leaving the premises, event or activity with collected funds.
* Immediately turn over collected funds to the Pecunious Grammateus, who will provide a receipt from the chapter receipt book.
* Receive a receipt from the chapter receipt book, issued by the Pecunious Grammateus.
* In the absence of the Pecunious Grammateus, collected funds can be handed over to the Basileus for subsequent transmittal to the Pecunious Grammateus at the earliest possible time.
* A grand total of the money receipted showing the total of the different categories should be submitted in a table/spreadsheet at the end of the event or activity.

**D. DISBURSEMENT OF FUNDS - TAMIOUCHOS**

* The Tamiouchos is the guardian of all of the chapter’s funds. She receives all monies from the Pecunious Grammateus and deposits all funds within **5-7 calendar days** of receipt from the Pecunious Grammateus. She issues checks and signs checks along with the Basileus. In the absence of the Basileus, the other authorized signers (the Grammateus and the Anti-Tamiouchos) may sign checks. She reconciles monthly bank statements and provideswritten monthly reports of income received (sources), expenditures (purposes), and account balances as of the date of the report. She maintains chapter operational funds and fundraising funds in separate accounts. She prepares an End-of-Year financial report to the Corporate, and to the members of the chapter. She prepares an annual budget with the assistance of the Finance Committee for presentation to the chapter and Corporate Office. She maintains “Cash Receipts Reports” and “Cash Disbursement Reports “in the “LEDGER-Journal. She maintains separate checkbooks for each account. She maintains a current record of "Budget vs Actuals" expenditures. She secures the chapter’s approval for spending non-budgeted monies through the contingency fund and chairs the Finance Committee**.** She shall be bonded and perform other duties as assigned by the Basileus.

 **1. Policy**

 The general policies for disbursing funds are as follows:

a. All disbursements of funds will be dependent upon a completed voucher. All vouchers must include the signatures of the person submitting the voucher, the Committee Chairman (if applicable) and the Basileus. All vouchers must have the necessary receipts, invoices and/or appropriate documents attached***.*** The Grammateus can sign vouchers in lieu of a committee chairman.

 **The Pecunious Grammateus is not involved with the disbursement of funds; i.e. she does not sign vouchers or checks for any reason.**

b. The committee chairman will submit completed vouchers to the Tamiouchos. (Individual committee members must submit their vouchers to the committee chairman.)

c. Written approval must be obtained from the Basileus before obligating the chapter for $500.00 or more. This approval must be attached to the voucher when payment is requested.

d. Disbursements **will not** be made unless a completed voucher has been submitted**.** No disbursement shall exceed the budgeted amount regardless of reviewer’s signatures or Basileus’ approval on the voucher. Requested reimbursement amounts that exceed funds available, shall be considered a donation by the soror.

e. All sorors (including officers) must have the approval of the committee chairman before disbursements will be made.

f. In instances where prepayment is necessary, a voucher is submitted to the Tamiouchos by the committee chairman. After the purchase has been made, the receipt must be given to the Tamiouchos for attachment to the voucher.

g. In instances where signatures are required for contracts and/or other documents that are associated with an event, all contracts must be first reviewed by the committee chairperson and submitted to the Basileus for signature. The contract and/or the document that is associated with the event must be submitted with the voucher requesting payment. Disbursements will not be made if the documents do not accompany the completed voucher.

h. All completed vouchers received by the Tamiouchos shall have checks written within **3-7 calendar days**.

i. The Tamiouchos must reconcile the chapter records with the bank statement once monthly, using either on-line bank records or a printed bank statement.

j. The Tamiouchos is responsible for completing the Annual Budget, and the Statement of Financial Operations, both of which are to be submitted on-line to the Corporate Office no later than **January 15th**. These forms must be reviewed by the Basileus before electronic submission. An incoming Tamiouchos should observe this submission along with the Basileus.

k. A report of the bank statement balance must be presented for inclusion in the Executive Board minutes. A copy of monthly bank statements must be provided to the Grammateus at each Executive Board Meeting.

**2. Roles and Responsibilities**

* Responsibilities of the **Tamiouchos.** The Tamiouchos shall maintain and document internal controls for the transfer of funds between and within accounts. She shall make disbursement of funds by chapter check only. She shall provide a copy of the Budget vs Actuals report at the chapter business meeting for sorors to review, in addition to a copy for the Basileus, Parliamentarian and Anti-Tamiouchos for their records. She shall provide all necessary records to the Audit Committee upon request and provide clarification as needed. She shall be the chair of the Finance Committee, and a member of the Executive Board and Program Committee. She shall provide all passcodes/IDs/passwords to the Basileus. She shall provide written notification of specific budget category information to each committee chairman.
* Responsibilities of the Anti-Tamiouchos. The Anti-Tamiouchos shall assist the Tamiouchos, and assume her responsibilities in the absence of the Tamiouchos. She shall be bonded, and perform other duties as assigned by the Basileus.

