

# **Financial Record Keeping Handbook**

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Financial Office, June 1978**

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## INTRODUCTION

The format presented in this bookkeeping handbook is a model for standardizing branch bookkeeping throughout the party. The standardization will help ensure continuity in the branch books, facilitate the training of new financial directors, and make reports and procedures more easily accessible to comrades when they transfer to a different branch.

The system is based on many of the techniques already used by the branches. It utilizes professional bookkeeping methods simplified and tailored to the party's needs so that a comrade with no financial experience can readily learn the techniques. Of course, the best approach is for comrades with party financial experience to use the handbook as an aid to passing on their experience to new financial directors.

The handbook is divided into seven sections:

I. Auditing branch financial records. This section gives a concise overview of the records and standards that will give the branch accurate information, and so it is a good introduction to the handbook as a whole.

II. Receipting and keeping records of dues and sustainer payments.

III. Handling general receipts, deposits, and the paying of bills.

IV. Keeping income and expense ledgers.

V. Balancing the checkbook with the bank statement and the income and expense ledgers.

VI. Other branch records. Suggestions for keeping *Militant* sales records, financial records on forums, etc.

VII. Budgets and monthly financial reports.

Bookstore and campaign finances are also part of the overall planning of branch work. Both Pathfinder and the national campaign committee have suggestions on how to keep accurate books for these areas.

The national financial office would appreciate questions and suggestions on how to improve the handbook. Suggestions and replies to questions will be made available when they will be helpful to other branches.

## Materials and Equipment

The suggestions for materials are self-explanatory in the handbook—types of receipt books, ledger paper, what are called accountant's work sheets for individual comrade's sustainer and dues records, etc. Depending on the city or the store, of course, there are minor variations in what is available. Boorum and Pease, and National Eye-Ease are two of the more well known brands for ledger paper and work sheets. Stock numbers for these brands are given for examples shown in this handbook. If stores do not carry them, they usually carry cross-reference numbers for other brands.

Also, an adding machine or a calculator is a great time-saver and helps ensure accuracy. It is generally more convenient to have one that has a paper tape.

## I. AUDITING BRANCH FINANCIAL RECORDS

The party constitution states that the branch financial records should be periodically reviewed—audited—by a committee of comrades appointed by the branch.

Branch audits should be held twice a year. A regular review of branch financial records is a valuable norm to establish in our party (and in the working-class movement as a whole). The Constitution Committee at the 1976 party convention urged the party to implement the provision for audits. Dave Wulp, in his report for the committee, pointed out the benefits: "First, it [the audit] gives added assurance to all that party finances are handled responsibly, correctly, and on time. Second, it assures that any problems that exist will not go without leadership attention for protracted periods of time. Third, over time, it will aid in standardizing and strengthening local financial practices."

The purpose of the audit is to review an area of branch work—financial record keeping—and present this review to the branch. The report of the audit committee will be straightforward. If everything is in order, the committee will report that the books are well-organized, kept current, and giving the branch accurate figures. If the books are not being kept in a way that provides the detailed information the branch needs to make informed decisions about finances, the audit committee will, in collaboration with the financial director, work up specific recommendations to improve the books in the future.

### How Should the Audit be Organized?

A committee of two or three comrades should be proposed by the executive committee to do the audit. At least one person should have some experience with financial books, but this is not a requirement for each audit committee member. Although the financial director will not be on the committee, the director will be available for questions and consultation.

The standard for how the books should be set up is this handbook.

It is the responsibility of the financial director to take the lead in standardizing the books. A task of the first audit will be to report on the process of standardization, which should be evaluated in consultation with the financial director.

Checking the records for the last three months should be sufficient for the first audit. In some cases a review of the past may not be done. Attention might be focused entirely on recommendations on how to set up adequate books.

Branches should feel free to consult with the national field organizers or the national financial office about any questions that come up. The audit should take no more than one day or a few evenings to complete.

### Dues and Sustainer

The branch should have a receipt book for dues and sustainer, a record of pledge, dues, and sustainer payments for each comrade, and a general receipt book.

The dues and sustainer receipt book should be checked

against the individual comrade's records. Accurate and up-to-date dues and sustainer records are essential. This is the main source of party income, and comrades must know that their contributions are carefully recorded.

The dues and sustainer totals in the general receipt book must match the dues and sustainer receipt book from which they are taken.

Dues collected should be compared with dues paid to the national office, and the city office for branches in locals. Dues collected should equal dues paid.

### **Income and Expenses**

All income must be recorded in the receipt book, and all expenses must be recorded in the checkbook. That way all the money will be accounted for. The income is recorded onto a monthly income ledger page (this recording is called "posting," a term that is often used in this handbook). The expenses are recorded onto the monthly expense ledger page. The audit committee should check to make sure that everything from the receipt books and checkbooks is posted on the ledger pages. A file should be kept of all bills and receipts for expenses.

The income and expense ledger pages provide the basis for the monthly branch performance report. Well-kept records give the branch accurate information for making budgetary decisions.

### **Bank Statement**

The checkbook and bank statement must balance each month. And they must balance with the monthly ledger. Totals in the receipt book must match the deposits in the checkbook and on the bank statement.

