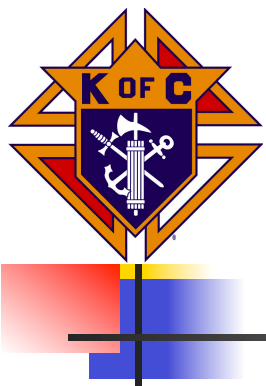




# Illinois State Council Knights of Columbus Academy

## Financial Officers' Training





# Course Introduction

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## ■ **Course Goals**

- Provide consistent guidelines for financial officers to carry out their duties
- Understand roles of the various financial officers





# Course Introduction

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## ■ **Course Goals**

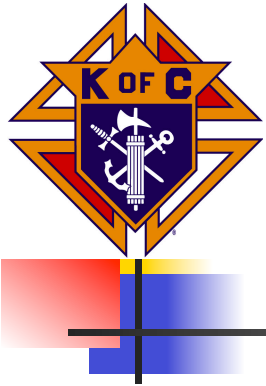
- Help to ensure that expenditures and accounting of income are properly handled
- Help financial officers to be more accountable to council members



# Course Introduction

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- **Course Topics**
  - Financial roles in the council
  - Financial planning in the council
  - Basic financial processes
  - Financial Secretary Non financial duties



# Financial Roles in the Council

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- **Grand Knight**

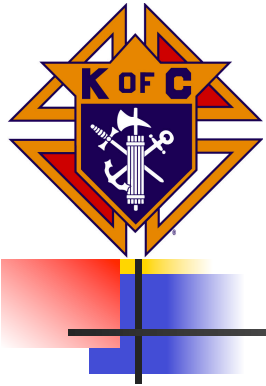
- Chief administrative officer in the council
- Verifies bills that are read to the council by the financial secretary and deposits made by the treasurer



# Financial Roles in the Council

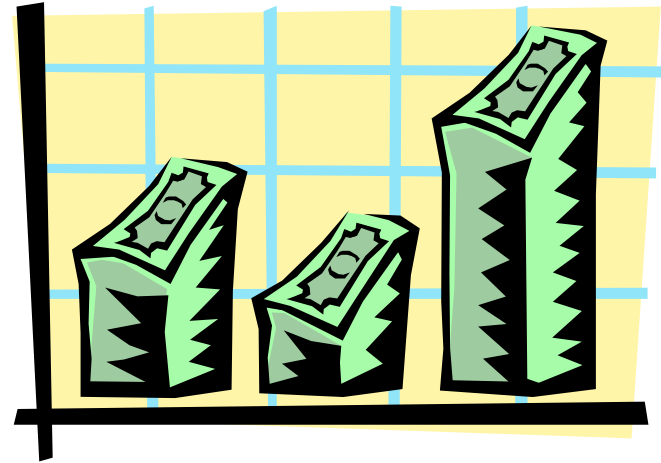
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- **Grand Knight**
  - Signs checks
  - Primary accountability for council activities and status e.g. GK has approval and oversight of projects and programs (is activity in the budget or planned?)



# Role of the Financial Secretary

- Handles all required commitments are met
  - Supreme Office
  - State Council





# Role of the Financial Secretary

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- Initiates payment
- Maintains member status
  - New members / transfers / deaths
- Collects and receives **ALL** moneys
- Bills and tracks dues
- Turns moneys over to Treasurer for deposit
- Bonded by Supreme Office upon appointment



# Role of the Treasurer

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- Custodian of **ALL** council funds
- Receives funds for deposit
- Writes checks
- Retains supporting documentation of bank transactions



# Role of the Treasurer

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- Provides financial reports to council
- Balances bank statements
- Bonded upon receipt of form 185





# Role of the Trustees

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- Board of Trustees consists of
  - Grand Knight
  - Three elected Trustees
- Must approve payments except
  - Supreme and State Council assessments
- Conduct semi-annual audit



# Financial Planning in the Council

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- What is a budget
  - Guideline for council
  - Can be changed as council circumstances change
- Why budget
  - Projecting income
  - Planning for council expenses (postage, per capita, etc)
  - Planning for programming budget (program plan)



