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always call the office:
800-969-4639

The Next Step

QUOTE OF THE WEEK

"Let us not be content to wait and see what will happen, but give us the determination to make the right things happen."

- Peter Marshall

THIS WEEK'S TOPIC – CHAPTER FINANCE

A few issues back, we addressed personal finance. This week, we'll focus on Chapter finance. Just like personal finance, sound Chapter finance starts with a budget. If your Chapter does not have a budget, you'll need to create one. For help in creating a budget, please contact the National Offices at (800) 969-4639. Once you have a good budget, the Chapter must make sure that the budget payables (i.e. utilities, rent, insurance, IFC fees etc.) match the budget receivables (rent, membership dues, etc). The receivables are usually the more difficult part of staying on budget. Here are some ways to improve receivables collection:

- Publicize your Chapter's financial status
 - Treasurer provides weekly report of Chapter's Accounts Payables/Receivables
 - Have non-paying members explain to the Chapter why they cannot pay and how they plan to make the payment.
 - Require members who don't pay their dues by deadline "Move to extend their deadline for payment of their dues" during either your exec or Chapter meeting
- Third party collection services
 - [GreekBill](#) or [Omega Financial](#).
 - Help the treasurer seem less like a bill collector and more like a Brother.
- Enforce probation of members with outstanding debt. A member that does not pay for all the Fraternity offers should not receive everything that the Fraternity offers. Your Chapter Constitution should have provisions for automatic Suspension or Expulsion hearings for extremely delinquent members*.
- Have struggling members email money@phikaps.org for advice on how to get back on financial track.

Does your Chapter collect more than \$25,000 annually? If so, it needs to file an [IRS 990 form](#) for a nonprofit organization. If the Chapter is a subsidiary of the National Fraternity, your form must be filed by October 15th each year. If your Chapter is not a subsidiary, you must file your 990 by the fifth month after the end of your own fiscal year. If you have questions, [contact us](#).

*Why should a suspension or expulsion hearing be automatic after a Brother does n't pay dues for a certain amount of time? Generally, everyone's first instinct when it comes to a Brother's financial issues is to downplay or ignore the problem. Most of us are not comfortable talking to someone about their money problems. But, non-payment of dues is a Chapter problem. Therefore, having a set time-limit on payment with a required suspension or expulsion hearing will force the Chapter to face the issue and deal with it. Average limits seem to be 30 days late = suspension hearing, 60-90 days late = expulsion hearing.

TIPS OF THE WEEK

Do you know your Chapter's tax ID number? Does your Chapter even have a tax ID number? If not you can find out more information about how to get one [here](#).

