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## Introduction

This manual was created to give chapters and colonies a road map for financial success, by giving them the tools to establish a sound fiscal plan for the organization's finances.

One of the user-friendly features of this manual is its applicable nature. Throughout the manual, there are many check boxes and bullet points intended to help ensure completion of each task, as well as serving as a general guideline to increase effectiveness. The manual is laid out for the treasurer to be able to follow a plan of action to help keep accounts current. Included in the appendices of the manual are a variety of sample resources to be used as a model for developing resources at the chapter level.

Delta Upsilon International Headquarters desires to provide all DU chapters and colonies with timely and effective resources. Feedback on this manual is encouraged. Please contact the International Headquarters with any comments or suggestions. The Headquarters staff can be reached Monday through Friday, between the hours of 8:30 AM and 5:00 PM EST, by phone at 317/875-8900, by fax at 317/876-1629, or by e-mail at [IHQ@deltau.org](mailto:IHQ@deltau.org).

## Position Description

**Title:** Treasurer

**Reports to:** Executive Council and Alumni Treasurer

### **Position Function:**

The Treasurer serves on the Executive Council and is directly responsible for the receipt, care, and disbursement of all chapter funds. The Treasurer must work with the undergraduates, alumni officers, and International Fraternity to secure a sound and fiscally prudent future for the chapter.

### **Principal Responsibilities:**

1. Serve as an Executive Council officer within the chapter. Attend Executive Council meetings and contribute input as to the advancement of the Fraternity.
2. Develop and execute the chapter's fiscal policies to guarantee a sound financial future.
3. Work with the Alumni Treasurer to prepare an annual balanced budget to be submitted and approved by the membership at large.
4. Prepare and disseminate on a timely basis accurate monthly financial statements with comparisons to budget and prior year activity.
5. Compile all necessary support documentation needed for Fraternity awards applications and the *Chapter Excellence Report* as outlined in the Financial Management section of the *Chapter Excellence Plan Guidebook*.
6. Communicate all significant financial activity and results to undergraduates, alumni officers, and the International Fraternity.

7. Responsible for the collection of all fees and past due accounts receivable in accordance with the chapter's approved collection policy.
8. Distribute organized monthly bills to each chapter member.
9. Prepare all required regulatory reports as needed.
10. Submit payment to the chapter's suppliers and vendors on a timely basis.
11. Develop and maintain a detailed account of treasurer's activities and compile an officer notebook to educate future officers.
12. Develop position goals and budget. Utilize the appropriate section of the *Chapter Excellence Plan Guidebook* as a planning tool in the goal setting process.
13. Properly and adequately train all assistants and replacements.

### **Basic Expectations for the Treasurer**

- Hold committee meetings
- Collect receivables and pay outstanding bills
- Maintain contact with the alumni board treasurer
- Update the chapter's checking account
- Collect membership fees and issues checks to accompany the IHQ registrations
- Work with the chairman to develop the chapter's budget; include savings as a line item
- Coordinate the effort of the house chairman
- Attend executive council meetings
- Attend monthly alumni board meetings and discuss finances of chapter with alumni board

The treasurer's duties are executive and administrative. The treasurer is a chapter leader; therefore, the treasurer should apply the three principles of sound management:

1. Plan: The treasurer sets up a committee to help in the week's duties as outlined above.
2. Execute the Plan: The treasurer has the responsibility to see that committee chairmen execute the plans of the committee properly—these men have "know-how." To do this effectively, it is necessary to have periodic review with the committee chairman.
3. Control the Result: The treasurer must see that results are achieved. This requires systematic follow-up to make sure the jobs get done. Do not be afraid to remove a chairman who is not getting results.

## Important Dates for Chapter Submissions

Associate Member Fees: \$60/man; due within 24 hours of pledging; list of these men due at DU Headquarters within 7 days of pledging.

Late fee of \$10 per new associate member may be assessed.

Bio forms: due at DU Headquarters within 7 days of pledging.

Budget: for chapter's academic year due October 1.

CEP: planning report due October 1  
extension request due April 1  
completed report due May 1

Chapter Assessment for conferences: fall \$850 billed Aug 15, due Sept 15  
spring \$850 billed Dec 15, due Jan 15

Finances Charges: 1%/month (12% annually) on outstanding balances 30 days past due

Initiation Report: due seven days before initiation

Initiation Fees: @200/man; due at time of initiation or before.  
Late fee of \$20 per new initiated member may be assessed.

Leadership Institute Registration: due May 1

Loss Prevention Assessment: fall (75%), billed Aug 15, due Sept 15  
spring (25%), billed Dec 15, due Jan 15

Magazine News: one submission each semester

Member Expulsions: immediately

Member Resignations: immediately

Officers List: fall Oct 1, spring Feb 1, and immediate after election

Rosters:

FALL roster mailed Sept 1, must be returned by Oct 1; 10% late fee may be assessed; men initiated Sept 15 or earlier are billed member fees @\$62.50; these fees due Oct 1.

SPRING roster mailed Feb 1, must be returned by Mar 1; 10% late fee may be assessed; men initiated Feb 15 or earlier are billed member fees @\$62.50; these fees due Mar 1.

Summer Addresses for chapter officers: due May 1

Winter Educational Conference Registration: registration for Presidents Academy and Recruitment Symposium due Dec 1

## Treasurer's Checklist

**YES**

**NO**

- |       |       |  |
|-------|-------|--|
| _____ | _____ | 1. All members have signed membership agreements.  |
| _____ | _____ | 2. Members' bills are posted for all to see.   |
| _____ | _____ | 3. Fine for late payment of the member's bill.   |
| _____ | _____ | 4. Fine for writing checks that bounce.  |
| _____ | _____ | 5. Members 30 days delinquent in dues are suspended.   |
| _____ | _____ | 6. Members 60 days delinquent in dues are expelled.  |
| _____ | _____ | 7. There is, in the bylaws of a chapter, a yearly cost-of-living increase clause.              |
| _____ | _____ | 8. Members are encouraged to pay their bills at the beginning of the term not monthly.         |
| _____ | _____ | 9. Out of house brothers pay part of the operations of the chapter house through a parlor fee. |
| _____ | _____ | 10. A healthy programming budget exists after all other bills are paid.                        |
| _____ | _____ | 11. The chapter house is always full, and all house agreements are signed.                     |
| _____ | _____ | 12. Monies are budgeted for community service, flowers, gifts, and special recognition.        |
| _____ | _____ | 13. The chapter has a scholarship fund.  |
| _____ | _____ | 14. All officers and chairmen develop annual or term budgets.                                  |
| _____ | _____ | 15. The chapter saves for special gifts for the house. (i.e., new furniture, library).         |
| _____ | _____ | 16. The treasurer makes weekly reports to the chapter.   |
| _____ | _____ | 17. The treasurer budgets yearly for IHQ charges.  |

