



Council of Governors
Financial Stability
CLUB MANAGEMENT BEST PRACTICES

Plan. One of the first responsibilities of club leadership is to establish an annual budget to include all anticipated club income and expenses. Monitor this budget on a regular basis. Adjust as needed to avoid financial distress.

Experience matters. The treasurer must be a highly competent and detailed person. Keeping the same treasurer more than single-year terms can help with financial continuity.

Two is always better than one. Bank statements should go to the president and then be reconciled by the treasurer (Include the Executive Director if you have one.). Require two signatures on all checks. Accountability is always best in matters of money. Have an effective plan to prevent embezzlement.

Make the board aware. Financials along with bank and investment statements should be shared with the board throughout the year. Fiscal responsibility must be a high priority with a detailed treasurer's report at every board meeting. No exceptions.

Financial stability is a shared responsibility. Ensure each team/committee chair helps create and manage their own budget with ways to adjust when revenues fall short. Share these measurement initiatives proactively.

Check yourselves. A quarterly internal audit of your books is a great idea to ensure club operations are on track. Doing so with a formal accounting/audit firm each year is a smart business practice. Share the findings at your annual business meeting.

Death and taxes. Failure to file taxes each year can be the death of a club. You are required to file taxes annually.

