

## FINANCIAL STANDING CALCULATION

In accordance with the Recorder's Handbook the following information is provided for calculating the Financial Standing of the chapter.

### Credit For Maintaining Financial Standing

In order for the Chapter to earn the Award of Achievement, one of the requirements is that the Chapter must maintain its financial standing.

The Total Net Assets at the end of the Chapter year **must be the same or greater than** the Total Net Assets at the beginning of the Chapter year. Credit for maintaining financial standing is based on the **Total Net Assets and NOT the actual cash balance.**

If necessary, credit for donations to help the Chapter maintain the financial standing shall be given at the end of the Chapter year if expenditures are clearly identified. Credit is given for all donations to Mooseheart, Moosehaven, and to Community Service, provided dispensation has been granted for donations over \$1000.00. Credit is also given for Bond Premium and Risk Pool Insurance for Chapters, and for sending representatives and matriculants receiving a degree to Conferences.

**Note:** All donations to the Lodge over \$1000.00 per quarter require a dispensation. Financial consideration will be given if dispensation was granted.

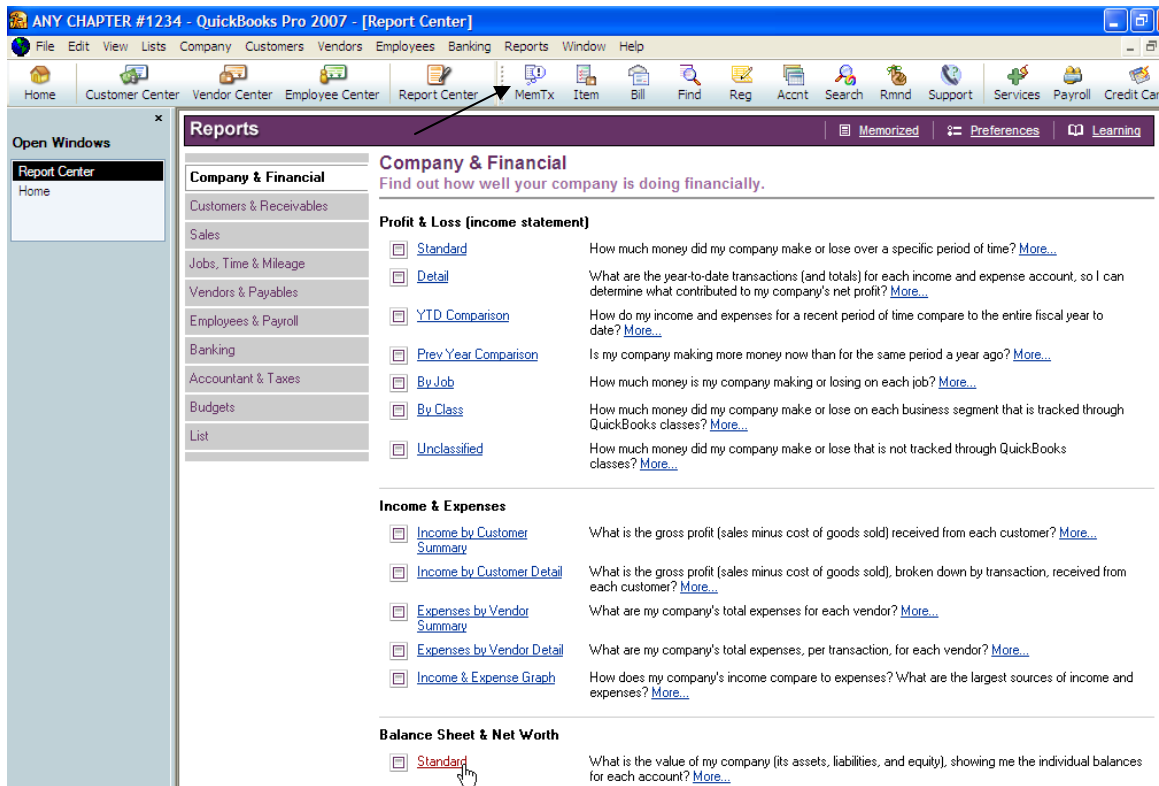
**For example:** Your net asset figure on April 30, 2009 was \$2,967.05. On April 30, 2010 the amount of money you have in the checking account is \$500.05, savings account is \$900.00 and paraphernalia is \$300.00. During the Chapter year, you gave \$200.00 to Community Services and \$300.00 each to Mooseheart and Moosehaven projects, as well as \$500.00 to the local Lodge. By adding the following figures, you will find that this Chapter has met the financial requirement.