## Financial Review Board

The Financial Review Board is responsible for the overall financial stability of the chapter. It should assist the treasurer in the creation of a yearly budget, and the development and enforcement of chapter financial policies. The Financial Review Board should collect housing and financial obligation contracts from each member as well as set up payment plans for members with financial difficulties.

The Financial Review Board consists of the treasurer, who serves as chairman of the board, the assistant treasurer, the alumni financial advisor, and three non-executive members from the chapter. The board should meet to monitor the chapter's financial position and the financial status of each individual member on a monthly basis at the very least.

### Duties of the Financial Review Board

1. Assist the chapter and each officer in the creation of the chapter budget. Submit the budget to the chapter for approval. Send a copy of the budget to the International Headquarters.
2. Meet at least monthly to review the financial position of the chapter. This will include reviewing the budget of each individual officer and the account balance of each member.
3. Ensure the chapter's accounts receivable is below 5% of the chapter's total revenue.
4. Ensure the chapter's accounts payable is below 5% of the chapter's total expenses.
5. Annually save at least 5% of the chapter's total budget for emergency reserve purposes.
6. Meet individually with members who are experiencing financial difficulties. Develop a plan for each member to meet his financial obligations. The Board must make sure that each member signs a promissory note for any unpaid financial obligation to the fraternity.
7. Handle all disciplinary procedures pertaining to financial matters including contacting a collection agency to collect on any financially delinquent members.
8. Compile all necessary support documentation needed for the Fraternity Awards Application and the *Chapter Excellence Report* in the area of Financial Management.
9. Ensure the treasurer and all sub-officers develop and maintain a detailed account of all financial activities and compile their officer notebooks to educate future officers and committee members.

## Treasurer's Supplies

- Receipt Book
- Statement Book
- Checkbook
- Operations notebook for keeping:
  1. Operating Budget
  2. Monthly Expenses
  3. Monthly Receivables
  4. Monthly Member Bills

## Standard Operating Procedures

1. Give a receipt for every penny received.
2. Ensure that every penny received is deposited into the chapter's account.
3. Write a check for every expenditure – Avoid cash reimbursement.
4. Prepare an annual budget and maintain an effective budgeting process each year.
5. Have an annual review of the chapter's finances by an audit committee of two-three alumni.
6. Someone other than those authorized to make deposits or withdrawals should reconcile bank accounts monthly.
7. Have one or more assistant treasurers - one of whom will be treasurer next year.
8. Two signatures required on all checks.
9. All incoming checks stamped "For Deposit Only" to the credit of the chapter.
10. All deposits made in the name of the chapter on a timely and frequent basis.
11. All asset accounts are subject to joint control by two or more responsible members.
12. Maintain a relationship with active alumni advisors who have finance experience.
13. An inventory of all merchandise is taken at least once a year.
14. Have contracts with each member, bill monthly, and have ongoing collection efforts on all accounts.

## Four Keys to Financial Stability

- Have a sound budget that includes savings
- Collect all money that is owed to the chapter
- Fill the chapter house to capacity
- Pay all bills in a timely manner to avoid late fees and interest charges.

## Training the Assistant Treasurer

Continuity and consistency are essential to the financial stability of the Fraternity. Continuity exists when the treasurer-elect has an understanding of the job before he takes office and assumes the responsibility. Continuity can only exist if there is a friendly working relationship between the treasurer and the treasurer-elect. However, the training begins far in advance of the election.

### • **Step One: Search**

The treasurer is responsible for training the assistant treasurer. He begins the search for an assistant treasurer during his first semester in office. An announcement is made to discover if any member is interested in the job. The treasurer should seek out individuals who he believes will make a good

assistant. Discussion of the office is established with the interested members. File information to refer back to for future reference.

### • **Step Two: Study**

This is where the training begins. The treasurer makes another announcement for interested members. In fact, he makes several announcements so that everyone understands that a failure to come forward may preclude them from a decision to run for treasurer at a later date. All this is done at mid-point of the year elected.

Every interested member should have the opportunity to enter the training program. This is not the step at which the treasurer makes a value decision about who may or may not make a good treasurer. The training program should be designed to give a good representation of the position and to identify who can handle the job.

The treasurer at this time will gather all prospective treasurers together and begin the following study program.

- I. A brief talk about what it is like to be treasurer
  - A. Position Description
  - B. Goals
  - C. Responsibilities
- II. Everyone receives a copy of the treasurer's notebook
- III. The final step in the "Study Stage"
  - A. Check Book
  - B. Petty Cash
  - C. Files
  - D. Administrative Duties
  - E. Bookkeeping
  - F. Collections

### • **Step Three: Assuming Workload**

This stage should begin the second month during the treasurer's term. The treasurer should make his final call for members interested in the office. A member who comes forward at this point will have to do some catch-up work on step two.

It is time to have another talk about the treasurer's job. The treasurer should gather the prospective treasurers together and review what they have done. The treasurer should answer questions and address any concerns. He should place special emphasis on the responsibility and time commitment involved with the position.

Now the treasurer will begin to delegate the workload. All prospective candidates should work on and complete financial reports from the beginning. This allows the treasurer to discover difficulties and explain the functions of the financial report. Other responsibilities are delegated and rotated among the candidates --- i.e., issuing bills, collection of payment, etc.

The treasurer should then observe the work of the prospective treasurers. He should give each candidate an honest evaluation of his performance. If there is hesitation about one's ability to handle the job, the matter should be honestly and openly discussed. Increasing an individual's workload is a good way to find out how he will handle the job.

