



GREATER WASHINGTON, D.C. AREA ALUMNI CHAPTER



FINANCIAL OPERATING PROCEDURES

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**JACKSON STATE UNIVERSITY
GREATER WASHINGTON, D.C. METRO AREA
ALUMNI CHAPTER**

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100 CHAPTER INTRODUCTION

ALUMNI PURPOSE:

The *Jackson State University Greater Washington, D.C. Area Alumni Chapter* purpose is to bring the Alumni of Jackson State University (JSU) together to perform and engage in such charitable activities and acts as may be provided for in the Constitution & Bylaws of this Chapter; to bind the alumni of the University into a fellowship working together for the common purpose and advancement of the University.

MISSION:

The Jackson State University Greater Washington, D.C. Area Alumni Chapter mission is to the local area JSU alumni and graduates into one body where we can utilize our skills and talents for the betterment of JSU and our surrounding Chapters.

GOALS:

The Chapter goals are to:

- Provide a means of strengthening the ties of alumni with the University,
- Assist in locating alumni and keeping alumni records up to date,
- Welcome new alumni to the Chapter,
- Keep alumni informed of the University programs, progress and problems through regular meetings and communications,
- Continue an aggressive student recruitment program which encourages the interest of outstanding students and their parents in Jackson State University,
- Support the University and assist in promoting a positive image of JSU and its alumni in all forms of local news media, and
- Participate in local college fairs held at colleges, high schools, and churches.

200 BACKGROUND

PURPOSE:

The purpose of this policy is to set forth the Chapter governance practices covering the financial structure and provide the Chapter with the basic knowledge and general guidance for proper, fair, efficient, and effective use of those resources. This policy complies with existing JSU policies and standards. For issues not addressed by this document, refer to applicable JSU policies and standards.

300 INTERNAL CONTROLS

Internal controls are a process established by the Executive Board, designed to provide reasonable assurance that the goals and objectives of the Chapter will be achieved. Internal controls for the Chapter's financial records are an extension of the Bylaws. The Executive Board has established policies and procedures that address authorizations, segregation of duties, record keeping, safeguarding, and reconciliations.

Further, the most basic of all internal controls is to establish written documentation of operating policies and procedures so that alumni in various positions can apply them consistently and accurately. Written operating procedures also serve as training tools for future references. This guideline/manual also provides alumni with an authoritative source on which to make decisions as they perform their duties.

I. DUTIES OF FINANCIAL OFFICERS AND COMMITTEE CHAIRS

1. **Duty of the President** – The Chapter President is the overseer for the operation of the Chapter and accountable to the Chapter for the expenditures of funds.
2. **Duty of the Treasurer** – The Treasurer shall receive deposits, and account for all monies of the Chapter. The Treasurer shall promptly deposit all monies received in the Chapter’s bank account within 1-week of receipt, countersign all checks drawn on the Chapter’s account, and work with the President to ensure prudent management of financial resources. The Treasurer must account for all monies of the Chapter in accordance with the policies and procedures of the Chapter and in compliance with corporate accountability as set by the JSU National Alumni Association. The Treasurer must present a monthly written financial report to the Chapter with a statement of income and expenses,
3. **Duty of the Budget Committee Chair** – The Chair of the Budget Committee shall be the Chapter Treasurer, who is the chief budget and financial officer for the Chapter.
4. **Duty of the Budget Committee** – The Budget Committee shall consist of the Chapter Treasurer and a regular member in good standing with the Chapter. The Budget Committee is responsible for establishing a budget and monitoring the financial status of the Chapter, as well as coordinating with the Committee Chairs regarding their financial needs and responsibilities.
5. **Duty of the Fundraising/Dinner Dance Committee Chair** – The Dinner Dance Scholarship Committee Chair must account for all monies received for the annual scholarship fundraiser in accordance with the policies and procedures of the Chapter and in compliance with corporate accountability as set by the JSU National Alumni Association. He/she must present a monthly written financial report to the Chapter with a statement of income and expenses. All monies received must be transferred to the Treasurer for deposit in the Chapter account.
6. The President, Vice-President, Treasurer, and Chair of Fundraising/Dinner Dance Committee shall be bonded, if financially feasible.
7. All Executive Board requests for reimbursement shall be submitted to and approved by the outgoing President before the last meeting of the fiscal year.
8. Prior to the September Chapter meeting, new officers and committee chairs will be trained on budgeting procedures and long-range plans for their committees regarding the long-range goal of the Chapter.