• Checking Account	\$500.05
• Savings Account	\$900.00
• Paraphernalia	<u>\$300.00</u>
<b>Total Assets:</b>	<b>\$1,700.05</b>
 Plus Contributions	
• Community Services	\$200.00
• Mooseheart	\$300.00
• Moosehaven	\$300.00
• Local Lodge	\$500.00
•	
 Plus Incidentals	
• Bond Premium	<u>\$120.00</u>
<b>Total Contributions &amp; Incidentals (Allowable):</b>	<b>\$1,420.00</b>
<b>Total Net Assets And Contributions As Of April 30, 2010 (Ending Chapter Year):</b>	<b>\$3,120.05</b>
<b>Total As Of April 30, 2009 (Beginning Chapter Year):</b>	<b><u>\$2,967.05</u></b>
<b>Increase In Financial Standing:</b>	<b>\$ 153.00</b>

Create a Balance Sheet for the end of the previous fiscal year. This is done by going to Reports, Company & Financial, Balance Sheet Standard.

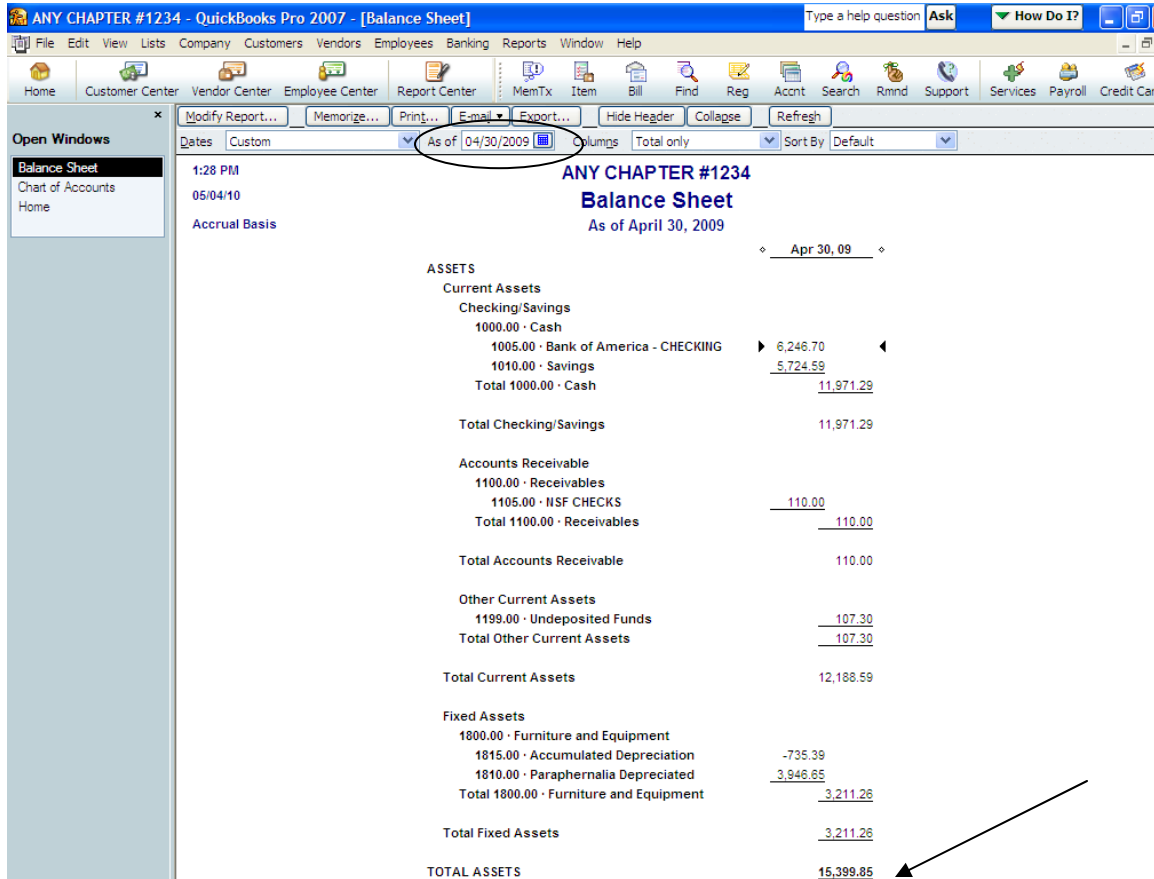


One can also go to the Report Center, select Company & Financial, Balance Sheet & Net Worth, Standard.



This will cause the Balance Sheet report to appear in the screen. It automatically defaults to the current date. In order to produce the period desired the date must be changed.

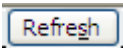
As an example for the 2009 – 2010 year we would create a Balance Sheet with an end date of April 30<sup>th</sup>, 2009 because that was the end date for the previous year.