### **Files**

The branch financial records should include a current filing system for all statements and invoices received from the national departments and other sources. A good filing system simplifies the regular bill paying as well as being an accurate record of outstanding bills and back debts.

### **Technical Errors**

There are errors that are quite common in bookkeeping which result in totals not balancing, even when the books are properly set up and kept well. Some include transposing, or reversing numbers when posting; a missed posting to the receipt or disbursement ledger; or copying a figure incorrectly. These are tracked down by systematically going through each category related to the error, starting with the category where the error might have been made. The best place to start is by first establishing the difference, how far off the figure is. If it is divisible by nine, the figure most likely has been transposed. If the difference coincides with a particular receipt or check, it means that receipt or check might not have been recorded in the ledger.

### **Forum, 'Militant,' and Bulletin Records**

Both the *Militant* and forum directors or committees should keep their own supplementary financial records,

which the audit committee should review.

Records giving detailed information on a regular basis for forums and sales of periodicals are necessary if the branch is to have the basic facts it needs for financially and politically evaluating these areas of work. Both of them have an important impact on the branch budget.

Also, the branch should have a system for keeping on top of bulletin sales so the branch can maintain an appropriate standing order. The branch should periodically do an inventory of unsold bulletins and return extras to the national office. Credit for 90% of the cover cost will be given for bulletins in resaleable condition.

## **II. RECEIPTING AND KEEPING RECORDS OF DUES AND SUSTAINER PAYMENTS**

### **Individual Dues and Sustainer Record**

The Constitution of the Socialist Workers Party states:

"Each member shall pay monthly dues of four dollars (\$4.00) except those totally unemployed, who shall pay two dollars (\$2.00). In addition, all members are expected to make regular voluntary contributions according to their means."

Sustainer pledges account for the bulk of these voluntary contributions and are the backbone of party financing. To be able to tell at a glance how much each comrade pledges and owes, separate dues and sustainer records are needed.

Individual dues and sustainer records set up back to back, as shown on the opposite page, work well. These records should be updated before every branch meeting.

The paper used is 8½x11, comes in pads of fifty, and fits into a standard three-ring binder. The stock number for the Boorum and Pease brand is #8808, for National Eye-Ease the number is #45-608.

Each month there are usually only two postings in the dues records. First, the dues amount owed at the first branch meeting of the month is recorded; then the dues payment is recorded when received.

In the sustainer record, you post the sustainer owed each week and record payments as received. In the example at the right, seven weeks are shown on the sustainer record and two months on the dues record.

### **Individual Over \$40 Club Record**

The individual Over \$40 Club pledge record is very similar to the individual sustainer record. It can be kept behind the sustainer and dues records in the individual record book. Five weeks of activity are shown in the example. The Over \$40 Club pledges are paid to the branch in the same way as regular sustainer pledges. They are then forwarded to the national office with the other regular payments.

INDIVIDUAL SUSTAINER RECORD

ANN

1		2		3		4		5		6		7		8						
DATE	RCT #	WEEKLY PLEDGE	PAID	BALANCE	DATE	RCT #	WEEKLY PLEDGE	PAID	BALANCE	DATE	RCT #	WEEKLY PLEDGE	PAID	BALANCE	DATE	RCT #	WEEKLY PLEDGE	PAID	BALANCE	
2/13		20.00		20.00																
2/13	450		20.00	-0-																
2/20		20.00		20.00																
2/20	474		20.00	-0-																
2/27		30.00		30.00																
3/6		30.00		60.00																
3/6	500		60.00	-0-																
3/13		30.00		30.00																
3/13	509		60.00	<30.00>																
3/20		30.00		-0-																
3/27		30.00		30.00																
3/27	534		30.00	-0-																

INDIVIDUAL DUES RECORD

ANN

1		2		3		4		5		6		7		8						
DATE	RCT #	OWED	PAID	BALANCE	DATE	RCT #	OWED	PAID	BALANCE	DATE	RCT #	OWED	PAID	BALANCE	DATE	RCT #	OWED	PAID	BALANCE	
2/6		4.00		4.00																
2/13	450		4.00	-0-																
3/6		4.00		4.00																
3/6	500		4.00	-0-																

INDIVIDUAL "OVER \$40 PLEDGE" RECORD

ED

1		2		3		4		5		6		7		8						
DATE	RCT #	"OVER \$40" WKLY PDGE	PAID	BALANCE	DATE	RCT #	"OVER \$40" WKLY PDGE	PAID	BALANCE	DATE	RCT #	"OVER \$40" WKLY PDGE	PAID	BALANCE	DATE	RCT #	"OVER \$40" WKLY PDGE	PAID	BALANCE	
2/27		10.00		10.00																
2/27	482		10.00	-0-																
3/6		10.00		10.00																
3/6	501		10.00	-0-																
3/13		10.00		10.00																
3/13	510		10.00	-0-																
3/20		10.00		10.00																
3/27		10.00		20.00																
3/27	531		20.00	-0-																