# Financial Planning in the Council

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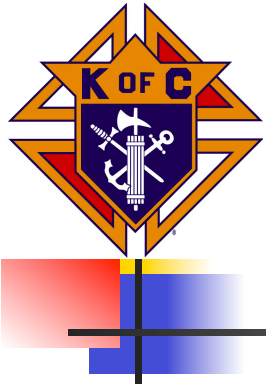
- When to budget
  - Start of each fraternal year
  - Review at least every 6 months
  - Council must approve level of expenditure in budget
  
- Remember
  - Dues year is a twelve-month period
  - Fraternal year is July 1 to June 30



# Budgeting – An Example

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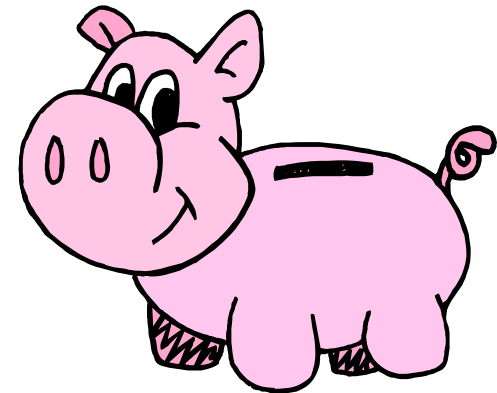
- Council membership
  - 205 regular members
  - 5 are honorary members (\$9.00 dues)
  - 30 are honorary life (no dues charge)
- Council dues \$45.00
- Funds available
  - \$7695 ( $\$45.00 * 170$  plus  $\$9.00 * 5$ )



# Budgeting Example – Continued

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- Annual Supreme Council per capita
- Annual State Council per capita
- Catholic Advertising
- Insurance





# Budgeting Example – Continued

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- Rent for meeting space
- Standing donation (chaplain, Newman, Seminarians, etc.)
- Postage & Supplies
- Historical experiences (what records show)

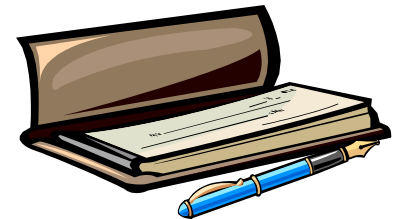




# Budgeting-An example

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- Program activities – A financial budget follows a program plan
  - Recruitment and program activities
  - What is the net impact of the activity?
  - Plan according to budgeted amounts

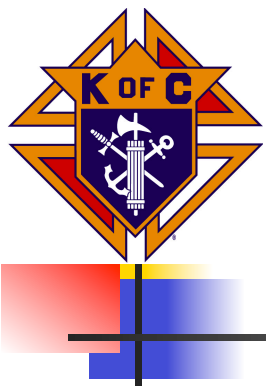




# Financial Motions

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- **Motions must**
  - Specify a specific action
  - Specify a specific person or group
  - Specify a funding method
    - Funded outright by council
    - Council advances money
  - Specify disposition of residual funds



# Sample Motions

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- I move that the council support the Supreme Council's pro-life activities.
- I move that the council support a seminar with a \$500 check.