This report will provide the figure needed for the Total Assets as of April 30<sup>th</sup>, 2009. Print it so you have the figure needed to begin the calculation.

Next create a Balance Sheet for this fiscal year to date. This is done by changing the date to the end of the current period.

In our example we are going to change it to April 30<sup>th</sup>, 2010. This will provide the figure needed for the Total Assets for this fiscal year.

After the date is changed be sure to click the  button to ensure that the figures in the report are updated.

ANY CHAPTER #1234 - QuickBooks Pro 2007 - [Balance Sheet] Type a help question

File Edit View Lists Company Customers Vendors Employees Banking Reports Window Help

Home Customer Center Vendor Center Employee Center Report Center MemTx Item Bill Find Reg Acct Search Rmnd

Open Windows: Balance Sheet, Home, Chart of Accounts

Modify Report... Memorize... Print... E-mail Export... Hide Header Collapse Refresh

Dates Custom As of 04/30/2010 Columns Total only Sort By Default

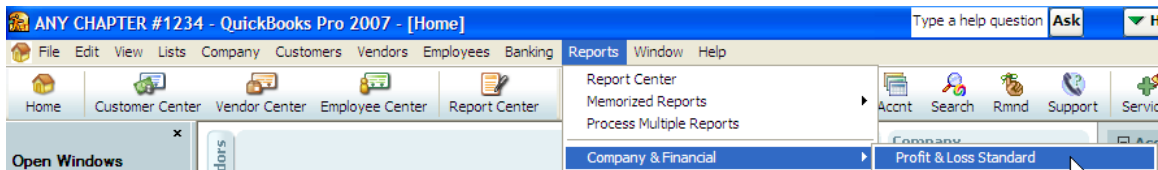
1:34 PM ANY CHAPTER #1234  
05/04/10 Balance Sheet  
Accrual Basis As of April 30, 2010

		Apr 30, 10
<b>ASSETS</b>		
Current Assets		
Checking/Savings		
1000.00 · Cash		
1005.00 · Bank of America - CHECKING	2,854.21	
1010.00 · Savings	5,730.34	
Total 1000.00 · Cash		<u>8,584.55</u>
Total Checking/Savings		<u>8,584.55</u>
Total Current Assets		8,584.55
Fixed Assets		
1800.00 · Furniture and Equipment		
1815.00 · Accumulated Depreciation	-1,056.52	
1810.00 · Paraphernalia Depreciated	3,946.65	
Total 1800.00 · Furniture and Equipment		<u>2,890.13</u>
Total Fixed Assets		<u>2,890.13</u>
<b>TOTAL ASSETS</b>		<b><u>11,474.68</u></b>

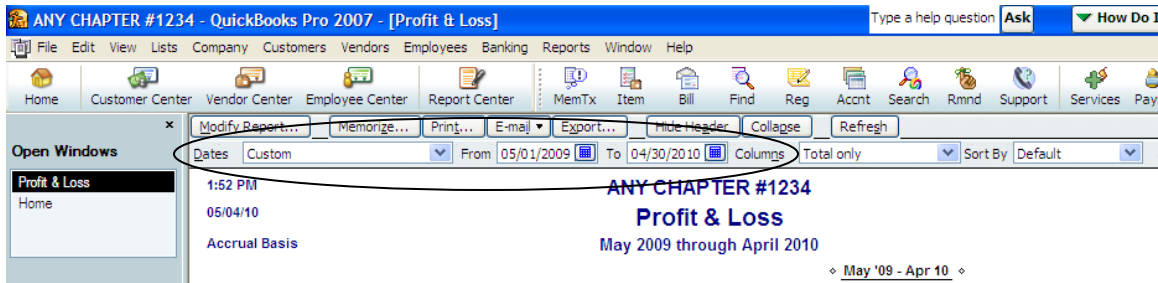
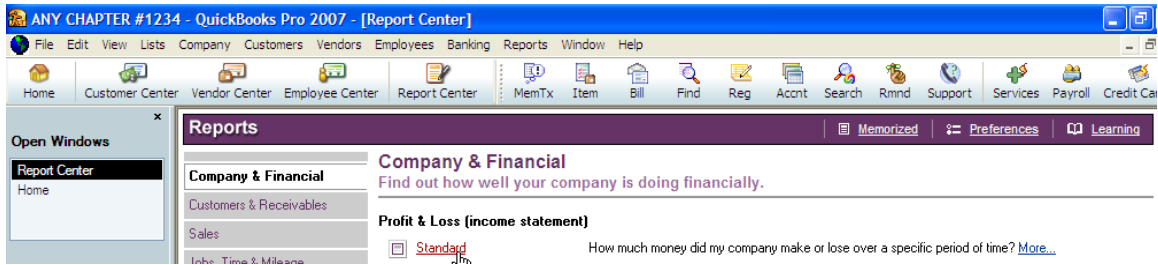
Compare the last fiscal year figure to the current fiscal year figure. If it is at least \$1 more than last fiscal year then you are okay and can stop here, as we have met the requirement for maintaining our financial standing.