WEEKLY SUSTAINER SHEET

DATE 3/6/78

NAME	WEEKLY PLEDGE	SUSTAINER OWED	DUES OWED	"OVER 40" PLEDGE	"OVER 40" OWED	TOTAL OWED
ANN	30.00	60.00	4.00			64.00
BOB	15.00	15.00	4.00			19.00
CAROL	2.00	2.00	2.00			4.00
ED	40.00	40.00	4.00	10.00	10.00	54.00
FRAN	15.00	15.00	4.00			19.00
GEORGE	3.00	6.00	4.00			10.00
HILLARY	20.00	20.00	4.00			24.00
INES	25.00	25.00	4.00			29.00
KENT	10.00	30.00	8.00			38.00
LENA	30.00	30.00	4.00			34.00
MARY	8.00	8.00	4.00			12.00
NED	10.00	-0-	4.00			4.00
OPAL	15.00	15.00	4.00			19.00
PAUL	8.00	16.00	4.00			20.00
RAY	15.00	15.00	*			15.00
SALLY	9.00	9.00	-0-			9.00
TOTALS	255.00	306.00	58.00	10.00	10.00	374.00

\* PROVISIONAL MEMBER

TOTAL SUSTAINER OWED 306.00

LESS CURRENT OWED 245.00

BACK DEBT 61.00 CHANGE (+/-) -6.00

WEEKLY PER CAPITA:  $\$255.00 - \underline{16} = \$15.94$

TOTAL NUMBER OF PER CAPITA  
WEEKLY PLDG MEMBERS

**Weekly Sustainer Sheet**

It's a good idea to prepare a sustainer sheet for every branch meeting that shows how much comrades owe for the week and any back debts. The sustainer sheet puts all the necessary information at the financial director's fingertips, and a second copy, or copies, of the sheet—or some other method—can be used to give the members this information.

Different types of sustainer sheets are used for different situations. The example above is generally good for standard use. It's easy to get together and gives a complete picture for the week.

The information on the weekly sustainer sheet is taken directly from the individual records. In our example, Ann, for instance, has a weekly pledge on 3/6 of \$30, which is entered in the column headed Weekly Pledge. Her sustainer owed as of 3/6 is \$60, which is entered in the

Sustainer Owed column, etc.

One method of recording information for comrades who are paid ahead is just to enter "0" in the Sustainer Owed column. If the amount paid ahead is entered in this column, it is a good idea to disregard it when calculating the Total Owed. That way the Total Owed is an accurate figure.

You can check your totals by adding the totals from the Sustainer Owed column, the Dues Owed column, and the Over \$40 Club column—they should equal the Total Owed.

The Back Debt is calculated by subtracting the Current Owed from the Total Sustainer Owed. The Current Owed is the total Weekly Pledge minus prepayments for that week. In this example, Ned has paid \$10 in advance and owes \$0. So, his \$10 pledge was subtracted from the \$255 (total pledged) to get the Current Owed. The Change indicates whether the Back Debt is more or less than last week and by how much.

3/6 1978  
 Received from Carol  
Four and 00/100 Dollars  
Sustainer 2 00/xx  
Dues 2 00/xx  
 \$ 4 00/xx T.B.

3/6 1978  
 Received from Ann  
Sixty Four and 00/100 Dollars  
Sustainer 60 00/xx  
Dues 4 00/xx  
 \$ 64 00/xx T.B.

3/6 1978  
 Received from Fran  
Forty Four and 00/100 Dollars  
Sustainer 40 00/xx  
Dues 4 00/xx  
 \$ 44 00/xx T.B.

3/6 1978  
 Received from Ed  
Fifty Four and 00/100 Dollars  
Sustainer 40 00/xx  
Dues 4 00/xx, "Over 40" 10 00/xx  
 \$ 54 00/xx T.B.

3/6 1978  
 Received from Kent  
Twelve and 00/100 Dollars  
Sustainer 10 00/xx  
Dues 2 00/xx  
 \$ 12 00/xx T.B.  
 (Ret # 500-505)  
 Ret # 2001  
 \$193 00/xx

3/6 1978  
 Received from Roy  
Fifteen and 00/100 Dollars  
Sustainer  
 \$ 15 00/xx T.B.

**Receipt Books**

For easier record keeping, two receipt books are needed— one for dues and sustainer and another general receipt book for *Militant* money, forum money, etc. The totals from the dues and sustainer receipt book are entered into the general receipt book. Figures from the general receipt book are used to make up the deposit. Also, the figures used in the income ledger are taken from the general receipt book. The dues and sustainer receipt book is used to keep individual comrades' records up to date.

It's easier to use a receipt book with more than one receipt to a page. If the receipts are not prenumbered, you will need to number them.

Each receipt must have a duplicate. The original goes to

the person paying, and the duplicate stays in the book for the permanent record.

**Dues and Sustainer Receipts**

Care should be taken that all the necessary information is included on the receipt, as in the example above. Initial the receipt so it is clear who received the money.

On the last receipt in the example, #505, a notation is made of the total value of receipts #500 to #505, \$193.00. It is also noted that this amount was recorded on receipt #2001 in the general receipt book. Actual dues and sustainer money collected should be checked against the dues and sustainer receipt book total before recording the amount in the general receipt book.

