

# Managing and Reporting Chapter Operating Funds

## Chapter Operating Funds

Chapter operating funds are provided to cover expenses incurred to “operate” the chapter.

Operating funds are deposited in January and July, if requirements are met.

The chapter leadership board is responsible for budgeting how chapter operating funds will be used and ensuring funds are used and reported appropriately. See appropriate uses below.

The chapter leadership board approves all chapter expenses.

**REQUIRED:** All operating funds expenses must be reported on the Manage Chapter Operating Funds pages in your Chapter Leadership Administration area online (see pages 3 and 4 of this guide).

### Chapter Operating Funds vs. Chapter Care Program Funds

Chapter operating funds are separate from chapter Care program funds. Each year, your chapter:

- Receives operating funds to support chapter operations.
- Has available Care Abounds in Communities® funds to support benevolence activities.

## Appropriate Uses of Operating Funds

Chapter operating funds have four key purposes:

1. Administrative expenses
2. Member Events/Awareness
3. Volunteer Recognition
4. Service Team Seed Money/Benevolence

See page 2 for guidelines and examples of appropriate uses for these categories.



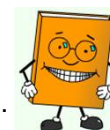
**IMPORTANT:** Generally, carry no more than **10%** of the chapter’s annual allocation to the next year.

## Inappropriate Uses of Operating Funds

- Paying chapter leaders or other volunteers for their volunteer work (e.g., *paying the records director a monthly stipend for entering the chapter activities online*).
- Purchasing equipment, except as indicated under the Administrative category on page 2 of this guide (e.g., *purchasing a popcorn popper for service teams/congregations to use at events; purchasing a trailer for service teams to use to transport supplies to events; purchasing a computer for chapter leader use*).
- Outright grants to individuals or organizations outside the chapter Care programs.
- Accumulating or investing operating funds from year to year. Operating funds are intended to be used in the year provided.

### Go to CHIP for complete details

For complete details about chapter operating funds—including distribution, budgeting, appropriate uses and reporting, go to [Ask CHIP!](#) (the CHapter Information Place) at [www.thrivent.com](http://www.thrivent.com) > **Thrivent Community** > **Chapters** > **Volunteer Leader Resources**.



**Questions?** Contact the Member Connection Center at **800-847-4836**, say ‘fraternal’ or [fraternal@thrivent.com](mailto:fraternal@thrivent.com).

## Examples of Chapter Operating Funds Expenses

Early in the year, discuss and develop a budget for the use of operating funds. Determine what percentage of your operating funds you wish to use for each of the four categories. All costs associated with Chapter Mailings produced by Thrivent Financial will be reported for you as Administrative Expenses. It's recommended that you limit benevolence from operating funds to no more than 10%, as Care Abounds dollars are provided for benevolence. See page 3 for some questions to consider as your board prepares its budget for the use of operating funds.

