

The NATIONAL FRATERNITY of the SECULAR FRANCISCAN ORDER - USA

Office of the Treasurer

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TREASURY GUIDELINES

"HOW MUCH IS ENOUGH?"

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Every fraternity must sooner or later face the question of how much should be kept in the bank, in the fraternity's treasury? How much is enough? How much is too much? These guidelines are an attempt to put in writing some general principles intended to help those who must make such decisions, and also to help members to decide how much to give to the common fund in support of their fraternity. These are only guidelines. The ultimate responsibility cannot be taken away from those who are charged with the leadership of the fraternities. It is hoped that after reading this, such basic decisions about the funds kept or not kept, will be a little easier.

The Rule of the SFO is the first place we look for assistance. In there we find:

25. REGARDING EXPENSES NECESSARY FOR THE LIFE OF THE FRATERNITY AND THE NEEDS OF WORSHIP, OF THE APOSTOLATE, AND OF CHARITY, ALL THE BROTHERS AND SISTERS SHOULD OFFER A CONTRIBUTION ACCORDING TO THEIR MEANS. LOCAL FRATERNITIES SHOULD CONTRIBUTE TOWARD THE EXPENSES OF THE HIGHER FRATERNITY COUNCILS.

You will note the order of priority assigned to the necessary expenses:

1. life of the fraternity,
2. needs of worship,
3. needs of the apostolate, and
4. needs of charity.

Also note that there is a definitive statement that it is the responsibility of the fraternities, not the members, to support the higher councils.

The following general rules should be helpful in making your decision in regard to your fraternity treasury, and as to how much you, as an individual member should give to the common fund.

1. Current operating expenses should always be paid out of current common fund donations and other current earnings.

2. Extraordinary income, such as from a bequeath, should be used for extraordinary purposes, never for day to day expenses.

3. Members are required in conscience to contribute according to their means toward the every day expenditures of the fraternity.

4. There is nothing wrong with accumulating a modest treasury so that unexpected financial burdens may be covered.

5. It is definitely wrong to ignore a known financial responsibility in the near future and expend all treasury funds, even for a worthy cause.

6. Members must be kept fully informed of fraternity finances; where money is being spent; how much is being collected, etc. How else can they respond generously to fraternity needs if they are not aware of those needs?

7. An accumulation of funds in the treasury of a full years-budgeted needs is not an unreasonable amount to be kept. An accumulation of funds sufficient to cover 4 or 5 years worth of ordinary expenses is clearly excessive.

8. Expenditures from one year to the next are usually similar, except that they tend to expand due to inflation and other factors. Each fraternity should have a BUDGET in place each year in advance. The budget is merely a reflection of past experiences with expenditures, and income, to be used as a guide for the future. For instance, you know you will have 10 or 12 meetings in the next year and you must pay expense for those meetings. You know you must pay a just stipend to your Spiritual Assistant. You know the per capita is due each year. You know the fraternity is expected to contribute to special fundraisers in the parish where you meet. To ignore and not plan for your known future expense is wrong.

9. To have a reasonable cushion for unknown expenses and emergencies is not wrong, but prudent.

10. It is wrong for an outgoing minister and council to leave an empty treasury for the new minister and council.

11. It is wrong for the council to give away all treasury funds or a large part of the funds, to one charity or activity while ignoring its responsibility in other matters. For instance, it would be wrong for a fraternity that donates regularly to a local hospital, food bank, etc., to plead poverty and give only a token stipend each month to its Spiritual Assistant, or fail to pay for its minister to attend the provincial/regional chapter.

12. There is an obligation in justice to pay all fraternity debts and obligations first before donating to charities.

13. The treasury should never be allowed to go below a set base amount, depending on the fraternity, that would be enough to cover foreseen expenses in the next several months.

14. It is prudent management to have at least enough to cover close to a full years known expenditures and a small amount to cover unknown expenses.

15. The members should be appraised of the financial burden of the fraternity so they can assess their own ability to support it. If a member regularly donates surplus funds to various charities while his fraternity is scraping for pennies to support its apostolate, this is wrong. But if the member does not know of the fraternity's needs, it is the council's fault.

16. Charitable donations must be made by all fraternities, but this is the last of the four priorities listed in the Rule. A good guideline for charitable donations has always been the tithe, i.e., 10% of income. If you stick to that you cannot be faulted, but there will be times when 10% cannot be afforded because of responsibilities in the other areas.

17. Each member should search his/her conscience when told of the budget for the upcoming year. For example, if the fraternity's budgeted expenses are expected to be \$500 and there are 15 members, that means that I should try to contribute to the common fund about \$4 or \$5 per month as my share of the expenses. However, if I have a large income and \$5 per month is very little for me, and I give \$10 or \$15 or more to my parish each week, I should seriously consider giving more to the fraternity to help make up for those who cannot afford to give their \$4 or \$5 monthly.

*file: Treasury Guidelines*