# Sample Motions

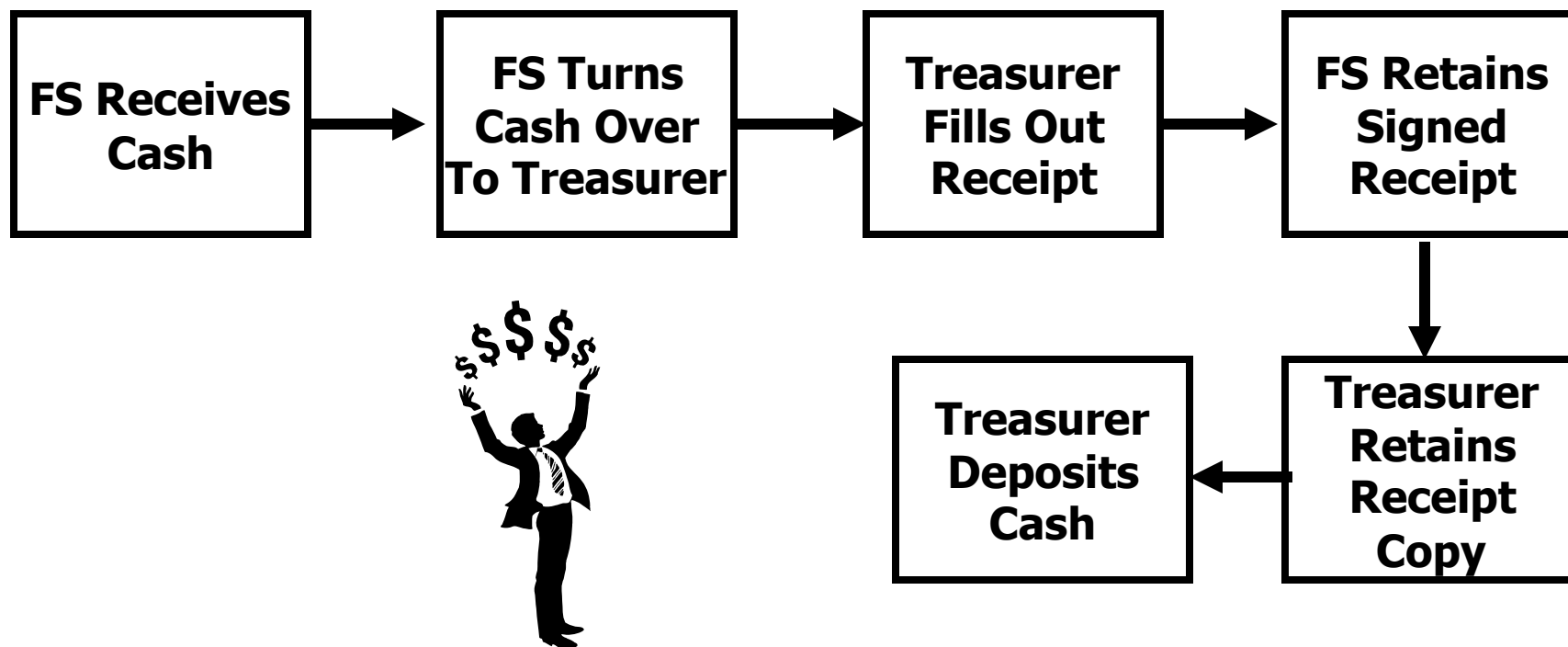
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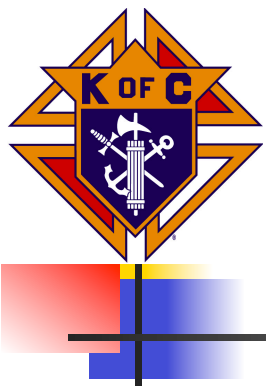
- I move that a committee appointed by the grand knight run an ad book to support a South American missionary. The council will advance the committee \$700 seed money which will be repaid from the net proceeds of the ad book.