In looking at our sample chapter reports, the figure at the end of 2009's was \$15, 399.85 and this year's figure is \$11,474.68. That is a **decrease** of \$3,925.17. So must refer to the Recorder's Handbook to see where "*credit*" will be applied to help the chapter complete the requirement for maintaining its financial standing.

Next we create a Profit and Loss Statement for "**this fiscal year to date**". This is done by selecting Reports, Company & Financial, Profit & Loss Standard.



One can also select the Report Center icon, Company & Financial, Profit & Loss (income statement), Standard.



Ensure that the date range is the right period. In our example we are comparing last fiscal year to this fiscal year so the period for the Profit & Loss would be 5/1/2009 to 4/30/2010 as shown above.

In reviewing the Recorder's Handbook we will receive "*credit*" for our contributions, which are posted under the 5300 series accounts. **NOTE:** This is why it is important to always post the donations under this series of accounts.

Find the figure for the total donations, which is all the 5300 series accounts added together or the total shown on the report under all 5300 sub-accounts as shown below. This figure can be added to the figure calculated above as being the "difference" between the last fiscal year figure and the "this fiscal year" figure.

In our example the figure is \$5,587.65. When we compare this figure to the amount our Total Assets decreased (**\$3,925.17**) we are now in a positive figure. **-\$3,925.17 + \$5,587.65 = \$1,662.48**. This means we have now met the requirement for maintaining our financial standing.

1:52 PM

05/04/10

Accrual Basis

ANY CHAPTER #1234

Profit & Loss

May 2009 through April 2010

◊ May '09 - Apr 10 ◊

Income

4000.00 · Dues and Fees Income	
4005.00 · Membership Dues	▶ 3,430.00 ◀
4025.00 · Transfer Fees	25.00
Total 4000.00 · Dues and Fees Income	3,455.00
4300.00 · Donations Received	226.65
4400.00 · Interest Investment Income	5.75
4600.00 · Other Income	
4615.00 · MISC INCOME	16.00
Total 4600.00 · Other Income	16.00
4700.00 · Special Proj & Committee Income	7,015.05
Total Income	10,718.45

Gross Profit

10,718.45

Expense

5300.00 · Donation Expense	
5306.00 · SUNSHINE CHILD/GRANDPARENT	250.00
5305.00 · Lodge	1,100.00
5304.00 · Moose Charities	82.00
5303.00 · Community Service	284.65
5302.00 · Mooseheart/Moosehaven Spec Proj	3,171.00
5301.00 · Scholarship and Maintenance	700.00
Total 5300.00 · Donation Expense	5,587.65

If you now are in a positive figure you can stop here as your chapter has met its requirement.

If you are not then you can take the amount of costs reflected under your Risk Pool/Bond Premium account. **NOTE:** That is why it is important to have a separate account under the 5400 series of accounts for posting the Risk Pool and Bond Premium paid by the chapter during the year. If you do not have a separate account established for this, set one up and move all costs to this account so it is accurately reflected and can be used by WOTM Headquarters to calculate the financial standing of the chapter. The following sample chart of accounts is provided:

5400.00 · General Admin Exp (Incidentals)	
5436.00 · MEMBERSHIP PROMOTION	120.00
5406.00 · MI SUPPORT SERVICES FEE	130.00
5403.00 · PO BOX RENTAL	60.00
5404.00 · RISK POOL/LIAB INS/BOND PREM	227.88

If the calculated figure is now \$1 more than last year you can stop. If not you have one more item you can add.

Take the figure that is showing under the 5800 series as Chapter Representative, matriculants, green cap recipients and add it to the figure calculated above. The following sample chart of accounts is provided:

5800.00 · Travel and Rep Expense	
5825.00 · Chapter Representative	152.33
5805.00 · Matriculant Expense	99.95
5810.00 · Green Cap Expenses	<u>125.00</u>
Total 5800.00 · Travel and Rep Expense	<u>377.28</u>

If you are now \$1 more then you are okay – if not then you have not met the requirement for maintaining financial standing.

This calculation should be done at every audit meeting to ensure that the chapter stays on track with maintaining is financial standing. It is an audit committee requirement to ensure that all transactions posted by the Recorder are posted to the proper accounts since this information is used in calculating the financial standing of the chapter.