- **Step Four: Election of The Assistant Treasurer**

The assistant treasurer is an elected position. He automatically becomes treasurer when the chapter elections are held. The treasurer should give the chapter his honest evaluation of the qualifications of all the candidates. If an individual is clearly unqualified, he should inform the chapter of this fact. In the event an individual runs for assistant treasurer and he has not participated in the preliminary training program, the treasurer should explain to the chapter how this could cause problems (unless the individual has previous experience that can take the place of the preliminary training).

- **Step Five: Transition**

This step begins following the election of the assistant treasurer. The treasurer should work closely with this individual. The assistant treasurer should be incorporated into all facets of the treasurer's work and responsibility, and workload should be shifted to the assistant treasurer. The assistant treasurer should also review step two. Information and responsibility should not be transferred so fast that the assistant treasurer cannot absorb what is happening. A majority of the treasurer's responsibility should be turned over to the assistant treasurer by the time the regular chapter election occurs.

- **Step Six: Post Election Training**

A new treasurer encounters many issues that are unfamiliar and for which the solution may be uncertain. In this case, the former treasurer should continue working closely with the new treasurer to help when an issue arises.

The former treasurer may now serve as an advisor, no longer the final decision-maker. The former treasurer, however, should continue to perform on a regular basis many of the training tasks. A former treasurer has a responsibility to make sure that the new treasurer knows what needs to be done and is doing it correctly. Likewise, a treasurer must be willing to listen to the advice of a former treasurer and to go to him for help when it is needed.

**A FINAL COMMENT** – The goal of the training program is to prepare the treasurer-elect to handle the job of the chapter treasurer. This goal cannot be accomplished if the outgoing treasurer does everything and makes all the decisions for the incoming treasurer. The treasurer-elect should learn to think for himself and come up with the answers to chapter financial issues.

## Chapter Financial Information

### **WHEN YOU TAKE A PLEDGE CLASS:**

#### Send International Headquarters:

- A completed biographical card for each man
- \$60 per man pledge fee within 24 hours

Late fees are \$10 per man for pledge fees that are 30 days past due.

#### International Headquarters will send you:

- A *Cornerstone* for each paid pledge

You may order pledge pins at anytime for \$3.00 per pin plus shipping.

### **WHEN YOU INITIATE A GROUP OF MEN:**

#### Send International Headquarters:

- A completed Initiation Report for each initiation date
- \$200 per man initiation fee within 24 hours of the ceremony

Late fees are \$20 per man for initiation fees that are 30 days past due.

#### International Headquarters will send you:

- A goldklad member badge for each new member
- A membership certificate and membership card for each new member

Badges may be upgraded to 10K gold for an additional \$20 each. Badges will be sent immediately; certificates and cards are ordered and will be sent as soon as possible (approx. 6-8 weeks). Replacement badges are \$35 for goldklad and \$55 for 10K gold.

### **MEMBER FEE**

You will receive our most current copy of your chapter roster of initiated men in September and February. The roster is to be corrected with any graduations, resignations, expulsions, transfers, etc. as of September 1st and February 1st, and returned to us by October 1st and March 1st along with the check for the fees. Send your check for fees with the CORRECTED roster. Note that you do not pay member fees on pledges. The fees are:

**FALL            \$62.50 per man**  
**SPRING        \$62.50 per man**

- There is 10% penalty for fees not received by the due date.

### **LOSS PREVENTION ASSESSMENT**

The Loss Prevention Assessment is the individual chapter's proportionate share of the Fraternity's annual premium. It is computed in the summer of each year. Seventy-five percent is billed August 15

and is due September 15. The remaining 25% is billed December 15 and is due January 15. The assessment is based on the number of chapter members reported for the spring semester

### **CHAPTER ASSESSMENT FOR CONFERENCES**

Each chapter/colony, regardless of size, is assessed \$1,700 per academic year. If the assessment for the entire year is paid by September 15, there will be a \$100 credit given. The assessment is billed in two assessments (billed in August and December). If paid in installments, \$850 is due September 15 and the remaining \$850 is due January 15. The purpose of this assessment is to help defray the costs of the Fraternity educational conferences. Under this assessment the chapter/colony is entitled to send two men to the annual Leadership Institute on a no-registration-fee basis. They are also entitled to send the Chapter President to the Presidents Academy and the VP-Recruitment to the Recruitment Symposium – both tracks are parts of the Winter Educational Conference.

You should budget for additional registration fees and travel expenses based on the number of delegates the chapter plans to send to the Leadership Institute.

### **GENERAL:**

1. Bills will be sent from Headquarters the 1st of each month. The entire balance must be paid by the **15<sup>th</sup>** of the **same** month.
2. Interest at the rate of 12% annually accrues on each unpaid invoice after 30 days. This will appear on the next statement when you have not paid your bill by the **15<sup>th</sup>**.
3. Chapters with overdue bills may not receive materials from Headquarters until the bill is paid in full. Exceptions may be made occasionally when the item requested is paid for in advance and the chapter is on an approved payment plan. If your account is paid in full, you may call and order materials to be billed to the chapter's account.
4. When financial difficulties arise and you will not be able to pay your chapter bill on time, you should contact the Fraternity Headquarters **immediately**.
5. A fee of \$30 will be charged for any check that is returned for non-sufficient funds.

## **Internal Revenue Service Filing Requirements**

Undergraduate chapters of Delta Upsilon are exempt from Federal Income Tax as subordinate units of the Fraternity. This exemption was granted under Section 501(c) (7) in a group, exemption letter. **The Fraternity's, and therefore, undergraduate chapters' group number is 5222. Check the "yes" box in section H of the IRS 990, 990EZ, or 990T form and indicate the group number where appropriate.**

While exempt from Federal Income Tax, there are requirements to file returns as follows:

<b>Return</b>	<b>When Required</b>	<b>Filing Dates</b>
Form 990	If the chapter has receipts for a year greater than \$100,000 gross. If less, use Form 990EZ.	On the 15 <sup>th</sup> day of the fifth month after the chapter’s year end (i.e., if year ended is June 30 <sup>th</sup> , then the due date is November 15 <sup>th</sup> .)
Form 990EZ	If the chapter has gross receipts for a year greater than \$25,000 but less than \$100,000. If less than \$25,000, then no return is required.	Same as Form 990.
Form 990T	Filed in addition to Form 990 or 990EZ when a chapter has more than \$1,000 of “unrelated trade or business income (such as interest or investment income.)	Same as Form 990.
State Income Tax	If the chapter files a Form 990T and has net taxable income.	Check with your state department of taxation.