# Basic Financial Processes

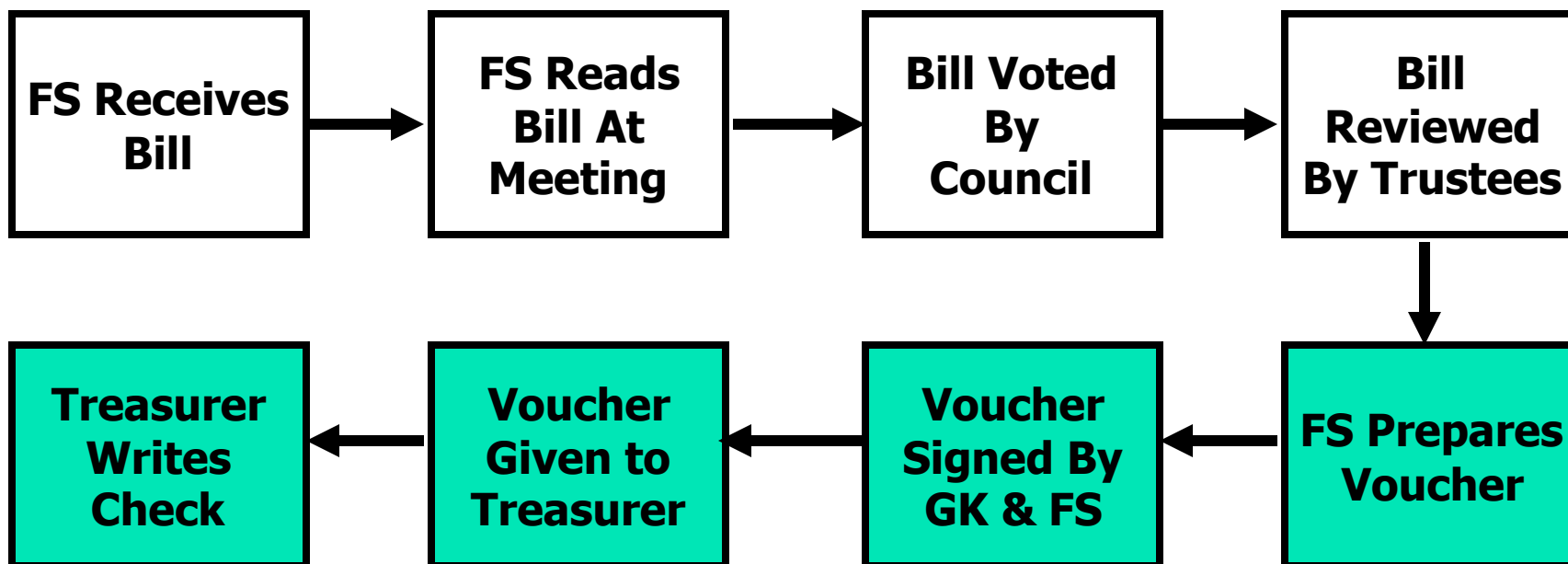
## ■ Handling Cash





# Basic Financial Processes

## ■ Paying Non-budgeted Bills





# Auditing

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- Required: every 6 months
- Done by: the Board of Trustees with the assistance of the Financial Secretary and Treasurer
- Signed off: by Grand Knight and Trustees
- Covers: membership and financial activities within 6 month period
- Copies: Supreme, State, District Deputy & council file.



**KNIGHTS OF COLUMBUS**  
**SEMIANNUAL COUNCIL AUDIT REPORT**  
 FOR PERIOD ENDED JUNE 30, \_\_\_\_\_

Due By:  
**August 15**

COUNCIL NO. \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_

**SCHEDULE A – MEMBERSHIP**

	ADDITIONS			DEDUCTIONS		
	INS.	ASSO.	TOT.	INS.	ASSO.	TOT.
Total Members Start of Period	_____	_____	_____	Suspensions	_____	_____
Initiations	_____	_____	_____	Deaths	_____	_____
Transfers from other councils	_____	_____	_____	Final Withdrawals	_____	_____
Transfers -Assoc. to Ins.	_____	N/A	_____	Transfers -Assoc. to Insurance	N/A	_____
Transfers- Ins. to Assoc.	N/A	_____	_____	Transfers-Ins. to Associate	_____	N/A
Reinstatements & Re-admissions	_____	_____	_____	Transfers to Other Councils	_____	_____
Total for Period	_____	_____	_____	Total Deductions	_____	_____
Minus Total Deductions	_____	_____	_____			
Number Members End of Period	_____	_____	_____			

(For this form only, exclude inactive insurance members)

