

Suggested Guidelines for Finance Committee of Subordinate Chapters

Reference: Rules and Regulations for the Government of Subordinate Chapters:
Section 57. Officers - b. Duties and Authority. 1. Worthy Matron. Paragraph 4-5
Uniform Code of Bylaws: Article III, Duties of Officers, Section 1. Paragraph 4-5
and Article IV - Committees, Section 1

At the first stated meeting after installation, the Worthy Matron shall appoint a Finance Committee, consisting of three members. This Committee shall function for a period of one year, namely until the first stated meeting after installation of the succeeding year. This Committee shall examine the books, vouchers and accounts of the Secretary and Treasurer, as of the date of installation immediately preceding. A final written report to the chapter of the Committee's findings shall be made. They shall sign and date the Secretary and Treasurer's books as of the date of the audit. The Finance Committee shall be required to report at anytime during the year when instructed to do so by the Worthy Matron or the chapter.

If a chapter desires to operate on a budget, the Finance Committee shall also serve as the Budget Committee. It shall be the responsibility of the members of the Finance Committee to promptly meet following their appointment to prepare a budget which should be presented for approval by the chapter at the earliest possible date.

Note: It is recommend that the following not be appointed serve on the Finance Committee: Worthy Matron, Worthy Patron or a spouse or relative of the Secretary or Treasurer.

The Chairman of the Finance Committee appointed by the Worthy Matron shall set a date for all three members of the committee to meet between the last stated meeting of the chapter year and the first stated meeting of the new chapter year. If the Committee desires, the Secretary and Treasurer may be invited to attend the meeting.

The following records are to be given to the Committee as soon as possible after the last stated meeting of the chapter year.

Secretary - Minute Book
Secretary's Cash Book
Receipts from Treasurer
Secretary's Warrant Book
Paid Bills / Invoices
Copy of Secretary's Report, if available

Treasurer - Treasurer's Cash Book
Treasurer's Receipt Book
Warrants from Secretary
Checkbook
Bank Statements
Investment Statements
Copy of Treasurer's Report, if available

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The committee should check the records for each meeting of the chapter. The three members of the committee may be assigned to different tasks when working together to audit the records of the Secretary and Treasurer. There are numerous ways in which to conduct an audit. One easy way is for Finance Committee members to work as a team. Member #1 may be assigned to read aloud the receipts and disbursements listed in the minutes verifying the bills /invoices paid and addition totals. Member #2 may verify the Secretary's cash book and Receipts from Treasurer. Member #3 may verify the Treasurer's cash book, Warrants from the Secretary and checkbook. By working together, meeting by meeting, the committee can easily verify all records and make any necessary corrections. If corrections are necessary, the Finance Committee should give a list of the corrections to the Secretary and/or Treasurer. Those officers should mark through the incorrect entry with one line, write the correction and date. No entry should be erased, scratched through or corrected with correction tape or white-out.

The members of the committee are to verify the following:

1. All money received by the Chapter is properly recorded in the minutes.
2. Proper entries for all receipts were made in the Secretary's Cash Book.
3. Proper Warrants were issued by the Treasurer to the Secretary for all money received.
4. Proper entries were made in the Treasurer's Cash Book for money received.
5. All receipts were timely deposited in the bank and recorded in the checkbook.
6. All disbursements are properly recorded in the minutes.
7. Proper Vouchers were issued by the Secretary to the Treasurer for all disbursements.
8. The amounts on bills / invoices match the amount of the disbursements.
9. Checks were properly written for all disbursements.
10. Bank Statements are balanced and checkbook balances are properly maintained in checkbook and Secretary's and Treasurer's cash books. These balances should always be the same.
11. All money received for designated funds, ie: Cancer, Heart, Dime-A-Week, International O.E.S. Headquarters, etc., are to be balanced with the disbursements for the designated fund. Any amount not disbursed to a designated fund should be noted in the report of the finance committee and immediately disbursed unless instructed to do otherwise in the Constitution, Rules and Regulations.
12. Verify proper sales tax has been collected and timely remitted to the Florida Department of Revenue.
13. Verify all investment accounts and review all records and statements from the bank or investment firm. All interest or income earned on investments and paid to the chapter are to be recorded in the minutes, included in the receipts for the meeting and deposited in the bank account. All interest rolled over or income retained in investment accounts will be reported in the Treasurer's annual report.

The committee shall sign and date the Secretary and Treasurer's books as of the date of the audit. Upon completion of the audit, the books and records shall be immediately returned to the Secretary and Treasurer. A final written report to the chapter of the Finance Committee's findings shall be given at the first stated meeting after installation.

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Copies of the report should be given to the Secretary and Treasurer for placement in their files. If desired a copy of the Secretary's Report, Treasurer's Report and Finance Committee Report may be placed in the Secretary's Cash Book and the Treasurer's Cash Book. This will give the Secretary, Treasurer and Finance Committee easy access to the previous year reports.

The report should contain, at a minimum, the following information:

- Date the Finance Committee met to audit the books and records.
- Members present at meeting.
- Balance in checking account as of the date of the beginning of the year.
- Amount of receipts for the year.
- Amount of disbursements for the year.
- Balance in checking account at end of year.
- Information regarding Certificates of Deposit or other investments.
- Value of CD's / investments at beginning of year.
 - Amount of interest/investment income earned, whether paid in cash to chapter, rolled over or retained in the investment account.
- Value of CD's / investments at end of year.

The report may also include other information such as

- The correlation of income to disbursements and net worth increase or decrease for the year.
- Any recommendations of the Finance Committee.
- Commendations for the Secretary and Treasurer in the fulfillment of their duties in a capable and efficient manner.

The list of corrections, if any, should be attached to the report; however, in order to not embarrass an officer, the list should not be read.

With this report the duties of the Finance Committee have been completed and the committee may express their appreciation for the opportunity to serve the chapter.

Budget

If the chapter operates on a budget, the Finance Committee appointed at the first stated meeting following installation shall meet and prepare a proposed budget for presentation to the chapter at the next stated meeting or as soon as possible. A written budget may include columns of actual expenditures from past years and the proposed budget. Copies should be given to each chapter member present at the meeting. The budget is approved upon majority vote at a statement meeting. Members should be reminded that a budget is a only a guideline. The listing of an item in a budget does not justify disbursement without vote of the chapter as all disbursements must be approved by motion at a stated meeting prior to a warrant being issued. Recommendations of the Finance Committee are made at a stated meeting and, if approved by majority vote, will be implemented.