Most chapters will file Form 990EZ. This is a simple return, which provides the Internal Revenue Service with information about a chapter’s operations. The return is merely a specified format for the chapter’s income statement and balance sheet and some specific questions about chapter operations.

For proper filing, it is important to identify your chapter by its federal employer identification number. If your chapter is new, you may have to request the assignment of an I.D. number from your nearest IRS office, which you can locate by calling 1-800-829-1040. Also, it is important that you include the Fraternity’s group exemption number (5222) on the return.

**Introduction to Chapter Financial Management**

This manual will provide you with hands-on working tools and samples to help you perform your Treasurer responsibilities. These aids may need modification to meet your chapter’s specific situation, however bear in mind the following age-old standard observations from many years of chapter management.

1. Timely sending of chapter bills is crucial to a successful chapter financial plan.
2. Effective collection of accounts receivable will be greatly eased if you have clearly informed all members and their families of what is expected of them at the time of pledging and each upcoming school year.
3. Chapters providing Housing should require a Contract to be signed by the member and his family.

4. The Fraternity has a strict collection policy and likewise the Chapter needs one as well. Both need to be enforced uniformly with an understanding that any member who doesn't pay on time is relying on his brother to do so for him. Not good!
5. Chapter financial management becomes understandable with a timely and carefully drawn budget. It becomes achievable with disciplined collections and controlled spending.

### **Delta Upsilon International Fraternity Accounts Receivable Collection Policy**

1. Chapters will be sent a detailed statement from the International Headquarters the 1st of each month. The entire balance must be paid by the 15th of the same month. Pledge and initiation fees need to be paid within 24 hours regardless of whether they are included on your bill.
2. After 30 days from the due date, late charges and finance charges will be assessed. Finance charges will accrue at a rate of 12% annually.
3. When the receivable approaches the 60-day period a warning letter from the Fraternity treasurer will be sent and copies forwarded to the appropriate alumni. The letter will strongly recommend immediate payment to stop further action from the Board of Directors.
4. When the receivable approaches the 90-day period the Fraternity will issue a **Show Cause Letter** per directive of the Standards Committee. The chapter will be ordered to pay the outstanding obligation in full within 30 days or appear before the Chapter Finance Committee to show cause why the chapter's charter should not be suspended or revoked.
5. The Chapter Finance Committee will approve promissory notes and payment plans only when extraordinary circumstances exist. This will be determined on a case-by-case basis, and the events necessitating this must be unusual and infrequent to the chapter's operations. If a chapter misses a payment or becomes 30 days past due on current fees, the Standards Committee will issue a Show Cause Order automatically. The chapter will be asked to appear before the Standards Committee and show cause why the charter should not be suspended or revoked.
6. Chapters with overdue bills may not receive materials from Headquarters until the bill is paid in full. Exceptions may be made when the item requested is paid for in advance. If your account is paid in full, you may call and order materials and be billed on the next chapter bill.
7. A fee of \$30 will be charged to the chapter for any check (chapter or individual), which is returned for non-sufficient funds.
8. Communication should continue between the chapter leadership and the Fraternity during all phases of collection.

### **Guidelines for Establishing a Chapter Collection Policy**

#### **A. Education**

Member education is the key to avoiding accounts receivable collection problems.

1. Information letters should be sent to new pledges and their families at the time of pledging.

2. Financial obligation letters should be sent to members and their families each summer outlining all room and board charges and payment methods for the upcoming year.
3. During the start of pledge education, the chapter treasurer should be invited to speak to the pledges regarding the financial responsibility of pledges and members.
4. Annual housing contracts should be signed by both the member and his family and approved by the alumni housing corporation.
5. Early payment discounts can be offered to those who pay full-year room and board at the beginning of the year.

## **B. During the Year**

Strong written policies and an aggressive treasurer who does not let any member become lax in payment of his room, board, and dues will prevent accounts receivable problems throughout the year.

1. Monthly or quarterly billing statements should be sent to families and members.
2. The chapter should have written policies regarding the collection of fees and delinquent accounts.
3. Interest should be charged on delinquent accounts in the amount of 1% per month (12% per annum) or the legal limit for your jurisdiction.
4. Pledge fees should be collected within 24 hours of pledging and sent directly to Delta Upsilon Headquarters.
5. Initiation fees should be collected prior to initiation and sent directly to Delta Upsilon Headquarters.

## **C. Accounts Receivable Problems**

Each brother should recognize that brotherhood requires fiscal responsibility from all. If accounts receivable becomes a problem, the following steps alone or in combination may be used.

1. Social and other benefits should be denied to those who are delinquent in their payment of room and board and/or chapter dues.
2. Accounts receivable should be aged 30, 60, and 90 days.
3. Names of those members with delinquent accounts should be read during chapter meetings.
4. Alumni/chapter financial review board or the executive committee should meet with each brother who is financially delinquent.
5. In cases of gross financial delinquency (i.e. over 120 days delinquent) expulsion should be considered.

## **Incentive Programs**

Some chapters have been successful in reducing receivables by offering a discount or incentive for early payment of chapter bills. Five examples of successful programs are described for your consideration. There is a cost associated with each program that requires your budget consideration.

**Five Chapter Incentive Programs:**

- **Chapter Dues Drawing** – Members with a zero balance are entered into a drawing for a credit of one month's chapter dues.
- **Early Duck Program** – 10% discount if chapter bill is paid in full at the beginning of the year; 5% discount when paid in two installments.
- **Perfect Attendance Drawing** – A drawing that takes place at the beginning of every new term. This drawing will include chapter members that had perfect chapter meeting attendance the past term. The member's name drawn will be rewarded a 20% discount on term dues.
- **Grade Point Average Contest** – This contest is established to motivate members to achieve the best possible grades. The contest will award the three members with the best grades. Each one receiving a different type of award for their grades (each chapter will establish their own minimum grade point average).
  1. The first place winner would receive 35% discount on dues for the term.
  2. The second place winner would receive 25% discount on dues for the term.
  3. The third place winner would receive 15% discount on dues for the term.
- **The Clean Duck Program** – The program will be based on points. The house chairman will add these points to a member's score. First, points will be added when a member has completed his house chore or project on time. Second, points are added for extra work done to help clean up for social events before and/or after, setting up for meetings, helping on house projects, etc. Then the member with the highest point total will be awarded with discounts on his dues for the term, half the term, or one month.