PAYMENT RECAP - MARCH 1978

	1	2	3	4		
DATE	NAME	RCT #	TOTAL RECEIVED	SUSTAINER	DUES	"OVER \$40"
1	3/6 Ann	500	64.00	60.00	4.00	
2	Ed	501	54.00	40.00	4.00	10.00
3	Roy	502	15.00	15.00		
4	Carol	503	4.00	2.00	2.00	
5	Fran	504	44.00	40.00	4.00	
6	Kent	505	12.00	10.00	2.00	
7	Gen. Ret. # 2001		193.00	167.00	16.00	10.00
8	3/13 Hillary	506	20.00	20.00		
9	Void	507				
10	George	508	17.00	3.00	14.00	
11	Ann	509	60.00	60.00		
12	Ed	510	50.00	40.00		10.00
13	Roy	511	34.00	30.00	4.00	
14	Carol	512	4.00	2.00	2.00	
15	Fran	513	40.00	40.00		
16	Kent	514	32.00	30.00	2.00	
17	Lena	515	68.00	60.00	8.00	
18	Paul	516	12.00	8.00	4.00	
19	Bob	517	48.00	40.00	8.00	
20	Gen. Ret. # 2009		383.00	333.00	42.00	75.00
21	3/20 Ann		578.00	502.00	58.00	20.00

**Dues and Sustainer Receipt Book Summary or Payment Recap(ulation)**

Some comrades may find the above form helpful in guaranteeing accurate record keeping. All payments received into the dues and sustainer receipt book are posted on this sheet. Then from this sheet you can get a breakdown by category—Sustainer, Dues, and Over \$40 totals—which can serve as a double check against the totals calculated directly from the dues and sustainer receipt book. Also, it's easy to post the payments to the individual records from the Payment Recap sheet. It can be used to keep track of how income compares with the budget projection as you go through the month.

The Payment Recap is set up on a five-column accountant's work sheet (Boorum and Pease #8805), similar to the one used for the individual records.

As income from subsequent meetings is added, a subtotal is kept of the amount collected at any one meeting, as well as a running balance of the amount collected that month. When posting payments to the individual records from the Payment Recap sheet, put a check mark after the figures you have posted to the individual records, just as you would do if you used the individual receipt book for posting.

Enter the receipt number of a payment in the individual record. If this is done and there is any question regarding a payment at a future date, you know where to look to verify your entry.

Post payments in the order they are written. This may mean having to flip back and forth in the individual records, but it also makes it less likely to miss recording a payment.



**Checking Individual Records  
at the End of the Month**

After the payments collected at the last branch meeting of the month have been posted to the individual records, it is a good idea to check the posting for the month. The following is an accurate method to check that all payments were posted to comrades' individual pages.

To do this for sustainer, you add what money you expected to collect during the month (the amount pledged) to the back debt at the end of the previous month. From this total you subtract the payments made during the month. The payments figure comes from your income ledger. The result is the Back Debt balance due at the end of the month. If everything has been posted correctly, this Back Debt will equal the total Back Debt calculated from the individual records.

In our example, if the total of the individual balances due for sustainer on 3/31 equals \$67, then the postings are correct.

Back Debt 1/31/78	\$ 75.00
Weekly pledges 2/6	245.00
Weekly pledges 2/13	245.00
Weekly pledges 2/20	245.00
Weekly pledges 2/27	<u>255.00</u>
Subtotal	\$1,065.00
Less Payment Feb.	<u>-1,004.00</u>
Back Debt 2/28/78	\$ 61.00
Weekly pledges 3/6	255.00
Weekly pledges 3/13	255.00
Weekly pledges 3/20	255.00
Weekly pledges 3/27	<u>255.00</u>
Subtotal	\$1,081.00
Less Payment Mar.	<u>-1,014.00</u>
Back Debt 3/31/78	\$ 67.00

The same procedure can be followed for dues and for Over \$40 Club payments.

Copies of the Weekly Sustainer Sheet should be kept, so when you do your calculation you can be sure you accounted for any changes in the amount pledged. In the example there were no changes in the pledges during March, so the final amount used for sustainer collectable was the Weekly Pledge times the number of weeks.

A final Weekly Sustainer Sheet for the month can be made up and included with the monthly report.

