

Omega Psi Phi Fraternity, Incorporated  
Office of the Twelfth District Keeper of Finance

**Chapter Fiscal Support Team  
Processes and Procedure**



Version	Date	Author	Summary of Main Changes
1	5/4/18	Brother Tim Waters	-

**Table of Contents**

I.	Document Purpose	Page 3
II.	Chapter Fiscal Support Team (CFST) Purpose	Page 3
III.	CFST Reporting Structure, Composition and Interaction	Page 3
IV.	Fiscal Management Best Practices	Page 4
V.	CFST Fiscal Management Tool Kit	Page 4 - 5
VI.	Chapter Fiscal Review – Selection and Review Process	Page 5 - 7
VII.	Storage Of CFST and Chapter Documentation	Page 7
VIII.	Reporting to the 12 <sup>th</sup> District	Page 7

## **I. Document Purpose**

This document has been created to provide a clear understanding of the roles and responsibilities of the Chapter Fiscal Support Team (CFST). It is the responsibility of each District Officer, District Committee and every 12<sup>th</sup> District Chapter Leadership Team to fully understand and accept this document.

## **II. Chapter Fiscal Support Team (CFST) Purpose**

The the purpose of the Chapter Fiscal Support Team (CFST) is as follows:

1. Make available “best practice” financial policies, procedures and tools to all 12<sup>th</sup> District Chapters and where necessary and/or requested, assist Chapters with their implementation and use.
2. Over a rolling three (3) year period, review the financial operations of all 12<sup>th</sup> District Graduate and Undergraduate Chapters as set forth in OPPF’s Constitution & By-Laws:

*“Ensure that each Chapter is regularly visited by him [the District Representative] or his designee and that the books and activities of the Chapter are examined and evaluated.”*

## **III. CFST Reporting Structure, Composition, and Interaction**

1. Reporting Structure:
  - A. The CFST will report to the 12th District Representative.
2. Composition:
  - A. The CFST will comprised of one (1) team member from each 12th District Area: Alaska, Mountain West, Northern California, Pacific Northwest, and Southern California.
  - B. The CFTS will have a Chairman (one of the five CFST team members) selected by the District Representative
3. Interaction:
  - A. The CFST will interface with the 12th District Representative, the 12th District Keeper of Finance and other District Officers as required in the execution of the CFST purpose. In addition, the CFST will work directly with 12th District Chapter’s respective Leadership Teams.

#### **IV. Fiscal Management Best Practices**

1. In support of the 12th District Chapters, the CFFT believes it is important to share with Chapters industry-standard “Fiscal Management Best Practices” that may serve as a template to uplift Chapters in the performance of their comptrollership:
  - A. Internal procedures in place to prevent one person from acting on behalf of the Chapter (“Fraternity”) in financial transactions. Dual or higher custody for all receipts and disbursements. Receipt and disbursement procedures in place.
  - B. Timely (within 48 hours) recording and accounting for all funds received by the Chapter.
  - C. Monthly provide detailed, regular, and accurate reports that reflect at a minimum: bank / credit union account activity, profit and loss statement, balance sheet, actual versus budget YTD totals, and Financial Member Listing.
  - D. Reconciliations of all financial reports and transactions to source documents i.e., bank statements. Maintenance and safekeeping of all financial and personal information, and data.
  - E. If needed, surety bonds, insurance, and event insurance maintained at all times.
  - F. Bylaws that reflect detailed duties for financial oversight for each E-board Member.
  - G. Disclosure of any potential conflicts of interest in the performance of your voluntary financial duties.
  - H. Training for Assistant KF, and Assistant KRS with implication that they may assume the “Official” role if desired and upon election, and to facilitate succession.

#### **V. CFST Fiscal Management Tool Kit**

1. The CFST will provide all Chapters with a Fiscal Management Tool Kit, to be available via the 12th District website. The tool kit will be periodically refreshed and updated by the CFST.
2. Initial Tool Kit Components:
  - A. Fiscal Management Questionnaire – To be completed and submitted by all Chapters to the CFST by September 30<sup>th</sup> of each Fiscal Year
    - i. Are Chapter By-Laws in place?
    - ii. Is there any conflict of interest with members of the Leadership Team and/or those with Chapter fiduciary responsibility and access with another affiliated entity., e.g., 501 C 3 Foundation?