II. GENERAL OPERATING PROCEDURES

1. Only the Chapter President and/or his/her designee shall be empowered to sign legally binding contracts on behalf of the Chapter. This authority shall be delegated to the Vice-President in the absence of the President.
2. All monies and receipts for expenditures shall be presented to the Treasurer at Chapter business meetings or emailed prior to the Chapter meeting.
3. All monies shall be presented to Treasurer during committee planning time or fifteen minutes before and/or after Chapter business meetings.
4. The Treasurer shall apprise the Chapter as to when the funds will be collected.
5. Receipts will be given to members at the Chapter meeting/event.
6. All voucher requests should be made no later than 15 days in advance of the activity.
7. Treasurer shall pay all bills within one week of receipt.
8. The Chapter will not accept post-dated checks.
9. A member/supporter who gives a non-sufficient check (NSF) shall be required to remit payment by cash, money order, or certified check within ten (10) days. The member/supporter will reimburse the Chapter for NSF fees assessed by the bank.
10. The fiscal year of the Chapter shall end on June 30 and Chapter books shall close on June 30.
11. All vouchers for payment not submitted prior to June 30 of the current fiscal year, shall not be honored at any time. The Chapter President may consider extenuating circumstances.
12. An internal financial assessment will be performed no later than the end of the Treasurer's two-year term. The internal financial assessment committee will perform the review and present the finding and recommendations at the November meeting.
13. The Treasurer shall have full access to the online banking system. The Treasurer shall provide the chapter with a redacted copy of the bank statement each month.

III. BUDGET AND BUDGET REVIEWS

1. A proposed Chapter budget shall be submitted in April of each fiscal year and approved in May for the new fiscal year.
2. Officers shall submit proposed operating budgets to the Budget Committee by the March Chapter meeting and shall include an outline of projected activities. (See Attachment I).
3. The Budget Committee shall review the Chapters operating budget quarterly for possible funding adjustments in *November, February, and May*. The adjusted budgets shall be presented to the Executive Board with subsequent approval by the Chapter.

4. Requests for budget revisions are due to the Budget Committee at the Chapter meetings before scheduled quarterly reviews in *October, January, and April*.
5. When a committee/officer's budget is exhausted, no further funds will be issued unless approved by the Chapter, upon the recommendation of the Budget Committee and the Executive Board.
6. Requests for out of budget items can be submitted quarterly for possible funding. These requests can be submitted in November, February, and May each year.

IV. RESPONSIBILITIES OF COMMITTEE CHAIRPERSONS

1. Chairpersons shall submit a budget in itemized (i.e., line item) form, and an outline of projected activities annually at the March Chapter meeting. (See Attachment I).
2. A written voucher system will be used to pay all expenses incurred by committees. The voucher must be approved by the committee chairperson and then forwarded to the Treasurer and the President for final approval. No verbal requests will be accepted.
3. Chairs may authorize the expenditures of committee funds by committee members pursuant to the approved itemized budget.
4. Each chair shall submit to the Treasurer a completed voucher accompanied by receipts **within ten (10) days** after each activity or at the next Chapter meeting. Extenuating circumstances will be taken into consideration.
5. Each chairperson shall keep a record of all monies expended using the standard Chapter form furnished by the Budget Committee. (See Attachment II).
6. An unauthorized financial commitment will not be honored and the Chapter member making such commitment shall be held responsible for meeting this obligation, i.e., contracts and gifts.
7. Chairpersons/Officers may request advance funds in accordance with their approved budget. All advance money is accounted for by receipts within seven (7) days or next Chapter meeting.
8. Chairpersons are responsible for submitting a monthly written report, and an itemized (i.e., line item) record of expenditures at each Executive Board meeting when monthly activities generate expenditures.

