

Delta Chi Kettering-A Financial Policies

Rev 5 7/19/2005

I. Purpose

This document serves to protect both the individual members from the fraternity making unjust changes to finance policies and regulations, and to protect the fraternity from actions by its members that may inhibit or deter its regular operation.

II. Members

The financial committee shall include, at a minimum, the “D” and the “A”. The “D” shall be the chair of the financial committee. The “D” shall make financial decisions required of the financial committee with the advisement of the other members. During election terms, the incoming “D” and “A” shall also participate on the financial committee. The ABT Financial Advisor and “BB” shall advise the committee. It is strongly encouraged that other officers and members participate in this committee, but the opportunity is strictly optional.

III. Duties of the Financial Committee

A. Budget process

The financial committee shall oversee the budgeting process, including but not limited to the following: collecting budget requests, drafting proposed budgets, and revising the current budget.

B. Collection of accounts

The financial committee shall oversee the collection of all money owed to the Chapter.

C. Chapter finances

The financial committee shall assist the “D” in the maintenance of chapter finances.

D. Financial policies

The financial committee shall operate within the bounds and in accordance with the following policies and shall develop future policies that are deemed necessary to govern and control the chapter’s finances.

IV. Budgeting

A. Guidelines

The financial committee shall strive to use past budgets and experience as guidelines when developing future budgets.

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B. Planning meeting

The financial committee, in conjunction with the “A”, “B”, and MAL, shall host a planning meeting every term for the next upcoming school term. This is to be an open forum meeting with a committee of the whole style of proceedings. All members are encouraged to attend and give input. This meeting shall occur on or before Sunday of 7th week.

C. Preliminary budget

The chapter shall have at least one week from the date of a planning meeting to develop preliminary budget plans for the financial committee. At a minimum, these budget plans shall have itemized line items with the approximate amount of needed funds for each event. This preliminary budget shall be due to the financial committee on the Sunday of 8th week. A brief description of the event and committee it belongs to is also required. See Appendix A of this document for a copy of the Delta Chi Kettering-A Budget Request form.

D. Proposed budget

From the time that budget requests are due, the committee shall have at least one week to develop a proposed budget for the chapter. This budget will be brought forth to the chapter for approval at the first budget approval meeting of the term.

E. Budget approval meeting

The budget approval meeting shall be held during the 9th week chapter meeting. If time allows, it is highly recommended that the financial committee split the budget approval meeting into two sessions, the first meeting shall be held during the 9th week chapter meeting and the second shall be held during the 10th week chapter meeting. This allows for a more thorough understanding by chapter members and shorter meeting times.

F. Budget Accessibility

It is the responsibility of the financial committee to make the current budget easily accessible to membership of the chapter, ABT, advisors, and anyone else affiliated with the chapter that may request a copy. The budget must also be made available to Kettering University if necessary.

V. Reimbursement of Funds

A. Eligibility

Any person, active member, alumni, or otherwise, is eligible for funds reimbursement by the chapter if they purchase products, services, or materials that have a specific line item in the current budget.

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B. Required approval for reimbursement

The committee chair in charge of the particular line item must approve the purchase.. The “A” or “B” must also approve purchases above \$100. The financial committee must approve purchases above \$500.

C. Funds request

A funds request form shall be submitted by the individual no later than two weeks after the scheduled use of the purchase. It is advised that individuals retain a copy of all receipts submitted to the financial committee. See Appendix C for a copy of the Kettering-A Funds Request form.

D. Method of reimbursement

All approved fund requests are credited to a member’s account. In the case of a third party contributor, the chapter is obligated to reimburse funds in a way convenient to both parties.

E. Process of appeal

In the event of a funds request denial, the denied individual may appeal to the executive board of the fraternity within one month of the initial denial. This time does not extend into work terms; instead it carries on to the next school term. If the executive board denies the appeal, the individual may appeal to ABT within three months of the executive board’s decision.

F. Withdrawal of funds

Members that have a positive balance with the fraternity may withdraw a positive balance anytime after the tenth week of the current school term. A member in his last academic term may withdraw his balance from the fraternity anytime after the ninth week of that school term. The balance shall be returned in the form of a check. Failure to inform the financial committee of a course of action at the end of a term will not result in penalty. Positive balances will carry through to the member’s next academic term.

G. Failure to collect funds

A graduating senior that fails to collect his positive balance shall have sixth months after the completion of his last academic term to inform the financial committee of a desire to collect. An inactive member that fails to collect his positive balance shall have sixth months after the completion of his last term as an active member of the Chapter to inform the financial committee of a desire to collect. Failure to do this will result in the chapter’s acquisition of these funds.

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VI. Assessment of fees

A. Rent

1. Determination of rent amount

Amount due for rent shall be determined by a joint effort of Housing Corporation, Housing Committee, and financial committee. This amount shall be noted in the housing contract that all residents are required to sign. These three groups will also determine the necessity of a tech fee, parlor fee, and other housing fees. In order to change this established price, all residents must receive a new housing contract and return it with proper signatures.

2. Notification of amount

The financial committee shall notify the Chapter of the amount of rent for single, double, and triple apartments and shall give housing contracts to individuals on or before the 6th week Chapter meeting.

3. Return of housing contracts

Members shall return housing contracts on or before the 8th week Chapter meeting along with a form stating room and roommate preference to guarantee housing for the next term. This form does not guarantee that room provided will be as requested.

