



SPJ campus chapter finance rules

Approved Sept. 27, 2018

Transparency about chapter operations is important for credibility among our members and the public, especially when it comes to your chapter's treasury.

Campus chapters are required to follow these rules. By doing so, you will greatly decrease your exposure to misappropriation of chapter funds and other problems.

For campus chapters that don't have separate bank accounts:

- If a campus chapter doesn't have a bank account separate from the university, it is required in its annual report to explain how it is funded and the oversight process for that money.
 - If the university requires a chapter to create a financial report, please provide a copy of that with your annual report.
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For campus chapters with bank accounts:

Income and expenses

- The signatories for a chapter’s bank account should be the chapter president, treasurer, and its adviser. If the adviser isn’t affiliated with the university, a faculty member or administrator also must be a signatory. The back-up adviser may be a signatory.
- Require authorization from at least one board member other than the treasurer when another member spends under \$100.
- Require authorization from all signatories for expenses \$100 or more; a majority board vote of any expenditure over \$200 (in person or electronic).
- Income and expenditures must remain separate in your records. If you receive \$100 for a pizza party and spend \$50, you received \$100 and spent \$50, not received a net of \$50.
- Using cash is strongly discouraged and should be limited as much as possible. Some cash transactions can’t be verified, such as when someone uses cash to pay to attend an event. Documentation is required for all transactions.
- Avoid chapter debit cards unless state law bans the use of credit cards by the chapter; debit cards are too easily abused.
- If a credit card is necessary, check with your bank to see if you can restrict the card’s use for large expenses only.
- If a chapter has a PayPal or similar account, have the treasurer transfer funds from that account to the chapter’s general checking account after each event for which the PayPal or similar account is used. Have another board member monitor the account.
- If the board votes on a money matter directly affecting a board member (other than reimbursements), that board member should recuse himself or herself and leave the room to allow a full and frank discussion.
- When depositing funds in the chapter bank account, use a “For Deposit Only” rubber stamp on the back of checks or write “For Deposit Only” on the back of checks.



The president's and treasurer's duties

Chapters must use the following financial records, which the president or treasurer will maintain:

– Either:

A paper check stub of each check written, or copy each check.

Or

A computer record (Excel or Quicken) of each check written, with a detailed breakdown of specific amounts for various purposes.

- Electronic and printed copy of each monthly bank statement.
- A file of receipts, each notated with the check number or other record of payment.
- Information needed for financial section of the annual chapter report to national.
- In order for each chapter to have a back-up of its records, a second copy should be kept by the chapter adviser or another board member designated by the majority of the board.

The president or treasurer prepares and/or files these reports:

- A report is due each Nov. 1 to the regional directors/regional coordinators, detailing income and expenses and sharing bank statements. The same information also will be required for each chapter's annual report.
- Financial section of annual report to national.
- If applicable, annual Form 990, EZ 990 or E-card 990 with the IRS.
- If applicable, any state or local forms required of nonprofits and tax-exempt organizations.

We recommend keeping critical records in a single three-ring binder as well as on your computer.

Training

– Chapter advisers will review the financial rules with chapter presidents and treasurers at the start of each academic year and within 30 days if a new treasurer is selected during the academic year to fill a vacancy. Anyone interested in running for the treasurer's position shall meet with the chapter's adviser before the election to go over the rules.

– National headquarters staff will provide training to new campus chapter advisers.

Account access/review

– Chapters are required to make their bank accounts transparent to their officers and RC. This can be done by providing copies of bank statements, with read-only access to bank accounts or through money management programs.

– The chapter president, treasurer and adviser must have direct access to the account. At least one other board member and the RD/RC must have read-only access.

Requirements

– Chapters must comply with financial record reporting rules within six months of the selection of chapter officers in order to be eligible for chapter grants and national awards, to be awarded delegates for the national convention and to receive new chapter dues. National headquarters reserves the right to hold a



chapter's dues until that chapter is compliant.

– If chapters don't comply with financial record reporting rules within one year, the national board may revoke the charter.

Budgeting

– Chapters are encouraged to create an annual budget. Preparing a budget can help your chapter plan for the year.

– A budget approved at the beginning of the year could eliminate the need to approve some individual expenditures throughout the year.