2004	2001
3/6 1978	3/6 1978
Received from <u>Bulletins</u>	Received from <u>Branch Meeting</u>
<u>Eighteen and <math>\frac{00}{100}</math> Dollars</u>	<u>One Hundred Ninety Three <math>\frac{00}{100}</math> Dollars</u>
	<u>Sustainer 167.00, Dues 16.00</u>
	<u>"over 40" 10.00</u>
\$ <u>18<sup>00</sup><del>xx</del></u> T.B.	\$ <u>193<sup>00</sup><del>xx</del></u> T.B.
2005	2002
3/6 1978	3/6 1978
Received from <u>Militant</u>	Received from <u>Campaign Committee</u>
<u>Forty Five <math>\frac{00}{100}</math> Dollars</u>	<u>Fifty and <math>\frac{00}{100}</math> Dollars</u>
	<u>Rent 25 <math>\frac{00}{xx}</math>, Phone 12 <math>\frac{00}{xx}</math></u>
	<u>Mimes 13 <math>\frac{00}{xx}</math></u>
\$ <u>45<sup>00</sup><del>xx</del></u> T.B.	\$ <u>50.00<del>xx</del></u> T.B.
2006	2003
3/6 1978	3/6 1978
Received from <u>Al</u>	Received from <u>Forums</u>
<u>Thirty and <math>\frac{00}{100}</math> Dollars</u>	<u>Twenty Seven and <math>\frac{00}{100}</math> Dollars</u>
<u>Donation</u>	
\$ <u>30<sup>00</sup><del>xx</del></u> T.B. (#2006 deposit 3/7/78 \$363 <sup>00</sup> <del>xx</del> )	\$ <u>27<sup>00</sup><del>xx</del></u> T.B.

ADDRESS \_\_\_\_\_  
 ALABAMA \_\_\_\_\_  
 CITY \_\_\_\_\_  
 STATE \_\_\_\_\_  
 ZIP CODE \_\_\_\_\_

DATE 3/7 19 78

DEPOSIT FOR ACCOUNT OF \_\_\_\_\_

"BRANCH NAME" \_\_\_\_\_

CASH	35.01
CHECKS	
1	19.99
2	50.00
3	64.00
4	54.00
5	15.00
6	30.00
7	12.00
8	3.00
9	50.00
10	30.00
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
FOR BANK USE	
26	
27	
28	
29	
30	
31	
32	
Total Checks	327.99
Total Deposit	363.00

### III. HANDLING GENERAL RECEIPTS, DEPOSITS, AND THE PAYING OF BILLS

amount covered by the receipts and the total that appears on your deposit slip.

#### Checking Account Deposit Slip

A deposit slip with room to list twenty or more checks, like the one in the example, is recommended. To avoid unnecessary mixups with the bank, the endorsement on checks deposited should include the account number in addition to the branch name. (In most cases you can order a rubber stamp from your bank with this information.) Keep the duplicate copies of the deposit slip until the monthly bank statement arrives verifying the deposit.

#### Money Security

The way money is handled should assure comrades that all reasonable precautions are being taken to prevent theft or loss of money or records. The area in the headquarters where it is counted and records are worked on should be thought out from this point of view. Deposits should be done after every branch meeting and whenever money accumulates in the hall. All money should be kept in a safe, locked place. Financial records and books should also be kept in a safe place.

#### General Receipt Book

All income, before it is deposited, is recorded in the general receipt book. Since the general receipt book is used to post to the income ledger from which financial reports are made up, it is important that the receipt show clearly all the necessary information. Shown above are examples of how receipts are made up for some common types of branch income.

Receipt #2001 shows how income from the dues and sustainer receipt book is recorded in the general receipt book. The dues and sustainer receipt book can be the same type as the general, but the numbering system should be different. This enables you to tell at a glance which book any receipt came from.

Receipt #2006 shows how to record a deposit. In the right-hand corner there is a notation showing that the deposit for 3/7/78 is \$363.00 That is the total for general receipts #2001 thru #2006. Before making a deposit, add up the checks and cash. The total should equal both the total

BALANCE FORWARD 593 352.25

DEPOSITS

3/1 19 76 TOTAL  
ORDER OF "Landlord"  
Rent - March

AMOUNT THIS CHECK 200.00  
BALANCE 152.25

DATE	PARTICULARS	AMOUNT
	Rent for March "address of hall"	

BRANCH NAME AND ADDRESS 593

3/1 19 78  
PAY TO THE ORDER OF "Landlord" \$ 200<sup>00</sup>~~XX~~  
Two Hundred and <sup>00</sup>/<sub>100</sub> DOLLARS

Signature

594 3/7 363.00

DEPOSITS

3/7 19 78 TOTAL 515.25  
ORDER OF Petty Cash  
Coffee - 2.99  
Office Exp. - 19.00  
Organizing expenses - 80.00

AMOUNT THIS CHECK 99.99  
BALANCE 415.26

DATE	PARTICULARS	AMOUNT

BRANCH NAME AND ADDRESS 594

3/7 19 78  
PAY TO THE ORDER OF Petty Cash \$ 99<sup>99</sup>~~XX~~  
Ninety Nine and <sup>99</sup>/<sub>100</sub> DOLLARS

Signature

595

DEPOSITS

3/7 19 78 TOTAL  
ORDER OF National Office SWP  
Sustainer 127.50  
Dues 28.00, "Over 40" 10.00

AMOUNT THIS CHECK 165.50  
BALANCE FORWARD 249.76

DATE	PARTICULARS	AMOUNT

BRANCH NAME AND ADDRESS 595

3/7 19 78  
PAY TO THE ORDER OF National Office SWP \$ 165<sup>50</sup>~~XX~~  
One Hundred Sixty-Five and <sup>50</sup>/<sub>100</sub> DOLLARS

Signature

(CHECK EXAMPLES CONTINUE ON FOLLOWING PAGE)

**The Checkbook**

All expenses are recorded in the checkbook. Since the checkbook is used to post to the expense ledger from which in turn the financial reports are made up, it is important that the stub show clearly all necessary information.

