



GRAND TREASURER

KAPPA SIGMA FRATERNITY EXECUTIVE COMMITTEE MANUAL

FELLOWS



LEADERSHIP



INTRODUCTION

The proper regulation and allocation of chapter finances is vested in the responsibility of the Grand Treasurer. Financial stability of the chapter depends on the Grand Treasurer's performance of his duties; specifically, the organization of his reports and accounts, and the responsibility of follow-up in collecting from the members and paying the vendors. The Grand Treasurer's office can be broken down into four steps: The proper budgeting of funds, collection of those funds, disbursement of fund and recording the entire transaction.

Job Description According to the Constitution, By-Laws and Rules of Kappa Sigma Fraternity

Article V, Section 4, Sub-Section 6 of the By-Laws:

"The Grand Treasurer shall act as a custodian of the chapter funds and shall pay out no money except by a check countersigned by the Grand Master, or in his absence, by another officer expressly authorized by the chapter.

He shall remit to Headquarters(a) all pledge fees at the time of pledging, (b) the membership fees of all initiates at the time of initiation, (c) the Annual Dues of all members of the chapter on or before the date prescribed by the Supreme Executive Committee, and (d) any other fees, dues, or assessments due with respect to the chapter or members thereof. Failure to remit any such amounts may result in a penalty on the delinquent chapter. A budget shall be submitted each school year on a form provided by the Executive Director.

The Grand Treasurer of each undergraduate chapter shall be elected to hold office for a period of one (1) year. The

NOTE

"The Grand Treasurer shall act as a custodian of the chapter funds and shall pay out no money except by a check countersigned by the Grand Master, or in his absence, by another officer expressly authorized by the chapter."



Grand Treasurer elected by the undergraduate chapter shall assume office and shall serve only with the consent of

the Alumnus Advisor and District Grand Master. If, in the opinion of the Alumnus Advisor, the Grand Treasurer is not satisfactorily performing the duties of his office, the Alumnus Advisor may remove said Grand Treasurer from office with a written report of such action being made to the chapter and to the District Grand Master and to the Supreme Executive Committee, whereupon the undergraduate chapter shall proceed as expeditiously as possible to elect a satisfactory successor.

After the Worthy Grand Treasurer has notified a Grand Treasurer, or his chapter, of his failure to perform his duties and such failure still continues, the Supreme Executive Committee may remove such Grand Treasurer from his office, and the one so removed shall thereafter be ineligible for election to the office of Grand Treasurer."

Budget Preparation (Best Practices)

- Allow a reasonable amount for "uncollected fees".
- Insist on a comfortable year end excess when possible.
- Any member who incurs an obligation to the chapter or expense without authorization is personally responsible for its payment.
- Post the budget on the chapter's bulletin board and/or distribute to the membership.
- Post monthly a statement of variances of income and expense from budgeted amounts, and review monthly with members during meetings.

Policies and Recommendations for Collection of Fees and Assessments:

Prepayment: In order to ensure that the money due is collected, the policy should encourage that each member pays before incurring his debt.

Discounts: Prepayment may be encouraged by offering a discount on the monthly bill. For example under this plan the house bill is set \$5.00 to \$10.00 higher than the normal monthly charge. Those members who pay their bills by the first of the month receive a discount for the same amount. Others pay the full amount of the bill.

Suspension of Privileges: If a Brother does not pay his bills, his privileges should automatically be suspended. Privileges include the right to vote in meetings, participate in intramurals, attend social activities, take part in ritual activities, eat meals, and live in the chapter house.

Parents: After a bill has become overdue and the chapter has tried to work with the individual with no results, his parents should be notified. Write, call, or visit them and explain the situation directly with them. Request their help in clearing up the matter. These actions should be taken only after the individual is made aware that this step will take place. Often, the problem will be resolved when the individual realizes you plan to approach his parents.

Legal Action: If at this point the bill is still uncollected, seek legal action. Contact the University or College lawyer or an alumnus with a legal background and they should be able to tell you how to proceed within your state.



Expulsion: The Constitution, By-Laws and Rules of Kappa Sigma Fraternity provides for and details the procedure

for expulsion of a member from the Fraternity. Indebtedness of a member to a chapter or to the Fraternity constitutes unworthy conduct as defined by Article IV, Section 10, Sub-Section 3, of the Constitution, and such a member may be expelled from the Fraternity.

Any chapter with an accounts receivable problem should consider this course of action. Expulsion proceedings are not to be taken lightly. Care must be taken to observe the procedures outlined in the Constitution and By-Laws of the Fraternity. The effect of one expulsion on the level of the chapter's accounts receivable can be surprising.

Chapter Meeting: Read the entire list of accounts receivable at each chapter meeting. Note those Brothers that are delinquent. Provide a hard copy to pass around in the meeting.

Posting: Posting a list of those who owe money may encourage several to pay.

Bills: Each month give each member an itemized bill on a billing form. This enforces the idea that it is a legal obligation and increases the professional image of the chapter. It will have a definite effect on the accounts receivable.

Educate Your Members: Education is the best way to prevent members from accumulating debts to the chapter. Through rush, pledge, and chapter education programs, the members should become aware of their financial obligations.

Fines: If the fines are not enforced, members may learn disregard for the rules, thereby weakening the organization. The use of fines may also cause interpersonal problems between the person fined and the person enforcing or collecting the fine. At any rate, if the chapter uses fines, the fines should be automatically levied. If the person wishes to appeal the fine, he should do so to the Appeals Board or Executive Committee, NOT the Grand Treasurer. Similar to a traffic ticket, a deadline should be set whereby a fine must be paid.

University: Make yourself aware of what the University/College can offer. Many times an institution will withhold grades and transcripts until the member meets his obligations. Policies and Recommendations for Payment of Chapter Bills.

Distribution of Funds: The Grand Master and Grand Treasurer will coordinate together the distribution of chapter funds. Neither should be unaware when an expense is paid

No Credit Accounts: The chapter will not setup credit accounts with any place of business. All monies owed should be paid at the time of the transaction or when service is rendered.

Pre-Approved Purchases: A member should only make purchases on behalf of the chapter with pre-authorization from the Grand Master and Grand Treasurer. The Grand Treasurer should reimburse the member directly or apply a credit towards his chapter account.



Pay bills on time! If necessary, setup payment reminders.

KappaSig.Net: Through Kappa Sigma's mobile and desktop App, you may pay chapter invoices and see current assessments. The list of features changes frequently so be sure to check <http://KappaSigma.org> for updates.

Greek Capital Management: Kappa Sigma Fraternity partners with Greek Capital Management who provides the most effective tools for officers to manage the day-to-day operations of their Chapters or Colonies at the best price possible. Most importantly, under this new partnership GCM will help both stay current with the IRS for all of their tax needs including the annual 990 filings.

Greek Capital Management provides a wide range of communication tools to become the Chapter's or Colony's

REMEMBER TO

- **IRS FORM 990 is due to the IRS on October 15.** Download the form from www.irs.gov.
- Contact Headquarters and speak with the Accounts Payable Clerk for general questions.