**Chapter Reimbursement Policy**

No one is authorized to make an expenditure or create an obligation for a chapter without prior authorization of the Executive Council unless it is a budgeted item and the expenditure is being incurred by the officer or member in charge of this activity. If a member or associate member does so outside of these parameters, it is at the risk of the expenditure possibly not being approved.

In the event a member or pledge of Delta Upsilon Fraternity has made monetary expenditures for his Chapter and for the continuance of chapter operations, he shall be reimbursed under the following guidelines:

All expenditures fall into two categories: Budgeted or Non-budgeted.

**Budgeted Expenditures**

1. Submit receipts to the treasurer or the president within 30 days of purchase.
2. If the member or pledge has a balance with the chapter, his account shall be credited for the full amount of the expenditures or a portion of the expenditures, whichever will bring his account to a zero balance.
3. If the member or pledge has no balance with the chapter, he has the option of having his account credited for the full or partial amount of the expenditures or having a check for the full or partial amount written to him for said expenditures.

**Non-budgeted Expenditures**

1. Submit receipts to the treasurer or the president within 30 days of purchase.
2. The treasurer shall bring these receipts to an executive council meeting if the amount is under \$100, or chapter meeting if the amount exceeds \$100, where the expenditure shall be approved or denied.
3. If the member or pledge has a balance with the chapter, his account shall be credited for the full amount of the expenditures or a portion of the expenditures, whichever will bring his account to a zero balance.
4. If the member or pledge has no balance with the chapter, he has the option of having his account credited for the full or partial amount of the expenditures or having a check for the full or partial amount written to him for said expenditures.

**Sample Housing Cost Explanation**

**How much does it cost to live in the chapter house?**

The cost of living in the chapter house for a term will be as follows: \$XXX for rent; \$XXX for a meal plan; \$XXX chapter dues (for members living in the chapter house only, otherwise chapter dues will remain at \$XXX); \$XXX for the insurance assessment; and a refundable one time damage fee of \$XXX payable before you move into the chapter house. Payment plans extending past the first of each term will be at a higher cost. There are three payment plans available for housing agreements for the school year. The payment plans require all payments to be made on or before the following dates.

**One Payment Per Term:** Fall Semester \$XXX due August 19; Spring Semester \$XXX due January 14

Rent	\$XXX
Board	XXX
Chapter Dues	XXX
Insurance Assessment	XXX
Damage Fee (FALL ONLY)	XXX
<b>Total</b>	<b>XXX</b>

**Two Payments Per Term:** Fall Semester of \$XXX each on August 19 and September 19; Spring Semester of \$XXX each on January 14 and February 14

Rent	\$XXX
Board	XXX
Chapter Dues	XXX
Insurance Assessment	XXX
Damage Fee (FALL ONLY)	XXX
<b>Total</b>	<b>\$XXX</b>

**Three Payments Per Term:** Fall Semester of \$XXX each on, August 19, September 19, and October 19; Spring Semester of \$XXX each on January 14, February 14, and March 14

Rent	\$ XXX
Board	XXX
Chapter Dues	XXX
Insurance Assessment	XXX
Damage Fee (FALL ONLY)	XXX
Total	\$ XXX

### **Who gets to live in the House?**

Consideration for living in the chapter house and rooming assignments will be given based upon the point system adopted by the chapter. Points are given for number of terms in school, number of terms in the Fraternity, number of terms living in the house, and chapter offices held. The alumni house corporation reserves the right to approve all agreements. Items such as the previous timeliness of payments, prior behavior, and the like may be used in the making of this decision. Choice of rooming assignments will be based on the same point criteria.

### **Will there be food service?**

Food service is provided for all members living in the chapter house. The meal plan includes three meals a day Monday through Friday. Lunch and dinner is a catered meal while breakfast will be prepared in-house. An optional brunch may be served on Saturday and chapter dinner on Sunday night at an additional cost. Plans are also available for members living outside of the house.

### **How do I sign up?**

You need to obtain two copies of the housing agreement from the chapter president, the chapter treasurer or one of the advisors. Instructions for executing the agreement are as follows:

1. You need to print your name in the space provided at the top of the first page of the agreement.
2. The date you sign the agreement is the date you put in the space provided in the first paragraph on the first page.
3. Again print your name and your parent(s) name(s) in the spaces provided in the same first paragraph of the agreement.
4. Sign both copies of the agreement on the last page on the line marked STUDENT.
5. Both copies must be returned to the alumni house corporation president to be considered.

### **What happens after I sign my agreement?**

The alumni house corporation will process your agreement in the following manner:

1. A copy of the housing agreement will be mailed to your parent(s) along with a letter of explanation.
2. They will be asked to co-sign your agreement in the space marked PARENT and immediately return the agreement to the alumni house corporation.
3. A payment preference form will also be included with this letter, which asks for billing information. They will need to return this form along with the agreement.
4. Upon receipt of the agreement from your parent(s), the agreement will then be presented to the alumni house corporation board for approval.
5. After approval by the board, a completely executed copy of the agreement will be returned to either you or your parent(s).
6. Based upon the billing preference form, billing statements will be sent out to either you or your parent(s) shortly before payments are due.
7. Questions should be directed to the alumni house corporation or the undergraduate chapter president or treasurer

On the following pages are samples of various forms for your convenience. Contact the Fraternity Headquarters with any questions. (317-875-8900).