Also, since the checkbook is used to pay all expenses, it is important that the financial director have a system for keeping the checkbook balance up-to-date and accurate. The director will also need to keep in mind how long it takes deposited checks to clear so that checks are not written against uncollected funds.

The six checks shown above give some idea of what type of information is necessary on the stub for different items

and how checks should be made out. A standard business checkbook with a large stub and three checks to a page is the most convenient to use. There is plenty of room to write on the stub, and it is easy to keep track of the balance. A small personal checking account book lacks these advantages.

Canceled checks should be saved. They are a receipt for paid bills.

**Balancing the Checkbook**

Balance the checkbook as you go along, adding deposits and subtracting checks and charges. There is a simple method to verify your balance as you go. Using the example above, the total for checks #593 thru #598 is

BALANCE FORWARD 249 76

596

DEPOSITS

3/7 19 78 TOTAL  
ORDER OF The Militant

AMOUNT THIS CHECK 35 00

BALANCE 214 76

DATE	DESCRIPTION	AMOUNT

BRANCH NAME AND ADDRESS

3/9 19 78

PAY TO THE ORDER OF The Militant \$ 35 ~~00~~

Thirty Five and <sup>00</sup>/<sub>100</sub> DOLLARS

Signature

597

DEPOSITS

3/9 19 78 TOTAL  
ORDER OF "Paper Company"

mimeo paper, ink and Stencils

AMOUNT THIS CHECK 56 00

BALANCE 158 76

DATE	DESCRIPTION	AMOUNT

BRANCH NAME AND ADDRESS

3/9 19 78

PAY TO THE ORDER OF "Paper Company" \$ 56 <sup>00</sup>/<sub>100</sub>

Fifty Six and <sup>00</sup>/<sub>100</sub> DOLLARS

Signature

598

DEPOSITS

3/13 19 78 TOTAL  
ORDER OF Petty Cash

Forum Travel Expense 10.00  
H. Q. Maintenance 14.30  
Organizing expenses 40.00

AMOUNT THIS CHECK 64 30

BALANCE FORWARD 94 46

DATE	DESCRIPTION	AMOUNT

BRANCH NAME AND ADDRESS

3/13 19 78

PAY TO THE ORDER OF Petty Cash \$ 64 <sup>30</sup>/<sub>100</sub>

Sixty Four and <sup>30</sup>/<sub>100</sub> DOLLARS

Signature

\$580.79. Take your beginning balance of \$352.25 and add the one deposit of \$363.00 (\$352.25 + \$363.00 = \$715.25). Subtract the check total \$620.79 from \$715.25 and you get \$94.46. Since this agrees with the balance in the checkbook, the figures are correct.

Always record bank charges when they are received. List the charges, detailing what the charge is for and the date the charge was made. The amount is bracketed, (< >), a standard bookkeeping procedure, so you will know it should be subtracted, not added, to the balance.

If a check you received bounces, it should be recorded in the checkbook the same way as a bank charge. When you are posting from the checkbook to your expense ledger, the bounced check can be recorded as an expense in the same

category it was originally recorded as income—dues, sustainer, *Militant*, etc. Now when you make up your financial report, the expense item will cancel out the income item. When the check is replaced or can be redeposited, it can be receipted as if you got it for the first time, and your records will be accurate.

### Voided Checks

When you have to void a check, the word "Void" should be written on the checkbook stub and on the check. Then, whether it is signed or not, the signature portion of the check should be torn off and discarded. The voided check is then stapled to the back of the check stub.

<p>PETTY CASH VOUCHER</p> <p>Date <u>3/3</u> 1978</p> <p><u>Ann</u></p> <p>For <u>100 13¢ Stamps</u></p> <p>\$ <u>13</u>   <u>00</u> Cents</p> <p>Signed <u>T.B.</u></p>	<p>PETTY CASH VOUCHER</p> <p>Date <u>3/5</u> 1978</p> <p><u>Ned</u></p> <p>For <u>Bic Pens</u></p> <p>\$ <u>2</u>   <u>80</u> Cents</p> <p>Signed <u>T.B.</u></p>
<p>PETTY CASH VOUCHER</p> <p>Date <u>3/6</u> 1978</p> <p><u>Carol</u></p> <p>For <u>Coffee Supplies</u> <u>Instant Coffee + Milk</u></p> <p>\$ <u>2</u>   <u>99</u> Cents</p> <p>Signed <u>T.B.</u></p>	<p>PETTY CASH VOUCHER</p> <p>Date <u>3/6</u> 1978</p> <p><u>T.B.</u></p> <p>For <u>Envelopes</u></p> <p>\$ <u>1</u>   <u>20</u> Cents</p> <p>Signed <u>T.B.</u></p>

13.00 +
2.80 +
2.99 +
1.20 +
19.99 *
Office Supplies + Expenses 17.00 +
Coffee Supplies 2.99 +
19.99 *
1
Paid 3/7/78
CK# 594