V. CHAPTER INCOME

1. All monies collected for Chapter activities must be submitted to the Treasurer to meet the 1-week guideline for depositing.
2. Complimentary tickets to Chapter activities shall be approved by the President with the concurrence of the activity chairperson.
3. Refunds associated with Chapter activities will be reviewed on an as needed basis.
4. The Treasurer shall deposit and keep records of income and issue receipts for all funds in the name of the Chapter within 1-week of receipt.

400 FINANCIAL PRACTICES

The Chapter is accountable for the effective and efficient stewardship of its funds. All those charged with administering financial matters are expected to comply with the same institutional policies and procedures that apply to non-financial matters. These and other requirements drive the need for timely and accurate financial reporting and effective internal controls. This subject area includes matters relating to content of a financial nature that deals with financial transactions, accounting, financial reporting, budgeting, resource planning, and financial systems.

The Chapter will conduct its financial operations consistent with the following guiding principles:

- compliance with applicable policies and procedures,
- reporting in accordance with generally accepted accounting principles (GAAP),
- maintaining appropriate and effective systems of internal control with the emphasis on relevant policy and procedures, data integrity, and clearly defined roles and accountabilities,
- effective and efficient utilization of available resources, and
- using best practices approach.

500 CASH/ONLINE PAYMENT SYSTEMS (OPS) HANDLING PROCEDURES

The Chapter receives funds on behalf of Jackson State University during the year. Payments are received by cash, checks, money orders, and via debit/credit card through an online payment system (OPS). Strong internal controls must be in place to ensure monetary proceeds are adequately safeguarded and deposited, and accurately reflected in the Chapter's General Ledger. It is imperative that the Financial Officers and the Committee Chairs opting to conduct monetary transactions fully understand and accept the related cash handling responsibilities.

The responsibilities and required procedures related to the safeguarding of funds, segregation of duties involving cash handling, the processing of cash proceeds, and ensuring the completeness of transactions are as follows:

1. SAFEGUARDING CASH

- All cash received in the Chapter is the responsibility of the member until it is deposited with the Treasurer or directly with the bank.
- All cash must be kept in a secure location. Attention needs to be paid to the security of cash overnight and during the day. Cash must not be left unattended during the day. Cash should be stored while unattended in a locked cabinet or safe which has restricted access.
- Under no circumstances are cash proceeds to be used for making loans, advances, or to pay for chapter expenditures. All cash proceeds must be properly deposited (see 'Processing Procedures' section below).

2. SAFEGUARDING DEBIT/CREDIT CARDS

- All debit/credit card transactions are the responsibility of the member card holder.
- The debit card must be kept in a secure location. The debit card should be stored while unattended in a locked cabinet or safe which has restricted access.
- Under no circumstances is the debit card to be used for personal purchases, making loans, advances, or to pay for chapter expenditures. All proceeds must be properly documented (see 'Processing Procedures' section below).

3. SAFEGUARDING OPS TRANSACTIONS

- All OPS transactions are the responsibility of Treasurer. The Treasurer will transfer funds received via OPS on behalf of the Chapter to the Chapters banking account and provide OPS records to the Treasurers report.
- With OPS debit/credit card processing, the chapter can accept all major payment types in person via a card swipe or on our www.gwdcjsu.org website.
- Under no circumstances should monies received via the OPS account, be used for making loans, advances, or to pay for chapter expenditures. All proceeds must be properly documented (see 'Processing Procedures' below).

4. SEGREGATION OF DUTIES

- Critical controls such as segregation of duties, limited access, and regular reconciliation are important in handling Chapter funds.
- The number of individuals authorized to receive and handle all funds should be limited. The individual who receives funds should prepare a listing of all incoming funds.
- The Chapter should ensure that the responsibility for receiving funds is segregated from the responsibility for depositing the cash. No one person should be permitted to handle a transaction from beginning to end.
- The Treasurer should compare the record of the initial receipt of funds to the amount deposited. Specifically, the Deposit Form, which reflects both the amount deposited and the General Ledger entry, should equal cash register totals or receipt book totals for the same period.

PROCESSING PROCEDURES

- All funds received must be documented immediately with pre-numbered JSU Chapter receipts or via documentation printed online. It is good practice to record the form of payment received on the receipt (i.e. cash, check, or debit/credit card).
- All funds received in person or via OPS must be regularly deposited into an authorized Greater Washington DC JSU Chapter bank account (see Cash Deposit Procedure for specific timelines for depositing cash proceeds).