**SCHEDULE B – CASH TRANSACTIONS**

FINANCIAL SECRETARY		TREASURER	
Cash on Hand Beginning of Period	\$ _____	Cash on Hand Begin. Period	\$ _____
Cash Received-Dues, Initiations	\$ _____	Received from Fin. Sec.	\$ _____
Cash Received from other Sources:	_____	Interest Earned on Investments	\$ _____
(Explain Kind and Amount)		Total Receipts	\$ _____
_____ \$ _____		<b>Disbursements</b>	
_____ \$ _____		Per Capita: Supreme Council	\$ _____
_____ \$ _____		State Council	\$ _____
Total Cash Received	\$ _____	General Council Expenses	\$ _____
Paid to Treasurer	\$ _____	Transfers to Sav. & Invest. Accts.	\$ _____
Cash on Hand at End of Period	\$ _____	Miscellaneous	\$ _____
		Total Disbursements	\$ _____
		Net Balance on Hand	\$ _____

**SCHEDULE C – ASSETS AND LIABILITIES**

ASSETS		LIABILITIES	
Cash:		Due Supreme Council:	
Undeposited Funds	\$ _____	Per Capita	\$ _____
Bank - General - Acct.	\$ _____	Supplies	\$ _____
- Special Acct.	\$ _____	Catholic Adv.	\$ _____
- Savings & Investment Acct.	\$ _____	Other	\$ _____
Due From _____ Members	\$ _____	Due State Council,	\$ _____
Total Current Assets	\$ _____	Advance Payments By _____ Members	\$ _____
Less: Current Liabilities	\$ _____	Misc. Liabilities	\$ _____
Net Current Assets	\$ _____		\$ _____
Investments:			\$ _____
*Real Estate	\$ _____		\$ _____
*Furniture	\$ _____	Total Current Liabilities	\$ _____
*Stocks & Bonds	\$ _____		\$ _____
Total Investment	\$ _____	Signed this _____ day of _____ 20 _____	
Less: Investment Liabilities	_____	_____	Grand Knight
Net Investment Assets	\$ _____	_____	Trustee
Total Assets	\$ _____	_____	Trustee
		_____	Trustee

\*Use reverse side to describe

Please complete all items. Enter zero where no figures are to be shown.

1295 1/2001

SUBMIT ORIGINAL TO: Council Accounts

SEND COPIES TO: State Deputy, District Deputy, Council File

**THIS FORM MAY ONLY BE COMPLETED, PRINTED OUT AND SUBMITTED THROUGH MAIL**



# Conducting The Audit

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- **Section A**
  - Shows movement of membership
  - Can be traced to monthly Supreme Council reports





# Conducting The Audit: Section A



**KNIGHTS OF COLUMBUS**  
**SEMIANNUAL COUNCIL AUDIT REPORT**  
FOR PERIOD ENDED DECEMBER 31, \_\_\_\_\_

Due By:  
**February 15**

COUNCIL NO. \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_

**SCHEDULE A – MEMBERSHIP**

ADDITIONS	MEMBERSHIP			DEDUCTIONS	MEMBERSHIP		
	INS.	ASSO.	TOT.		INS.	ASSO.	TOT.
Total Members Start of Period	_____	_____	_____	Suspensions	_____	_____	_____
Initiations	_____	_____	_____	Deaths	_____	_____	_____
Transfers from other councils	_____	_____	_____	Final Withdrawals	_____	_____	_____
Transfers -Assoc. to Ins.	_____	N/A	_____	Transfers -Assoc. to Insurance	N/A	_____	_____
Transfers- Ins. to Assoc.	N/A	_____	_____	Transfers-Ins. to Associate	_____	N/A	_____
Reinstatements & Re-admissions	_____	_____	_____	Transfers to Other Councils	_____	_____	_____
Total for Period	_____	_____	_____	Total Deductions	_____	_____	_____
Minus Total Deductions	_____	_____	_____				
Number Members End of Period	_____	_____	_____				

(For this form only, exclude inactive insurance members)



# Conducting The Audit

---

## **Section B**

- Traces beginning cash balance to prior audit
- Traces checks to vouchers and bank records
- Traces deposits to receipts and bank records
- Calculates ending balances and traces to bank records