**Petty Cash**

Most branches need a petty cash fund to cover incidental expenses. The size of the fund depends on the average amount needed each week, usually \$25 to \$30. The standard method of running a petty cash fund is as follows:

1. To set up the fund, write a check to cash for the amount you want to keep on hand (\$25, for example).
2. Get a locked cashbox and a pad of petty cash vouchers. Vouchers can be bought in an office supply store or a stencil can be made by the branch.
3. When cash is taken from the box, a voucher must be filled out and left in the box. The voucher shows the date, how much was taken, by whom, and for what. The total cash in the box plus the vouchers must always equal the original \$25. Access to the petty cash fund should be limited to a few comrades to help control the use of the fund and help keep the records accurate.
4. When the petty cash is replenished, write a check to petty cash for the total amount on the vouchers in the box. Itemize this amount on the check stub according to the amounts on the vouchers. When the check is cashed, the total cash in the box should equal the original \$25.

In this way, all petty cash expenditures go through the checking account and will be entered in the appropriate expense ledger category. The only exception is when the fund is first set up. That month the ledger will show an expense of \$25 as a loan to petty cash.

**Travel Expenses**

A number of branches are located in cities where travel costs to national gatherings are high. In order to cover a full-time organizer's travel, some branches set up a special monthly budget expense item. The cost of anticipated trips is figured well in advance, and a set amount is budgeted every month and set aside. By this means the branch has enough cash on hand to continue to operate normally when a big trip has to be paid for.

The following is one way that branches might find helpful in meeting this challenge.

At the end of the month, write a check *to the branch* for the amount allotted each month. The check should then be endorsed and can be set aside in an envelope that is kept in a safe place.

When it is necessary to use some of the travel money, proceed as follows:

Assume, for the sake of example, that there are five checks (\$50 each) totaling \$250 set aside at the end of May. In June there is a National Committee meeting, and the full-time organizer's transportation costs come to \$200. Three of the checks, totaling \$150, are receipted as travel income and redeposited into the branched account. (Two checks totaling \$100 remain set aside for future planned trips.) When the time comes to pay for the trip, the \$200 check will be itemized on the check stub as travel. Thus, the travel expense total for the month will be \$200. It will be offset by the \$150 which was receipted as travel income. Therefore, the net spent for travel in June will be the normal monthly travel expense of \$50.

NATIONAL OFFICE SWP  
 14 Charles Lane  
 New York, N.Y. 10014  
 (212) 242-5530

"Branch's Name"

3/5/78

Feb. STATEMENT

	Date	+Chrg. -Pymt.	Bal. Due
<b>DUES</b>			
For Jan.	2/7	+22.00	
For Jan.	2/26	+36.00	

SUSTAINER

Debt at end of <u>Jan.</u>			-0-
<u>Feb.</u> Pledge			
\$8.50 per week, X			
15 memb., X 4 wks.		+510.00	510.00
Payments:			
	2/7	-127.50	
	2/14	-127.50	
	2/21	-127.50	
	2/28	-127.50	-0-

Sustainer owed as of 3/1 -March-

Date	+Chrg. -Pymt.	Bal. Due
------	------------------	-------------

INTERNAL BULLETINS

Debt at end of Jan. -0-  
 Shipments during Feb.  
 Invoice #3400 2/7 +19.50 19.50

Payments: none

Total owed on I.B.s: 19.50

Pay 19.50 to be current on I.B.s for Mar.

OTHER

(To be current sustainer must be received in the National Office by the 5th of the next month. For all other categories payments must be received by the last day of the month.)

**Payments to National Departments**

Many branch financial transactions are with the party national office and departments. There are a few bill-paying procedures, which, if followed by the branches, facilitate record keeping and budget planning done by the national departments. These procedures also help ensure accuracy in the branch records.

1. Check all invoices and statements, when they are received, against the branch orders and payments.

2. A filing system should be set up with separate folders for paid and unpaid bills.

3. Each of the national departments has a separate bank account and office. For convenience, a separate check should be made out for payments to each department and mailed separately to the address on the appropriate statement or invoice. For example, the SWP national office monthly statement is shown above.

4. Each of the departments recommends a method for the branches to use when paying bills based on the experience and needs of the department. These methods are designed to save time for the departments, as well as to provide all the information needed to record the payments accurately.

For example: Pathfinder sends duplicates of all invoices and statements. These should be included with payments. The same is true for *Intercontinental Press/Inprecor* and *Perspectiva Mundial*.

The *Militant* has a weekly payment form.

The national office has a Payment/Pledge Form, shown on the right. A copy should be sent with each payment, rather than writing the information on the check. Also, the Weekly Sustainer Pledge portion should be completed and sent in the first week of every month whether or not a payment is included.

NATIONAL OFFICE PAYMENT/PLEDGE FORM

National Office SWP  
14 Charles Lane  
New York, N.Y. 10014

Branch "Name"  
City \_\_\_\_\_

Dear Comrades,

Enclosed find check in payment of (make checks payable to National Office SWP).