4. Housing for non-members

Housing Corporation, Housing Committee, and financial committee may allow non-members to request to live in the house after 8th week if deemed necessary. Housing contracts from non-members must be returned by Sunday of 10th week to guarantee that housing will be provided.

5. Guarantee of room assignments

Rooms will be assigned such that all single bedroom apartments shall have one individual living in the apartment and all double bedroom apartments shall have two people living in the apartment before a second person will be allowed to live in a single or a third person in a double. The initial housing assignments will be given to individuals living in the house within three weeks of the end of the school term and final assignments will be given to these individuals at least three weeks before the beginning of the next school term.

6. Assessment of rent

The amount of rent will be assessed to an individual's account on the 15th of the month preceding the beginning of the school term.

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7. Failure to live in the house

An individual who declines to live in the house after returning a housing contract will still be responsible for payment of the full amount of rent unless an exception is made by financial committee due to extenuating circumstances.

B. Dues

1. Determination of amount

The financial committee shall determine the amount of dues based on the budget approved by the chapter.

2. Notification of amount

The financial committee shall notify the Chapter of the amount required for dues on or before Wednesday of 11th week of the prior school term by means of a member contract which will be handed out to every member.

3. Return of member contract

Members shall return the member contract to the financial committee on or before 11th Saturday

4. Assessment of dues

The amount of dues will be assessed to an individual's account on the 15th of the month preceding the beginning of the school term.

5. Failure to remain a member

A member who goes inactive or decides not to return to Kettering after signing the member contract during a school term or the prior work term shall still be responsible for payment of the full amount of dues unless an exception is made by the financial committee due to extenuating circumstances.

C. Judicial Board fines

Fines assessed to members by the Judicial Board are applied to the member's account on the day of the next Chapter meeting.

VII. Payment of Account

A. Dates of balance notifications

The financial committee shall notify individuals of the balance of their account by means of account statements between the 1st and the 7th of every month. This may be given to the member in person or may be sent by mail postmarked between the 1st and the 7th days of the month

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B. Assessment of late fees

A late fee of 2% and an additional \$20 will be assessed on any negative balance above \$100 at 11:59 P.M. on the 14th day after class begins or 30 days after the statement is given to the member. A payment sent by mail will be considered paid on the date of the postmark.

C. Outstanding Chapter Debt

Outstanding chapter debt can be defined as owing any amount of funds to the chapter greater than \$2000 for any length of time or owing any amount of funds to the chapter for over six months. When an individual reaches either of these conditions, the “D” and ABT Financial Advisor shall issue a warning. This warning gives the individual one month to pay their debt before a collection agency may be contacted. Outstanding chapter debt can be defined as owing any amount of funds to the chapter greater than \$2000 for any length of time or owing any amount of funds to the chapter for over six months. When a member reaches either of these conditions, the “D” and ABT Financial Advisor shall issue a warning. This warning gives the member one month to pay their debt before a collection agency may be contacted. To avoid being sent to a collection agency, the member and the financial committee may agree upon a payment plan. This plan will still include the 1.5% monthly interest rate on the unpaid balance.

VIII. Financial Reports

A. To Eboard

The “D” shall provide a balance sheet that reflects the financial assets and liabilities for all of the Chapter’s accounts as well as a weekly cash flow summary at every Eboard meeting. The “D” shall review these accounts and give his opinion on the state of the Chapter’s financial situation. The “D” shall provide a financial report at the last Eboard meeting of the term which includes expected and actual revenue and expenditures. The “D” shall review any accounts with outstanding balances and any payment arrangements for these accounts.

B. To The Chapter

The “D” shall provide a current balance sheet and a brief opinion on the status of the Chapter’s finances to the Chapter at every Chapter meeting. The “D” shall provide the chapter with the total amount of outstanding balances, and will read the list of account balances greater than 30 days.

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C. To ABT

The “D” shall provide current financial reports including a current balance sheet, summary of cash flows, Chapter budget, projected balance sheet, and projected cash flow at each ABT meeting.

IX. Asset Management Plan

A. Accounts

1. Cash

The Chapter shall maintain a Cash account with enough assets present to finance operating expenses taking into consideration members who are unable to pay the balance at the beginning of the term. At the end of the term, any unspent Cash, not expected to be spent during the following work term, over 10% of the total dues and rent assessed for the term shall be placed into Capital

2. Capital

The Chapter shall maintain a separate Capital account to purchase large one time expenditures which will be usable for several terms. Money may only be spent from the Capital Account with the approval of the Chapter.

3. Damage Deposit

The Chapter shall maintain a separate Damage Deposit account to hold resident’s damage deposits as required by Michigan law.

B. Unspent Cash

At the end of the term, any unspent Cash, not expected to be spent during the following work term, over 10% of the total dues and rent to be collected for the following term shall be placed into Capital.

X. Miscellaneous

A. Payments

The “A” and “D” shall have the authority to accept external payments, endorse checks written to the fraternity, and write fraternal checks. The fraternity does not handle petty cash. All accepted payments are to be written to “The Delta Chi Fraternity – Kettering-A Chapter” or a similar derivative (Not an individual member).

B. Availability of financial status

The financial committee shall make available to all members the current financial status of the chapter, including accounts receivable cumulative total, accounts payable, checking accounts, and saving accounts balances.

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C. Exceptions to above policies

All policies regarding the payment of funds to the fraternity may be overturned on a case-by-case basis with approval from the financial committee and ABT Financial Advisor. However, no additional financial policies may be developed without approval from the chapter.