- The Chapter must ensure funds received are correctly coded to the Chapter accounts. All deposits require Internal Control approval to ensure accuracy of coding (see Cash Deposit Procedure for additional details).

5. COMPLETENESS OF CASH/ DEBIT/ OPS TRANSACTIONS

- All transactions must be reviewed and reconciled to General Ledger accounts monthly at minimum to ensure they have been correctly recorded. Accounting adjustments to the General Ledger must also be made monthly.
- The Chapter will be required to periodically account for the sequentially numbered Deposit Forms issued to them (see Deposit Procedures for additional details).
- The overall completeness of revenue for the Chapter should be evaluated by comparing actual revenue recorded in the General Ledger to budget or forecast amounts.

600 CASH DEPOSIT PROCEDURES

1. DISHONORED CHECKS

The Treasurer is responsible for collection from the original payer of the amount outstanding plus bank fees for return checks. Funds collected to make good on a dishonored item are to be received with “recovery of dishonored check” noted on the receipt. Re-deposit these collections.

2. RECORDS RETENTION

For audit purposes, the Chapter copies of Deposit Forms, including all backup documentation (this includes copies of cashed checks), should be retained in an orderly manner for a period of 7 years (6 previous plus the current year). The Treasurer will retain copies of all Deposit Forms, along with appropriate backup provided by the Chapter at the time of the deposit, for a period of 7 years (6 previous plus the current year).

700 AMENDMENTS

1. PROCEDURE AMENDMENTS

These procedures may be amended from time to time, upon due review, consideration, and majority vote of the Executive Board. Any proposed amendment must be written and submitted to the Chair of Executive Board.

ATTACHMENT I



Jackson State University
Greater Washington, DC Area Alumni Chapter

Budget Request for Fiscal Year _____

Budget Line Item Number: _____

Budget Activity: _____

Amount Requested: _____

Explanation: _____

Submitted by: _____ Date: _____

Actions: Approved Approved with Adjustments Not Approved

Signed by Committee Chair: _____ Date: _____

Concurrence by President: _____ Date: _____

Budget Submission and Approval Schedule

- *Requests for budget revisions are due to the Budget Committee in **October**.*
 - *The Budget Committee shall review the Chapters operating budget quarterly for possible funding adjustments in **November**.*
 - *Requests for budget revisions are due to the Budget Committee in **January**.*
 - *The Budget Committee shall review the Chapters operating budget quarterly for possible funding adjustments in **February**.*
 - *Officers shall submit proposed operating budgets to the Budget Committee by the **March** Chapter meeting and shall include an outline of projected activities.*
 - *Requests for budget revisions are due to the Budget Committee in **April**.*
 - *The proposed Chapter budget shall be submitted in **April** of each fiscal year.*
 - *The Budget Committee shall review the Chapters operating budget quarterly for possible funding adjustments in **May**. The adjusted budgets shall be presented to the Executive Board with subsequent approval by the Chapter.*
 - *The Chapter budget shall be approved in **May** for the new fiscal year.*
-

ATTACHMENT II

Check/Online Number: _____	Amount: _____	Date of Transaction: _____
FUNDS REQUEST		
To: Treasurer _____		Fiscal Year: _____
Requested By: _____		
Payable to: _____		
Street Address: _____		
City: _____	State: _____	Zip: _____
Activity: _____		Date of Activity: _____

This request is in support of the following: Indicate I(nvoice) or R(eceipt) or E(stimate) attached. Provide details of exceptions.

_____ Rental of Facilities: _____		\$ _____
_____ Supplies: _____		\$ _____
_____ Other (Itemize): _____		\$ _____
_____ _____		\$ _____
_____ _____		\$ _____
Total Amount Requested:		\$ _____

Signed by Committee Chairperson/President: _____	Date: _____
Approved by Treasurer: _____	Date: _____

To be completed by Treasurer		Fiscal Year: _____
Budget for Current Fiscal Year: _____		Budget Balance: _____
Budget Line Item Name: _____		Budget Line No: _____
Signed: _____		Date: _____