# Conducting The Audit: Section B

## SCHEDULE B – CASH TRANSACTIONS

FINANCIAL SECRETARY		TREASURER	
Cash on Hand Beginning of Period	\$ _____	Cash on Hand Begin. Period	\$ _____
Cash Received-Dues, Initiations	\$ _____	Received from Fin. Sec.	\$ _____
Cash Received from other Sources: (Explain Kind and Amount)	_____	Interest Earned on Investments	\$ _____
	\$ _____	Total Receipts	\$ _____
	\$ _____	<u>Disbursements</u>	
	\$ _____	Per Capita: Supreme Council	\$ _____
	\$ _____	State Council	\$ _____
Total Cash Received	\$ _____	General Council Expenses	\$ _____
Paid to Treasurer	\$ _____	Transfers to Sav. & Invest. Accts.	\$ _____
Cash on Hand at End of Period	\$ _____	Miscellaneous	\$ _____
		Total Disbursements	\$ _____
		Net Balance on Hand	\$ _____

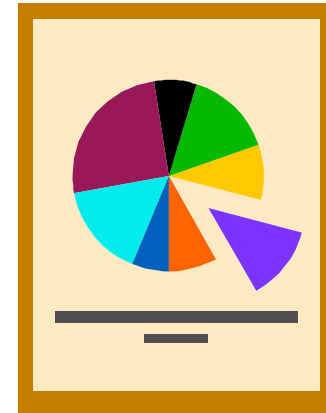


# Conducting The Audit

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- **Section C**

- Shows the increase or decrease in council assets such as investments, and liabilities that the council owes such as Supreme Council assessments





# Conducting The Audit: Section C

## SCHEDULE C – ASSETS AND LIABILITIES

ASSETS		LIABILITIES	
Cash:		Due Supreme Council:	
Undeposited Funds	\$ _____	Per Capita	\$ _____
Bank - General - Acct.	\$ _____	Supplies	\$ _____
- Special Acct.	\$ _____	Catholic Adv.	\$ _____
- Savings & Investment Acct.	\$ _____	Other	\$ _____
Due From _____ Members	\$ _____	Due State Council,	\$ _____
Total <sup>Number</sup> Current Assets	\$ _____	Advance Payments By _____ Members	\$ _____
Less: Current Liabilities	\$ _____	Misc. Liabilities <sup>Number</sup>	\$ _____
Net Current Assets	\$ _____	_____	\$ _____
Investments:		_____	\$ _____
*Real Estate	\$ _____	_____	\$ _____
*Furniture	\$ _____	_____	\$ _____
*Stocks & Bonds	\$ _____	Total Current Liabilities	\$ _____
Total Investment	\$ _____	Signed this _____ day of _____ 20 _____	
Less: Investment		_____	Grand Knight
Liabilities	_____	_____	Trustee
Net Investment Assets	\$ _____	_____	Trustee
Total Assets	\$ _____	_____	Trustee

\*Use reverse side to describe

Please complete all items. Enter zero where no figures are to be shown.

1295 6/2002

SUBMIT ORIGINAL TO: Council Accounts

SEND COPIES TO: State Deputy, District Deputy, Council File



# Other Non-Financial Duties

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- Membership roll maintenance
- Form 100's
- Notification of Changes
  - 4th Degree Comptroller,
  - State Office
  - Supreme Office
- Ordering supplies (can be GK too)

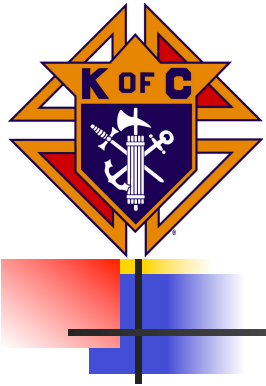


# Other Non-Financial Duties

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- Relationships with:
  - the field agent
  - other council officers
- Assists with information needed for key reports for the Supreme Council





# Handling Cash for All State Council Charities

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- Council is **AGENT** of Illinois State Council K of C Charities Inc.
- Handling cash for special collections
  - MR/LD monies
  - Charitable Assistance monies
  - Newman monies
  - Seminarian Support monies
  - Timely submission of funds



# Where to Get Additional Help

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- District Deputy
- State Officers
- Supreme Office



# Where to Get Additional Help

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- Charter, Constitution and Laws of the Order-including council by-laws
- Financial Secretary Handbook
- Other Council Officers