**E. RESPONSIBILITIES OF COMMITTEE CHAIRMEN**

* Each committee chairman will prepare and submit a proposed budget to the Executive Board for review prior to the activity, event or program.
* The chairman has ultimate responsibility for ensuring that a record of all income and expenses is maintained for each activity, event or program.
* The chairman must obtain written approval from the Basileus prior to obligating any funds of $500.00 or more.
* The chairman will review the budget and verify that funds are available for each line item. She will sign all vouchers for reimbursement or payment, obtain the additional required signature and submit to the Basileus for approval.She is responsible for turning in vouchers in a timely manner.
* Budget requests must be submitted to the chairman of the Finance Committee by **first week of September** in order to have a line item in the budget for the following year. If no budget is submitted, the budget will remain the same as in prior years or may be reduced.
* Within thirty (30) days of an event, the committee chairman must submit financial accounting of all funds (income and expenses—paid and unpaid), including all outstanding vouchers.
* Any requests for new line items or an increase in existing line items after the budget request has been approved in November shall first be submitted to the Executive Board for approval, then to the Chapter for approval.
* Sorors who receive checks from non-chapter members, for ticket sales or other fundraising projects, ***must immediately*** record the funds received and turn over to the Pecunious Grammateus.

**F. RESPONSIBILITIES OF INDIVIDUAL SORORS**

1. General Financial Obligations and Responsibilities:

* Sorors are to be financial by the **January Chapter Business Meeting**. Dues may be paid on an installment plan but should be completed by the deadline date.
* All dues are to be either given to or mailed to the Pecunious Grammateus.
* **No post-dated checks will be accepted.**
* The memo section of checks should indicate the purpose of the check (e.g., dues)
* All checks that a soror submits from a non-member must have the soror’s name and event/activity on the memo line of the check
* A $25 fee shall be assessed for ALL RETURNED CHECKS.
* Personal checks will not be accepted from a soror who has two returned checks in a calendar year.
* Sorors are expected to support the fundraising activities of the chapter.
* Sorors must financially support at least one fundraising activity of the chapter.
* Sorors must submit vouchers within thirty (30) days of an event, unless there are extenuating circumstances determined by the Basileus. After 30 days, vouchers *may* not be honored.
* Delegates who submit written reports more than thirty (30) days after the conclusion of the Far Western Regional Conference *may* not be reimbursed for their registration fee.
* Delegates who attend a Boule Conference, must submit a written report by the first (1st) chapter business meeting in order to receive reimbursement for their registration fee.

**G. FINANCIAL OFFICER TRANSITIONS**

 1. The outgoing and incoming financial officers (Tamiouchos & Pecunious Grammateus)

shall arrange to meet by **January 10th** to jointly complete the financial reports for the month of January.

2. All journals, spreadsheets, records, books, etc. should be exchanged no later than the January business chapter meeting.

H. Financial Essentials (Best Practices)

* “GO-FUND ME” pages *MUST NOT* be used for fundraising activities. Use of these sources require a 1099 and result in an assessment by the Corporate Office.
* Financial officer certification must be renewed every 3 years.
* A CHAPTER PAYMENT (i.e. to a vendor, for a service, etc.) must not be made using an online service or APP (e.g. PayPal). All chapter payments must be in the form of a chapter check reviewed by an officer, approved by the Basileus and issued by the Tamiouchos.
* The Pecunious Grammateus *receipts* actual electronic amounts submitted on-line. The Tamiouchos *records* the net amount received and deposited. The Pecunious Grammateus separately *records* the gross amount, including fees paid by the customer.
* Electronic signatures should NOT be used.
* Vendors must complete a W9 form before payments of ANY amount can be made. Vendor payments of $600 or more (cumulative for the fiscal year) are reported to the Corp office along with submission of the corresponding W9 form.
* Voided chapter checks are recorded in monthly reports and maintained in the chapter checkbook.
* Bonding coverage should be re-examined and renewed annually to ensure adequate coverage for the number of financial officers handling funds.
* The Tamiouchos can NOT pay over the budgeted amount without the approval of the Executive Board and chapter.
* “Cash Receipts Reports” and “Cash Disbursement Reports” are included in the “LEDGER-Journal maintained by the Tamiouchos.
* The Basileus or Audit Committee Chairman should review paper or on-line bank statements monthly.
* On-line banking transactions, bank teller activities (i.e. account-to-account transfers), or internal account transfers should be documented by the Tamiouchos and signed by the Basileus and one other officer.
* A “Balance Sheet” may be included in the chapter financial ledger-journal or a notation included in the monthly reports.
* Financial reports can be presented as a Power Point presentation at chapter business meetings, to reduce excessive paper use. Such reports must then be made available to chapter members in a secured “Members Only” section of the chapter website.
* Sorors should not be asked to vote on items already approved in the chapter budget. However, an increase must be approved by the Executive Board and be presented to the chapter for approval prior to payment..
* Encumbered funds (e.g. dues) can be returned to a soror upon written request. Payments (e.g ticket purchases) cannot be refunded.
* The Audit Committee will conduct an internal audit of the previous fiscal year by March 31st. A preliminary report should be presented to the Executive Board within 45 days of the audit. The final report should be presented to the chapter no later than the June chapter meeting.
* An external audit should be performed whenever a new Tamiouchos is selected. This audit should be conducted by any outside entity no later than March 31st or within 3 months of the selection of a new Tamiouchos mid-year.