- Chapter Operations Standard Budget Form
- House Operations Standard Budget Form
- Kitchen Operations Standard Budget Form
- Standard Budget Summary Form
- Fee Calculation Worksheet
- Financial Obligation Agreement
- Financial Obligation Contract
- Sample Collection Letters
- Sample Letters to Parents

## Chapter Operations Standard Budget Form

**Chapter Operations Income - Term/Year: \_\_\_\_\_**

Dues					
	_____ Members @	\$ _____	=	\$ _____	
	_____ Pledges @	\$ _____	=	\$ _____	
Loss Prevention Assessment					
	_____ Members @	\$ _____	=	\$ _____	
	_____ Pledges @	\$ _____	=	\$ _____	
Other Income				\$ _____	

**Total Operational Income** **\$ \_\_\_\_\_**

**Chapter Operations Expenses**

Recruitment	\$ _____
IFC Dues	
_____ Members @	\$ _____ =
_____ Pledges @	\$ _____ =
Loss Prevention Assessment (to Headquarters)	\$ _____
Fall Membership Fees (to Headquarters) \$62.50/member	\$ _____
Spring Membership Fees (to Headquarters) \$62.50/member	\$ _____
Chapter Conferences Assessment (to Headquarters)	\$ <u>1,700</u>
Pledge fees to IHQ within 24 hours _____ @ \$60	\$ _____
Initiation fees to IHQ within 24 hours _____ @ \$200	\$ _____
Alumni Relations	\$ _____
Public Relations	\$ _____
Philanthropy	\$ _____
Community Service	\$ _____
Scholarship	\$ _____
Intramural Events	\$ _____
Social Programming	\$ _____
Cable Television	\$ _____
Bookkeeping Services	\$ _____
Stationary and Postage	\$ _____
Awards and Recognition	\$ _____
Supplies	\$ _____
Composite Picture	\$ _____
Subscriptions	\$ _____
Contingency	\$ _____
Uncollectible Accounts	\$ _____

**Total Chapter Operations Expenses** **\$ \_\_\_\_\_**

**NET INCOME (LOSS)** **\$ \_\_\_\_\_**

## House Operations Standard Budget Form

Term/Year: \_\_\_\_\_

**House Operations Income**

Room Rent:			
_____ Members @	\$ _____	=	\$ _____
_____ Pledges @	\$ _____	=	\$ _____
Parlor Fees:			
_____ Members @	\$ _____	=	\$ _____
_____ Pledges @	\$ _____	=	\$ _____
Rent Income from other sources			\$ _____
Building Fund Assessment			\$ _____
_____ Members @	\$ _____	=	\$ _____

**Total Housing Operations Income** \$ \_\_\_\_\_

**House Operations Expenses**

Rent to Alumni Corporation Board/ Landlord			\$ _____
Rent to Others			\$ _____
Property Insurance			\$ _____
Salaries:			
Housemother	\$ _____		
Other	\$ _____		
Payroll Taxes	\$ _____		
Benefits	\$ _____		
Total Salary Expenses			\$ _____
Utilities:			
Electric	\$ _____		
Water	\$ _____		
Gas	\$ _____		
Garbage/Trash	\$ _____		
Telephone	\$ _____		
Sewage	\$ _____		
Total Utility Expenses			\$ _____
Maintenance Supplies			\$ _____
Maintenance Repairs			\$ _____
Pest Control			\$ _____
Building Improvement Fund			\$ _____
Repayment of Loans			\$ _____
Uncollectible Accounts			\$ _____
Contingency/Savings			\$ _____

**Total House Operations Expenses** \$ \_\_\_\_\_

**NET INCOME (LOSS)** \$ \_\_\_\_\_

## Kitchen Operations Standard Budget Form

Term/Year: \_\_\_\_\_

**Kitchen Operations Income**

Board Income:

\_\_\_\_\_ Members @ \$ \_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ Boarder @ \$ \_\_\_\_\_ \$ \_\_\_\_\_

Guest Meal Income \$ \_\_\_\_\_

**Total Kitchen Operations Income** \$ \_\_\_\_\_

**Kitchen Operations Expense**

Food Expenses \$ \_\_\_\_\_

Salaries:

Cook \$ \_\_\_\_\_

Waiters \$ \_\_\_\_\_

Dishwashers \$ \_\_\_\_\_

Other \$ \_\_\_\_\_

Payroll Taxes \$ \_\_\_\_\_

Benefits \$ \_\_\_\_\_

Total Salaries Expense \$ \_\_\_\_\_

Kitchen Utilities \$ \_\_\_\_\_

Kitchen Supplies \$ \_\_\_\_\_

Kitchen Equipment \$ \_\_\_\_\_

Kitchen Maintenance \$ \_\_\_\_\_

Kitchen Rent \$ \_\_\_\_\_

Laundry and Linens \$ \_\_\_\_\_

Repayment of Debts \$ \_\_\_\_\_

Uncollectible Accounts \$ \_\_\_\_\_

Contingency/Savings \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

**Total Kitchen Operations Expenses** \$ \_\_\_\_\_

**NET INCOME (LOSS)** \$ \_\_\_\_\_

## Standard Budget Summary

Term/Year: \_\_\_\_\_

Anticipated Chapter Operations Income	\$ _____
Anticipated House Operations Income	\$ _____
Anticipated Kitchen Income	\$ _____
<b>Total Anticipated Income</b>	<b>\$ _____</b>
Total Chapter Operations Expenses	\$ _____
Total House Operations Expenses	\$ _____
Total Kitchen Operations Expenses	\$ _____
<b>Total Expenses</b>	<b>\$ _____</b>
<b>Total Gain/Loss for the term</b>	<b>\$ _____</b>

## Fee Calculation Worksheet

For the Month of \_\_\_\_\_, 20\_\_

EXPENSES	<u>Current Month</u>	<u>Year to Date</u>
1. Room	\$ _____	\$ _____
2. Board	_____	_____
3. Dues	_____	_____
4. Parlor Fees	_____	_____
5. Telephone	_____	_____
6. Electricity	_____	_____
7. Food	_____	_____
8. Entertainment	_____	_____
9. Savings	_____	_____
10. Other	_____	_____
11. Misc.	_____	_____
TOTAL EXPENSE	\$ _____	\$ _____
NET BAL.	\$ _____	\$ _____

DATE \_\_\_\_\_, 20\_\_

### Sample Collection Policy

1. A one week grace period from the payment due date will be granted to all members.
2. Seven days after the payment deadline a \$10 late fee will be charged to the account and a promissory note must be signed. Social and voting privileges will be revoked until the balance is satisfied in full.
3. After 14 days, an additional \$15 (total \$25) late payment fee will be charged to the account.
4. One month of delinquency will result in the member incurring an additional 5% on the balance that is 30 days past due. A letter will be mailed to the parent/guardian of the member advising them of the member's delinquency. At this point the member's name will be added to the delinquency list and read at the chapter meeting, detailing the member name and balance. The member will be required to appear before the Financial Review Board.
5. At the end of the second month, the member will be suspended from the chapter, and the account, along with the signed promissory note, will be turned over to the alumni president and an outside attorney for collection.

