

FINANCIAL EXCELLENCE

Compliance, Planning, Guidelines

Phi Kappa Phi Engage 2026 • September 18, 2026



THE FIVE COMPLIANCE CHECKS

Required financial officers

Keep officer records current

Annual Chapter Finance Report

Due August 31

IRS Form 990-N

Due November 15; filed through [File990.org](https://www.file990.org)

National checks

No outstanding checks over 90 days

National invoices

No outstanding invoices over 90 days

If a chapter becomes financially noncompliant, funds may be held in escrow until the issue is resolved.



What changed with the IRS group exemption rules?

Which chapters are subject to the New rules?

- Chapters with their own TIN/EIN
- Chapter included in Phi Kappa Phi's national group exemption

SUPERVISION / CONTROL

The central organization must be able to demonstrate general supervision or control over subordinate organizations participating in the group exemption.

WRITTEN AUTHORIZATION

A subordinate must authorize inclusion in writing and acknowledge that the central organization may remove it from the group exemption with or without cause.

Chapters operating under their University's TIN or group exemption are not subject to these rules

WHY ARE CHAPTERS BEING ASKED TO ACKNOWLEDGE THIS?

- Chapter authorizes National to include it in Phi Kappa Phi's group exemption.



- Chapter acknowledges National's ability to remove it from the group exemption after at least 30 days' notice.



- Chapter confirms it operates consistently with Phi Kappa Phi's governing documents, policies, charter, and exempt purpose.



FIDUCIARY RESPONSIBILITIES OF CHAPTER OFFICERS

As a chapter officer, you are trusted with the chapter's funds and have a responsibility to manage them appropriately.



PROTECT

- Chapter funds & financial information
- Provide appropriate financial oversight
- Protect the chapter from misuse or loss of funds



MANAGE

- Use chapter funds only for appropriate chapter purposes
- Make responsible financial decisions
- Understand where all chapter funds are held and how they are being used



BE ACCOUNTABLE

- Maintain financial record
- Complete required financial and tax filing by deadlines
- Follow Society policies, chapter bylaws, and applicable requirements



SMALL HABITS PREVENT PROBLEMS

Reconcile monthly

Compare the bank/university account to your chapter reports and other records and investigate old or unusual items.

Separate duties

When practical, have different people receive, record, approve, and review transactions.

Keep support

Retain receipts, invoices, approvals, donor acknowledgements, and reconciliation support.

Protect access

Remove former officers from bank and accounting access promptly.

Deposit promptly

Deposit checks as soon as possible, ideally within 3-5 business days.

Use designated chapter accounts

Do not run chapter funds through an officer's personal bank account.



NATIONAL PAYMENT DISBURSEMENTS

MONTHLY / QUARTERLY SETTLEMENTS

May include chapter dues, donations, initiation fees, ceremony/event fees, and applicable guest fees.

ACH chapters receive all funds monthly.

Paper Check chapters receive initiation fees, ceremony/event fees, and applicable guest fees monthly, and chapter dues/donations quarterly.

TWO REPORTS TO KNOW(Chapter Portal)

Chapter Contribution Listing Report

- renewing-member dues and donations

Online Initiate Payment Listing Report

- initiation, event, and guest fees



TWO EASY-TO-MISS TAX ITEMS

FORM 990-N

- Chapters file annually.
- Deadline to file is November 15.
- Funds Management chapters still file their annual 990-N.

DONOR ACKNOWLEDGEMENTS

- National acknowledges gifts processed through the National Office.
- For gifts made directly to the chapter, the chapter handles acknowledgement.
- A donor generally needs written acknowledgement for a single contribution of \$250 or more.
- Keep a copy of the letter with chapter records.



Your yearly compliance calendar

MONTHLY

Reconcile all chapter accounts

Review old checks / invoices

Reconcile National deposits

AUGUST 31

Annual Chapter
Finance Report

NOVEMBER 15

Annual IRS
Form 990-N

CONTACT INFO

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THE HONOR SOCIETY OF

