



Office of President Boot Camp
Internal Notes - MPI Finance & Business Planning Strategies

- Finance
- Taxes
- Chapter Administrator Operations
- Business Planning Strategies and Processes

Finance

Finance

- **Chapters are** required to provide an approved budget to MPI Global by June 15th Annually (Note: Bylaws indicate this documentation is due in ADVANCE of the fiscal year, which starts on July 1st and ends on June 30th)
- Chapters are required to provide a copy of their year-end financial report to their Board of Directors, MPI Global, and chapter membership (website) by 90 days following the end of each fiscal year.
- Budget General Guidelines: At a minimum, the Chapter **MUST** balance the budget. The overall goal is to make a profit.
- The entire Board of Directors is responsible for reviewing the budget as stewards of the members' money rather than solely the Chapter Administrator or VP of Finance.
- As a PE, it is important to be familiar with and understand the Chapter budget prior to taking office as President.
- Accounting Practice Guidelines: If changes are made to the original approved budget, i.e., transferring funds, adding to or taking away funds, this requires a board vote. (Changing the budget is not Presidential or Chapter Administrator authority to do so). Budget votes should also be documented in the chapter minutes, as well as in the Finance Notes section of the dashboard.
- Understand the difference between Cash vs. Accrual Accounting. What is your Chapter budget? (Note: Cash Accounting – income is not counted until cash (or a check) is actually received and expenses are not counted until they are actually paid. Accrual Accounting: Income is counted when received; expenses are counted when the goods or services are received.) Global Recommends Accrual
- Annual Review/Audit: According to Chapter Bylaws, a Chapter's finances shall be reviewed no less than annually by an accountant or a committee of no fewer than two qualified individuals who do not have any financial authority within the Chapter. (NOTE: A committee must be approved by the Board and in place within 30 days of close of the fiscal period.)
 - Note a Full Audit is Not Required
- Ensure signature cards on chapter accounts are changed. There should **ALWAYS** be at least two (2) signatures on ALL chapter checks.
- Ensure all annual filings for the state have been completed and processed by administrator



- Investment accounts should not be solely under your Administrator’s name and should also require two (2) signatures for change.
 - Know and be familiar with any policies that affect the financial resources such as your reserve policies (when and how they can be used), Request for proposals, Travel expenses or board expenses sponsorships policies and admin policies.

Taxes

Taxes

- Chapters are responsible for completing Chapter taxes and hiring an accountant to assist.
- Copy of completed taxes due to CBM by October 1st annually
- Tax Exempt Status: Nonprofit Status – 501©3 (Note: Nonprofit is a tax status – not a way of doing business – you can earn a profit.)
- MPI Global cannot give tax advice or assist with your annual taxes.

Chapter Administrators

Administrators

- According to Bylaws, paid staff is approved by the Chapter Board of Directors to serve at its discretion. Duties and compensation are determined by the Board however there are minimum policy guidelines you must adhere to. Review all Administrator policies and ensure your team is adhering to them.
- Best Practice: Utilize a annual review form or template (samples available on the CLRP). Reviews should be executed by the President, IPP, and PE (minimal – no less than two board members present). New policies may require standardized templates
- Final review, increases in compensation, and cure notices require majority vote.
- Make sure paid staff is adhering to GAAP policies (Generally Accepted Accounting Practices)
- NOTE – Explanation of paid staff / general conversation
- Expectations conversation – Beginning of your term
- RFP guidelines provided in your policies

(NOTE: Finance and Governance Committee to review and update RFP annually)

Business Planning Strategies

Building a Strong Business Plan

- Insert Comments

Using the Template and Understanding Global’s Vision/Mission and Your support

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(NOTE: Finance and Governance Committee to review and update RFP annually)