### Sample Financial Obligation Agreement

Student's Name \_\_\_\_\_ Academic Year: \_\_\_\_\_

This agreement entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between THE ALUMNI OF DELTA UPSILON, INC., an (State Name) not-for-profit corporation, hereinafter referred to as FRATERNITY; and, \_\_\_\_\_ hereinafter referred to as STUDENT; and \_\_\_\_\_, parent or legal guardian of said STUDENT, hereinafter referred to as PARENT, WITNESSETH:

For and in consideration of the promises contained herein the parties agree as follows:

1. The FRATERNITY shall provide to the STUDENT room and board for the period beginning \_\_\_\_\_ and ending \_\_\_\_\_. Said room and board services shall conform to the standard for such services as set forth in any appropriate regulation promulgated by the University, and shall be provided in accordance with the regulations and schedules established by the FRATERNITY.
2. The Fraternity shall provide such additional services to the STUDENT as the FRATERNITY shall from time to time determine. Such services may include but are not limited to those relating to the academic, athletic, and social development of the STUDENT.
3. The FRATERNITY shall provide to the STUDENT membership in the FRATERNITY and all benefits resulting therefrom; provided that and so long as the STUDENT has satisfied all requirements for

membership as those set forth in the regulations and policies promulgated by the University and the FRATERNITY, and further provided that so long as the STUDENT is eligible for membership in the FRATERNITY, as the FRATERNITY in its sole discretion shall determine.

4. The STUDENT shall pay the FRATERNITY the following amounts for the following items at the times set opposite thereof:

<u>Item</u>	<u>Amount</u>	<u>Date Due</u>
1. Room - 1st semester	\$ _____	_____
2. Room - 2nd semester	\$ _____	_____
3. Board - 1st semester	\$ _____	_____
4. Board - 2nd semester	\$ _____	_____
5. House Expense - 1st semester	\$ _____	_____
6. House Expense - 2nd semester	\$ _____	_____
7. Insurance assessment - 1st semester	\$ _____	_____
8. Insurance assessment - 2nd semester	\$ _____	_____
9. Damage Fee	\$ 50.00	_____
10. Initiation Fee	\$ 200.00	_____

A LATE CHARGE OF UP TO FIFTEEN PERCENT (15%) WILL BE MADE FOR PAYMENTS NOT ACTUALLY RECEIVED BY THE FRATERNITY FIVE DAYS AFTER THE DUE DATE.

5. The item, number 9, damage fee in paragraph four (4) above, shall be held by the FRATERNITY for the purpose of securing the FRATERNITY for any and all loss sustained by it, occasioned by acts of the STUDENT. To the extent that the FRATERNITY suffers loss (ordinary wear and tear to personal and real property of the FRATERNITY excepted) as the result of acts by the STUDENT, said damage fee shall be forfeited and become the sole property of the FRATERNITY. At the conclusion of the academic year, or sooner as the FRATERNITY shall determine, said damage fee shall be refunded to the STUDENT to the extent that it is not forfeited as provided above. It is understood and agreed that the forfeiture of the damage fee shall not discharge any obligation of the STUDENT if said obligation exceeds the amount of said damage fee.

6. It is understood and agreed that the financial obligations hereunder shall continue until satisfied, provided that:

(a) No charge for room or board shall be incurred for any semester in which the STUDENT, as a result of marriage prior to the beginning of the semester, is unable to live in the Fraternity's facility.

(b) No charge shall be incurred subsequent to the withdrawal of the STUDENT from the University, and obligations incurred hereunder shall be prorated as of the date of withdrawal.

(c) No charge for room or board shall be incurred for any semester in which the STUDENT, as part of his degree requirements at the University, is required to live outside the immediate area.

7. Any charge increasing or decreasing the amounts stated in paragraph four (4), above, duly made in accordance with the by-laws of the FRATERNITY or any international organization thereof shall modify this agreement accordingly and be binding on all parties hereto.

8. The FRATERNITY shall not be responsible for the theft, loss or damage of any property owned or in the possession of the STUDENT or PARENT.

9. The STUDENT shall abide by all existing and future rules and regulations established by the FRATERNITY and/or its members and the University, and further shall abide by all laws imposed by the United States of America, the State and any subdivision thereof.
10. Failure of the STUDENT or PARENT to comply with the terms of this agreement shall discharge the FRATERNITY from further obligation hereunder, and in the event of such non-compliance the FRATERNITY, may at its option declare this agreement terminated.
11. This agreement may be terminated or amended by the written agreement of all parties hereto.
12. In the event the University should close, or discontinue or suspend all or any portion of its curriculum or classes for any reason whatsoever, no refund of any moneys paid under the terms hereof shall be made by the FRATERNITY.
13. The PARENT hereby guarantees payment and performance by the STUDENT of the obligations herein set forth, and further agrees that if default is made by the STUDENT in the payment of any amounts due hereunder, the PARENT will pay, upon demand and without prior notice all obligations that may be due. In the event suit or any collection effort is instituted to collect moneys due hereunder, on the default in payment by STUDENT or PARENT, STUDENT and PARENT agree to pay such additional sums as may be reasonable for attorney's fees in said suit or collection effort.
14. This agreement shall in all respects be governed by the laws of the State of \_\_\_\_\_ and this agreement is executable in two (2) counterparts, each of which is to be considered an original of equal force and effect. This agreement shall be in full force and effect from and after execution by all parties hereto.