Category	Examples of Appropriate Operating Funds Expenses
<b>Administrative</b>	<ul style="list-style-type: none"> <li>• Refreshments for chapter meetings.</li> <li>• Teleconference meeting costs.</li> <li>• Chapter supplies such as paper or stamps.</li> <li>• High-speed Internet service for chapter-related business.</li> <li>• Fee of a professional independent auditor/auditing service (non-volunteer).</li> <li>• Reimbursement for travel to chapter meetings or training (see CHIP for additional information on mileage reimbursement).</li> <li>• Bank fees.</li> <li>• Other general chapter administration expenses.</li> </ul>
<b>Member Events/ Awareness</b> <i>(Chapter-hosted activities intended to attract and involve more members)</i>	<p>Member event/awareness activities include:</p> <ul style="list-style-type: none"> <li>• Chapter elections.</li> <li>• Eligible chapter-hosted member social activities—<b>open only to members and the members' personal guests.</b></li> <li>• Eligible chapter-hosted workshops. These may be <a href="#">eligible Thrivent Financial workshops</a> led by a Thrivent Financial Representative or other trained facilitator, or the chapter may host a workshop on another topic relevant to the chapter's membership. <i>Important:</i> Chapters cannot host or financially support educational workshops that have a substantial purpose of promoting sales of products and services, including Thrivent Financial products and services.</li> </ul> <p><i>For more details about these activities, see the following resources in <b>CHIP</b> and the Chapter Activities &amp; Programs tab of <a href="#">Resources for All Chapter Leaders</a> (found in the For Chapter Leaders section of Volunteer Leader Resources on Thrivent.com):</i></p> <ul style="list-style-type: none"> <li>○ <a href="#">Chapter elections</a> (CHIP)</li> <li>○ <a href="#">Member social activities – overview</a> (CHIP)</li> <li>○ Member Social Activity Planning Checklist (<a href="#">PDF, 65K</a>)</li> <li>○ Member Social Activities Idea Starters and Best Practices (<a href="#">PDF, 37K</a>)</li> <li>○ Thrivent Financial <a href="#">educational workshops</a> (CHIP), which includes a list of eligible workshops chapters can host and support with chapter operating funds</li> <li>○ <a href="#">Educational activities – overview</a> (CHIP)</li> <li>○ Educational Activity Planning Checklist (<a href="#">PDF, 56K</a>)</li> <li>○ Educational Activities Idea Starters and Best Practices (<a href="#">PDF, 41K</a>) for ideas for possible educational topics chapters can host using chapter operating funds.</li> </ul> <p>Below are examples of expenses for chapter-hosted member event/awareness activities that the leadership board can vote to help cover with chapter operating funds:</p> <ul style="list-style-type: none"> <li>• Supplies needed for an eligible educational workshop (e.g., pens, pencils, invitations, workbooks, etc.). <i>Note:</i> A Thrivent Financial Representative must order the workbooks for Thrivent Financial educational workshops, but chapter operating funds can be used to reimburse the representative.</li> <li>• Food and refreshments.</li> <li>• Room rental.</li> <li>• Partial or full ticket cost for members and their personal guests to a social venue (e.g., baseball tickets, museum entrance fee, zoo tickets, etc.).</li> </ul>
<b>Volunteer Recognition for chapter volunteers</b>	<ul style="list-style-type: none"> <li>• Recognition events.</li> <li>• Token gifts of generally no more than \$25/volunteer.</li> </ul>
<b>Service Team Seed Money/ Benevolence</b>	<ul style="list-style-type: none"> <li>• Funding for chapter service teams to help with up-front costs associated with conducting locally supported or Care program activities (funds not paid back to the chapter).</li> <li>• Supplemental funding for a chapter service team activity when Care Abounds in Communities<sup>®</sup> program funding is unavailable because all funds have been allocated to other activities.</li> </ul>

## Managing and Reporting Chapter Operating Funds (continued)

### Questions to consider when budgeting operating funds

1. In the past, how much has the chapter used for each of the 4 expense categories shown on page 2? What were those expenses?
2. How many mailings does your chapter anticipate doing this year and how much do you wish to set aside to pay for those?
3. What "Administrative" expenses does your chapter anticipate this year?
4. How does your chapter plan to recognize chapter volunteers? How much will that cost?
5. From the list on page 2, is there an educational workshop(s) that might benefit members in your chapter? If yes, how does the chapter wish to support the workshop(s)?
6. Do you plan to host one or more social activities for members, such as a picnic or baseball game?
7. What type of chapter election event do you plan to conduct? What costs are associated with it?
8. Are there other awareness events you'd like to host to attract and involve more members and build awareness of your chapter and Thrivent Financial? What will that cost?
9. Does your chapter want to set aside some operating funds as seed money for some service team activities?

**TIP:** *The Managing Chapter Operating Funds tutorial is available to help you learn more about how to report operating funds transactions, and practice using the screens. It is located on the Financial Resources tab of Resources for All Chapter Leaders on [www.thrivent.com](http://www.thrivent.com) > Thrivent Community > Chapters > Volunteer Leader Resources > for Chapter Leaders > Resources For All Chapter Leaders.*

### Important Reminders

- Chapters must be able to provide documentation for each operating funds expense. Therefore, receipts for all operating funds payments must be obtained and kept for **seven years**.
- When an expense needs to be reimbursed, the person who incurred the expense submits a *Chapter Expense Reimbursement Request* form and supporting receipts to the chapter's financial director. If the financial director has expenses, they should submit the form and receipts to another leader who has authorization to sign checks.
- Chapters may vote to use operating funds to help defray expenses incurred by their Thrivent Builds chapter specialist, as long as the expenses are used for the Administrative, Member Events/Awareness or Volunteer Recognition category expenses. Those expenses are reimbursed in the same manner as other chapter leader and operating expenses.
- Two reports are available that summarize the chapter's operating funds expenses that have been reported online:
  - **Operating Funds Detail Summary**
  - **Operating Funds by Expense Category**

See the Reports/Listings area of your Chapter Leadership Administration page.