- iii. Does the Chapter Leadership periodically review policies and procedures to ensure that proper risk assessment and control processes have been instituted?
  - iv. Are policies and procedures in place to ensure that decisions are made with appropriate approvals and authorizations for transactions and activities?
  - v. Are written financial reports presented to the Chapter on a monthly basis?
  - vi. Who within the Chapter has access to bank records?
  - vii. Are safeguards in place for access to and use of sensitive assets (accounts) and records?
  - viii. Are accounts reconciled in a timely manner?
  - ix. Is the accounting system/software adequate for proper data collection and reporting?
  - x. Is the accounting system/software adequately secured?
  - xi. Have 990 tax forms been filed?
  - xii. How many financial members are in the Chapter?
- B. Chapter Financial Policies and Procedures Document
    - i. Bank Account Access and Authorization Process
    - ii. Bank/Credit Card Use and Approval Process
    - iii. Distribution of Funds Approval Process
    - iv. Receipt of Funds Process
    - v. Contract Authorization Process
    - vi. Record Keeping and Verification Process
  - C. Sample of Monthly Financial Reporting Tools
  - D. Sample of Budgeting Tools
  - E. Sample of Check Request / Reimbursement Tools
  - F. Additional Forms As Posted

## **VI. Chapter Fiscal Review – Selection and Review**

### 1. Selection

- A. First, those Chapters that request a CFS review
- B. Second, to insure balance across the District, selection to made three (3) key factors:

- i. location (ensure we cover a range of Areas in parallel)
    - ii. chapter size in terms of financial membership (ensure a range of chapters are covered in terms of size, be they small, medium, or large)
    - iii. responses to the Fiscal Management Questionnaire
  - C. Complete 42 chapter reviews over a three (3) year period
    - i. 14 chapter evaluations per year
    - ii. 2 to 3 chapter reviews per CFS Representative per year
    - iii. Generally, CFE&S Representatives will not review Chapters within their own Area
2. Chapter Fiscal Review Process
  - A. CFS Representative will contact the Chapter Basileus informing him of an upcoming fiscal review. The CFS Representative and the Chapter Basileus will mutually develop a calendar of actions.
  - B. Within 30 days the selected Chapter will provide to the CFS Representative :
    - i. The completed Fiscal Management Questionnaire with supporting documentation to include:
      - Documented Chapter processes and procedures;
      - 6 months of consecutive Monthly Chapter Financial Reports;
      - 6 months of consecutive Bank Account(s) bank statements;
      - Chapter Membership List;
      - Any other relevant documents
  - C. Within 30 days CFS Representative will:
    - i. Review Chapter documented fiscal management processes and procedures, Chapter Financial Reports, bank statements, and other items as necessary.
    - ii. CFS Representative will likely engage Chapter Leadership with clarifying questions during this 30 day period.
    - iii. Upon conclusion of the review, CFS Representative will then schedule a conference call with the Chapter Leadership Team to discuss the results of the review.
    - iv. If any **significant discrepancies** exists, CFS Representative will schedule an in-person visit to the Chapter to:
      - Review and discuss processes, procedures and documents
      - Agree to next steps and the associated timetable

- v. If any **improprieties** are discovered the CFS Representative will immediately notify the District Representative who in turn will notify the District Keeper of Finance and District Counselor seeking a recommendation of next steps
- D. Within 15 days CFS Representative will prepare and send a Final Summary Report articulating the results of the review to the Chapter Leadership, the District Representative, and the District Keeper of Finance and the District Counselor.
- E. Within 30 days Chapter to send completed CFS Feedback Questionnaire with recommended CFS process improvements and recommendations.

**VII. Storage Of CFST & Chapter Documentation**

- 1. All CFS and Chapter documentation will be securely uploaded and stored by the CFS Representative to the District Dropbox File Management System.
- 2. Individual folders will be created for each Chapter.
- 3. Access permissions will be granted to the District Representative, the District Keeper of Finance, and the CFS Representatives.

**VIII. Reporting to the 12th District**

- 1. Number of Chapter Evaluations year-to-date
- 2. Summary Information (NOT Chapter Specific)
  - A. # of Chapters reviewed year-to-date
  - B. # of Chapters with generally good Fiscal Management Policies, Procedures and Reports
  - C. Chapter recognition
- 3. # of Chapters with improprieties (Chapter Specific)
- 4. Chapter Feedback Questionnaire including CFS Process Improvement Recommendations
- 5. CFS Team Lessons Learned
  - A. Common findings and trends
  - B. Recommended CFS process improvements
- 6. CFS Reports to be delivered at the District Council Meetings and annual District Meeting and at other meetings as directed by the 12<sup>th</sup> District Representative.