\_\_\_\_\_  
STUDENT

\_\_\_\_\_  
PARENT

By \_\_\_\_\_

CORPORATE OFFICER

**Financial Obligation Contract**

\_\_\_\_\_  
Date

I, {Name of Member/Pledge} fully understand that by signing this contract, I vouch for my indebtedness to the {Chapter Name} Chapter of Delta Upsilon International Fraternity in the amount of \$ \_\_\_\_\_.

This amount is made up of:

Pledge Fee:	\$ _____	payable on _____, 20__
Initiation Fee:	\$ _____	payable on _____, 20__
Membership Dues:	\$ _____	payable on _____, 20__
Insurance Assessment:	\$ _____	payable on _____, 20__
Meal Plan:	\$ _____	payable on _____, 20__
TOTAL:	\$ _____	

I understand that payment of \$ \_\_\_\_\_ is due on \_\_\_\_\_, 20\_\_ unless alternative arrangements are made in writing with the {Chapter Name} Chapter Treasurer. If I do not pay by \_\_\_\_\_, 20\_\_, I forfeit my right to membership in Delta Upsilon, and the chapter has the right to pursue collection of funds owed by use of a collection agency and/or small claims court. I also understand that the {Chapter Name} Chapter of Delta Upsilon will proceed with my expulsion from the fraternity if this financial obligation is not met. Of these obligations, I am fully aware and sign of my own free will.

\_\_\_\_\_

Member

\_\_\_\_\_

Treasurer

\_\_\_\_\_

Alumni Board Representative

\*NOTE: The specific charges above are intended as an example of possible bills. Adapt this Contract as needed by the chapter.

## Sample Collection Letters

### PHASE 1:

Dear Brother:

Your Chapter bill dated [date] is now considered past due. As Chapter Treasurer, I have the unpleasant task of having to write on behalf of Delta Upsilon regarding your overdue account. According to our records, as of today you have an overdue balance of \$\_\_\_\_\_.

I would appreciate it if you could enclose a check payable to Delta Upsilon Fraternity in that amount and return it in the enclosed envelope prior to \_\_\_\_\_. If you are not able to pay the entire amount at one time, I would be happy to help arrange a suitable payment schedule so the entire amount may be paid off as soon as possible.

I know you will meet your responsibility and will settle the matter quickly. If you have any questions or would like to arrange a payment plan, please contact me at (contact information).

Fraternally,

[Name]  
Chapter Treasurer

### PHASE 2:

Dear Brother:

On \_\_\_\_\_, I wrote to you concerning your past due account of \$\_\_\_\_\_, asking for payment. As yet we have not received any response from you; therefore you have been placed on probation until payment is received.

We are trying to eliminate all past due accounts owed the chapter before our alumni financial board meets. The chapter needs to collect this outstanding balance.

If you do not immediately satisfy your obligation in full, your name and the amount owed will be forwarded to the Alumni Corporation Treasurer and the Corporation's Attorney for collection. Our intent is to use all possible means of legal action to collect on this money.

If you have any questions as to the amount due or making payment on your bill, please do not hesitate to contact myself at [phone #], or the Alumni Treasurer at [phone #].

Thank you for your immediate attention.

Fraternally,

[Name]  
Chapter Treasurer

### **PHASE 3:**

Dear Brother:

I, on behalf of the chapter have been requested to approach you regarding your outstanding account. According to chapter records, as of today you have an overdue balance of \$\_\_\_\_\_. As you may recall, you received two letters from the treasurer of the chapter stating the overdue amount. There is no reason for a member of our chapter after receiving two collection letters to still have a delinquent account.

The overdue account needs to be rectified immediately. This can be done by enclosing a check payable to Delta Upsilon Fraternity in the said amount, and returned in the enclosed envelope prior to \_\_\_\_\_. If you are not able to pay the entire amount at one time, I would be happy to help arrange a suitable payment schedule so the entire amount may be paid off as soon as possible. I can be contacted at (contact information).

I sincerely hope we can ratify this situation. Please settle this matter, as quickly as possible or legal action to collect on this money will be taken.

Fraternally

[Name]  
Alumni President

### **PHASE 4:**

Dear Brother:

The \_\_\_\_\_ Chapter of Delta Upsilon and alumni association have retained my services to collect the money you owe. As you may recall, you received a letter in \_\_\_\_\_ from the alumni president of the Chapter regarding your account, now considerably overdue in the amount of \$\_\_\_\_\_. The amount due was incurred at your request for membership, food and lodging. Your delinquency has placed the financial solvency of the chapter in jeopardy.

My instructions to you are as follows:

1. You will be allowed a further extension of time until \_\_\_\_\_ to pay the outstanding balance without penalty. Please remit the payment to me as agent for the \_\_\_\_\_ Chapter of Delta Upsilon.
2. On \_\_\_\_\_, any balance remaining will be submitted to the court magistrate, requesting judgment for the amount due, plus interest and costs.
3. Following judgment, the award will be certified for collections by the sheriff against assets now owned by you.
4. The award, if uncollectible because of lack of present assets, will be kept open until such time as it is deemed collectible or by garnishment of wages from your employer.
5. The Fraternity reserves the right to use whatever other lawful means available to collect this account.

You may avoid these unpleasant consequences by simply remitting your payment in full to me by \_\_\_\_\_. Payment can be sent to (contact information).

Sincerely,

Attorney

## Sample Letter to Parents or Families

[Date]

[Name]

[Address]

Dear [Name]:

Over the past few years fraternities have encountered increasing problems in collection of moneys owed to them for room, board, and house expense. Our experience is no exception to this trend. After a thorough investigation of the problem we have concluded that our responsibility to provide superior housing for our members must be met with an equal commitment from the members and their parents.

We are asking for your cooperation in an effort to provide your son with greater service. Enclosed is a copy of a Financial Obligation Agreement that your son has already signed, setting forth the

Fraternity's, members, and parents' responsibilities. It is hoped that this agreement will be an aid in maintaining quality service to your son.

You should sign where indicated on the last page and return it to us in the enclosed envelope. We have also enclosed an explanation sheet laying out the three payment plans available as well as a billing preference form. We would appreciate your returning the billing preference along with the signed agreement.

Thanking you for your prompt attention to this matter.

Sincerely,

[Name]  
Chapter Treasurer (or  
Alumni Treasurer)

Enclosures