### Reporting Operating Funds Expenses

- All operating funds expenses must be reported on the Manage Operating Funds screens, which enable chapters to report operating funds expenses in one area online. These expenses must be reported for IRS tax reporting and accounting purposes. Chapter Mailing costs will be entered for you as administrative expenses.
- Special reporting is required when operating funds are spent up front, but then all or a portion is recouped later (e.g., pay for tickets up front, but then receives a portion of the funds back through ticket sales). Please see Reporting operating funds expenses in CHIP for details on how to account for the deposit of dollars back into a chapter's account to offset operating funds payments. Please note, any chapter activities where participants will be asked to pay a portion of the cost must be funded with operating funds, rather than Care Abounds in Communities funding for more accurate reporting to occur.
- For information on determining your chapter's beginning-of-year operating funds balance, see *Calculating beginning-of-year chapter operating funds balance* in **CHIP**.

# Managing and Reporting Chapter Operating Funds (continued)

## Reporting Operating Funds Expenses (continued from previous page)

### STEP 1—Getting Started

- Go to [www.thrivent.com](http://www.thrivent.com) > MyThrivent and log in at the blue box on the upper right. Under MyChapter, click on Chapter Leaders Only. This opens the Chapter Leadership Administration Menu.
- From the Operating Funds section, select the year and click **Go**. This will bring you to the Manage Chapter Operating Funds page, where you can choose to:
  - Update Beginning-of-Year Balance (Step 2)
  - Add an Operating Funds Transaction (Step 3)

**IMPORTANT:** When entering information in the Manage Operating Funds screens, do not use the Back button on your web browser to get to a previous page. This could cause information to be deleted. To get to a previous page, click **Cancel** or **Previous** on the bottom of the page. Save your entry before closing the screen.

### STEP 2—Entering the Beginning-of-Year (Jan. 1) Balance

**IMPORTANT:** Before you can report operating funds, you must enter the beginning-of-year balance online. You only need to do this once per year. *Note: Amount can be changed if entered incorrectly.*

- From the Manage Chapter Operating Funds page, click **Update Beginning-of-Year (Jan. 1) Balance**.
- Enter the operating funds beginning-of-year balance if the amount indicated is incorrect. *Note: Your chapter's beginning-of-year balance is the balance remaining at the end of the previous year. You can retrieve this amount by accessing either of the operating funds reports for the previous year if all expenses for the previous year were entered online.*
- Click **Save/Verify**. A message displays saying the beginning-of-year balance is saved. The balance also displays on the Manage Chapter Operating Funds page.

### STEP 3—Adding a new operating funds transaction

The four expense categories are listed on this page, along with suggested percentages of total operating funds use and a description of each category.

Category	Description	Suggested Percentage
Administrative (30%)	Expenses reimbursed for general chapter administration (e.g., meeting refreshments, teleconference meeting costs, chapter supplies such as postage, paper or stamps, high-speed Internet service for chapter-related business, fee for an independent auditor, reimbursement for travel to meetings or training, bank fees, etc.)	30%
Member Events/Awareness (30%)	Expenses incurred for member events (e.g., chapter elections, chapter-hosted member social events, educational events) or to build awareness of chapter and Thrivent Financial (e.g., purchasing promotional supplies such as Thrivent Financial logo merchandise)	30%
Volunteer Recognition (30%)	Expenses incurred to recognize chapter volunteers (e.g., recognition event, token gifts of generally no more than \$50/value)	30%
Service Teams Fund	Funding for chapter service teams to help with up-front costs associated with conducting locally supported or Care program activities (funds not paid back to the chapter)	
Money Reimbursements (MF)	Supplemental funding for a chapter service team activity when Care Accounts in Communities program funding is unavailable because all funds have been allocated to other activities	

### STEP 4—Enter required information on the Add Operating Funds Transactions page