

JCI LOCAL ACTION GUIDE

Local Treasurer

Although the achievements of a Local Organization cannot be measured in currency, little can be accomplished without adequate finance. This will not be available without disciplined financial management.

No program that involves finances can be successful without the leadership of a competent Treasurer.

It is an honor to be chosen for this office, and the member elected should remember that the prosperity of the Local Organization will largely depend upon his or her dedication and guidance.

RESPONSIBILITIES

1. Make budget information readily available to the Board and members.
2. Ensure that the previous year's accounts have been audited by a qualified accountant who has no connections with the Local Organization.
3. Discuss the position with your predecessor.
4. Make sure that each Board member submits a budget to the Board at the beginning of the year.
5. Prepare a draft budget at the beginning of the year. Submit it to the Board and then the general meeting for adoption.
6. When making a budget plan, estimate your income as low as possible and your expenditure as high as possible.
7. Investigate promptly the state of the Local Organization's reserve fund and any investments. Look for ways to increase their effectiveness.
8. Apply high professional ethics and shrewd planning skills.
9. Establish Local Organization finance policies (e.g., administration costs to be covered by dues, projects to be self supporting, etc.).
10. Maintain strict control over the budget and cash flow.
11. Maintain a receipts journal, which is a record of money received.
12. Maintain a payments journal, which is a record of checks issued and payments made.
13. Take a basic course in bookkeeping if you are not an accountant.
14. Prepare monthly statements, and do a budget comparison every three months. Make the details public, and use part of the meeting to discuss trends, current situation and budget alterations needed.
15. Produce appropriate finance forms (e.g., purchase order form, project budget plan, officer allowance form, etc.)
16. Relate all activity and program discussions to budget allocations in order to prevent overspending by enthusiastic members.
17. Always budget for a surplus.

RECOMMENDATIONS

1. Each Board member must produce a budget. Add their recommendations to your own anticipated list of requirements to produce a budget proposal. Add to these items an additional sum to allow for emergencies and for the introduction of new programs later in the year.

Finally, add a little extra as a reserve. The resulting budget divisions represent submissions from the Board members and from the Treasurer, an extra sum for new programs, and a special reserve figure for emergencies.

2. List all the avenues of income: Dues, advertising, sponsorships, grants, fundraising projects, etc.

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- List your expenditure and income items. When preparing your budget sheet, you can place the income column on the left, the right, underneath the expenditure column or above it.

There are no specific rules for placement. Once the columns are there, you can make the appropriate comparisons.

- At least every three months, prepare a summary of the income and expenditure to date. This should be circulated to the Board and then at a general meeting.

For your own purposes, keep a cash flow chart and produce a copy of each month for the Board only.

As a further guide, prepare a budget comparison at the half-year mark.

Discuss in some depth the state of finance in the Local Organization at the Board meeting and then at the general meeting.

SAMPLE OF A LOCAL BUDGET

Revenue (*Income*)

Dues revenue (*funds strictly from members*)

- Membership dues (*dues paid by members*)
- Non-dues revenue (*sources not from dues*)
- Advertising (*funds from advertisement in your newsletters, website or other media*)
- Conventions and Meetings (*funds collected from delegates' registrations*)
- Donations (*funds donated by patrons*)

- Grants (*grants from other organizations*)
- Interest (*interest accrued*)
- Product sales (*funds from product sales*)
- Sponsorship (*funds from project sponsors*)

Expenditure (*Expenses*)

- Advertising (*marketing and recruitment*)
- Authorized Travel (*funds for Board travel*)
- Communications/ Publications (*funds for communications media and publishing*)
- Conventions and Meetings (*funds and deposits paid for hosting conventions and meetings*)
- Insurance (*insurance for equipment, etc.*)
- Officers visits (*official officers and visitors*)
- Office Supplies (*office supplies*)
- Programs (*funds allocated to programs*)
- Products (*funds for products, if any*)
- Public Relations (*funds for PR efforts*)
- Rent (*secretariat building rent, if any*)
- Staff Salary (*payroll for staff, if any*)
- Taxes (*applicable taxes, if any*)
- Telephone/Fax/Internet (*self explanatory*)

SUMMARY

A budget is not a straitjacket. If it does not seem suitable, change it. Collect monies, pay all accounts by check and have the president countersign them; and pay all debts promptly.

In your year, the opportunities are endless – especially for your personal budgeting skills.