Roles and Responsibilities

- Separation of duties: two officers should handle all key financial duties
- Establish an officer transition plan; document key duties and maintain copies of budgets, financial reports, contracts, bank statements, checkbook, copies of paid invoices, etc.

Budgeting

- Prepare budget at the beginning of the term
- Set realistic targets; budgeted income should equal or exceed expenses
- Document assumptions used to determine budgeted income and expenses
- Format should be consistent with financial reporting format
- Obtain approval of the final budget from management and board

Financial Reporting

- List income and expenses by major category
- Format should be consistent with budget format
- Compare current year actual results to budget and prior year’s actual results
- Prepare financial reports throughout the semester and share with management/board

Cash Receipts

- Restrictively endorse checks “for deposit only, organization name” upon receipt
- Secure checks and cash in a locked area prior to deposit
- Make frequent deposits
- Maintain cash receipts log and record receipts in the checkbook
- Reconcile cash receipts log to bank statement each month

Paying Bills

- Establish a process to review and pay bills by check and don’t pay with cash
- Review vendor invoices and receipts prior to payment
- Ensure that two officers sign all checks
- Maintain copies of vendor invoices and receipts after payment
- Record checks in the checkbook on a timely basis
- Reconcile all checks written to bank statement each month

Bank Reconciliation

- Reconcile bank balance to checkbook balance each month
- Document all reconciling items
- Resolve any errors
- Obtain officer and board approval for the reconciliation

Contracts

- Review draft contracts early in the process
- Have two officers review and sign all contracts
- Refer to Office of Student Life website for contract best practices
- While the OSL cannot provide legal advice, contracts can be sent for review to osl@fas.harvard.edu