

The 10 Minute Guide to IFC Finance

The financial health of the IFC is critical to its ability to be a successful advocate for the fraternity community, provide basic services for IFC members, and to provide relevant programming and educational opportunities. To be financially stable, the IFC should ensure that accepted financial procedures are incorporated into all IFC operations and care is taken to efficiently manage and disburse all IFC monies

Responsibilities:

The IFC Constitution and Bylaws should clearly establish the role of the Vice President of Finance and his responsibilities as the primary financial officer of the organization. Specific duties should include the following:

- Serve as chair of the IFC Finance Committee
- Lead and oversee the annual budget process
- Collect IFC member fraternity dues or other monetary assessments as needed
- Maintain accurate records throughout the year through invoicing and receipts
- Receive all check requests and make disbursements with a cosigner
- Review and approve all IFC Expenditure Request Forms and IFC Reimbursement Request Forms
- Prepare financial statements monthly and at the end of each term for distribution to all member fraternities and the IFC Advisor
- Make bank deposits when necessary and in a timely manner
- Provide advice and support to member chapter financial officers
- File taxes in accordance with federal and state laws (only if needed)

Transition

The following files should have been obtained through officer transition:

- Copy of the annual budget with any revisions
- Check register
- Canceled and voided checks
- Deposit tickets
- Check requests with attached receipts or invoices
- Receipt book
- List of accounts payable
- List of accounts receivable
- Contact information for any campus resources
- Monthly bank statements
- Copy of invoices from previous purchase orders
- If electronic banking is used, a list of usernames and passwords

IFC Budget

An annual budget should be developed after all member fraternities have agreed upon the programs for the year.

- Budgeting should follow goal setting and master planning as part of the critical elements of officer transition and preparation for a new year.
- A calendar of events and programs for the fiscal year will allow the IFC to forecast the financial needs of the organization for the upcoming year.
- A review of the income and expenses from the previous year will give an accurate overview of where money has been collected and spent in the past.
- Adjustments to income and expenses will have to be made when considering the current budget if events or services are added, changed, or deleted from the calendar.
- The budget should be developed by the IFC Executive Board or an appointed finance committee with input from all officers, committees, and chapters.
- The budget should be formally approved by the IFC Representatives at an IFC meeting before being put to use.

IFC Member Fraternity Dues

It is recommended that dues be determined based upon the total expenses outlined in the budget.

The IFC dues structure can take on many forms, but the following are samples.

- Cost each term per total members (active and new)
- Cost each term per total active members
- Cost each term per new initiates (in lieu of recruitment fee)
- Flat fee
- Flat fee plus pro-rated cost based on fraternity size
- Minimum and Maximum dues

An annual review of the dues structure will allow for incremental increases in dues when necessary, rather than a drastic, sudden jump in fees. A dues increase proposal will also take time to implement.

Meeting One:

The dues increase proposal is introduced to IFC Representatives and is distributed so that they can relay information and discuss the proposal with their members

Meeting Two:

The dues increase proposal is discussed based upon chapter discussions that took place the week prior – the IFC Executive Board or Finance Committee identify the pro and con issues

Meeting Three:

The dues increase proposal is brought up for a vote, a revised proposal may need to be prepared if necessary

Financial Reporting

When chapters understand IFC finances, they are usually more supportive of IFC programs and timelier in paying their dues or other outstanding debts.

Any regular financial report (those given at IFC meetings) should include the following:

Income

- Total since last report
- Total for the term
- Total for the year
- Amount still due (member dues)

Expenses (for each line item)

- Total spent since last report
- Total spent for the term
- Total spent for the year
- Available funds to date

Financial Expenditures

The most professional and accountable way to improve IFC financial requests is in accordance with the IFC budget.

Budget Request Form

The creation of a budget request form would be helpful for the treasurer to know what money is going to be spent on.

Charge Accounts

All charge accounts should be limited. The IFC Vice President of Finance should review the charge accounts and the charging procedure with each vendor individually.

Signatures

No IFC Executive Board officer should have the power to disburse funds from the IFC account with a single signature. Two signatures on all IFC checks and other disbursements are required to ensure the financial stability of the IFC.

Check/Debit Cards

Using a check card can increase convenience but also requires clear and consistent oversight to maintain the security of IFC's accounts. There should only be one card that remains in possession of the Vice President of Finance.