

Financial Operations Officer Resource



IFC

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Congratulations!

You have been chosen by the representatives of your Interfraternity Council to represent the fraternity community for the upcoming year.

Becoming the IFC Finance officer is a duty not to be taken lightly and is one that should be met with great **responsibility, patience, and diligence.**

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 and that the annual income of the IFC should always meet or exceed the projected expenses of the organization in delivering programs and serves for the benefit of the fraternity or campus community.

Fast Five for IFC Finance Officer

Much of your role of the IFC Finance Officer can be divided into different categories. Here are the NIC's *Fast Five* expectations for your time in this position.

1.

Budget

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

- The budget should align with the goals and master plan for the term. Budgeting is a critical element 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 and can help inform future expenditure.
- 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 delegation before being put to use.

2.

Financial Expenditures

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

- Create or Utilize a 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 and monitored. The IFC Vice President of Finance should review the charge accounts and the charging procedure with each vendor individually.
- Signatures
 - **No single IFC Executive Board officer should have the power to disburse funds from the IFC account.** Two signatures are recommended on all IFC checks and other disbursements to ensure the financial stability and integrity of the IFC.
- Checks/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.

3.

Funding Requests

With increased high-quality IFC services and events, additional money will be needed. In addition to or in place of a dues increase, the IFC may want to consider making a funding request to acquire additional money. This can be done through requesting the use of student activity fees or also approaching the Student Government Association. You should contact your local Student Government Association (SGA) for information on the funding request procedure. In preparing for funding requests, the IFC or fraternity community should be willing to supplement or match needed funds. The following should then be considered:

- All-Campus event sponsored by the fraternity community
- Leadership activities, speakers, or forums
- All fraternity/sorority activities or internal fraternity activities

Keep in mind that when requesting for money, a good justification will be needed. Events that are more inclusive to the entire campus community are more likely to be accepted than those that are exclusive to the fraternity and sorority community, but that does not mean you should not try!

4.

Filing Taxes

As recognized student organizations, most IFCs are not obligated to file tax forms and should follow all financial procedures related to registered student organizations.

IFCs who need to investigate their tax status related to filing federal, state, and local taxes are those hiring employees outside the scope of the campus payroll structure and those raising more than 20% of their annual budget from external fundraising activities. In both of these cases, federal and state payroll tax forms and the **federal Form 990 may need to be completed.**

5.

Collection of Member 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

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

Financial reports to chapters 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

Helpful Resources

NIC Staff

Contact the NIC for all of your resource and educational needs, campus community development issues and questions about implementing the SOP.

- Complete staff list can be found at nicfraternity.org/staff
- Email campus@nicfraternity.org

Interfraternity Council Standard Operating Procedures

The mission of an Interfraternity Council (IFC) is to foster a healthy and vibrant fraternity community. The IFC Standard Operating Procedures (SOP) provide structure and support - a baseline for policies and practices - for IFCs to operate in accordance with NIC Standards, endorsed by all minter/national member fraternities of the NIC.

Categories in the SOP include:

- Academic Enrichment
- Accountability
- Finances
- Governance
- Health and Safety
- Public Relations
- Recruitment
- Reporting
- Responsible Growth

Read the full the SOP here: nicfraternity.org/ifcsop