\$ 127.50\*Sustainer for the week of 3/6 through 3/12 .  
\$ 28.00\*\*Dues and initiation for the month of Feb. .  
\$ \_\_\_\_\_ Internal Bulletins--Invoice #(s) \_\_\_\_\_ .  
\$ \_\_\_\_\_ Ed. for Socialists bulletins (on back debt).  
\$ 10.00\*\*\*"Over \$40 Club" Ed - 3/6-3/12 .  
\$ \_\_\_\_\_ (other) \_\_\_\_\_ .  
\$ 165.50 TOTAL

WEEKLY SUSTAINER PLEDGE

For the month of March we pledge \$ 8.50 per comrade per week to the National Office for 15 (#) constitutional members. The branch is pledging for 4 - 5 (circle one) weeks this month.

By T.B.

\*Sustainer Pledging: Please fill out the pledge section each month and mail to the National Office during the first week of each month regardless of whether payment is enclosed. National Office sustainer is not paid on provisional members. Membership should be counted on the first day of the month and not changed during the month.

\*Dues Payment: In branches that are part of a local, send in \$3 of each \$4 of dues collected. In all other branches send in all dues collected. Provisional members do not pay dues.

\*"Over \$40 Club": When sending payments please list name, amount of weekly pledge and for which weeks the payment applies.

Payment Form: Using this form with each payment sent will help assure that the branch account is properly credited. For additional copies of this form check this box. [ ]

Income March 1978

Date	Post#		Amount	Sustainer	Dues	'Over #40	Donation	Militant	Forum
3/6	2001	Branch Meeting	193.00	167.00	16.00	10.00			
	2002	Campaign Committee	50.00						
	2003	Forums	27.00						27.00
	2004	Bulletins	18.00						
	2005	Militant	45.00					45.00	
	2006	AI	30.00				30.00		
8	2007	Refreshments	14.80						
	2008	Social	51.87	14.70	16.00	10.00	30.00	45.00	27.00
13	2009	Branch Meeting	385.00	333.00	42.00	10.00	30.00	45.00	27.00
	2010	VOID							
	2011	Militant	48.50					48.50	
	2012	Forums	23.00						23.00
	2013	Refreshments	9.15						
20	2014	Branch Meeting	291.52	273.00	58.00	20.00	30.00	73.50	50.00
	2015	Militant	29.00		7.00	10.00		50.00	
	2016	Forums	50.00						
	2017	Refreshments	27.00						27.00
	2018	Branch Meeting	11.20						
27	2019	Militants	126.72	119.00	6.00	30.00	30.00	14.50	7.00
	2020	Forums	251.00	241.00		10.00			
	2021	Militants	46.50					46.50	
	2022	Forums	28.00						28.00
	2023	Forum Director	49.25						
	2024	Refreshments	10.70						
30	2025	Militants	49.00					49.00	
31	2026	Forums	31.00						31.00
totals			1735.17	1014.00	65.00	40.00	30.00	239.00	136.00

**IV. KEEPING INCOME AND EXPENSE LEDGERS**

The monthly income and expense ledgers are set up to give all the basic information used to evaluate the branch's budget performance, category by category. Weekly posting is recommended to help keep track of your actual performance as you go through the month.

Ledger sheets can be kept in what is called a post binder, a variation of a loose-leaf notebook. The initial investment is relatively high, but they protect an important branch record and will last in good condition for years.

Ledger paper with twenty-four columns is recommended. The example ledger sheets are National Eye-Ease #18-824. All postings should be done in ink, and all totals and subtotals in pencil.

When a posting error is made, the standard bookkeeping practice is to draw a line through the incorrect figure and



Bulletin	Rent	Phone	Mimeo	Coffee	Soda	Office Expenses	Socials			
	2500	1200	1300							
1800										
				430	660					
1800	2500	1200	1300	130	660	-0-	51.97			
				375	540					
1800	2500	1200	1300	805	1300	-0-	51.97			
				520	600					
1800	2500	1200	1300	1325	1300	-0-	51.97			
		525	3000	410	660	1400				
1800	2500	1725	4300	1735	2460	1400	51.97			

write the correction above it. This is done instead of erasing or whitening out the mistake. Then the corrected figure is always legible and the records neat.

### Income Ledger

The headings you see in the example ledger are basic headings. In any given month you may have some type of income, or expense, that does not fit into the regular

categories. With the extra columns you can set up a column for this income for just that month.

The income is all posted from the general receipt book. All receipts are posted in order by receipt number. Voided receipts are also listed by number with the notation, "Void."

In the example above, the first column shows the total amount of the receipt, and the subsequent columns show the breakdown. If you set up the categories in the same order as your budget, you can save yourself some time.

## Expenses March 1978

DATE	CHK#	Description	Amount	N.O. Sustainer	Dues	"Over 40"	Organizing Expenses	Militant	Forum	Bulletin
3/1	573	"landlord"	200.00							
7	574	Petty Cash	79.99				80.00			
	575	National Office SWP	165.50	127.50	28.00	10.00				
	576	Militant	35.00					35.00		
9	577	"Paper Company"	54.00	127.50	28.00	10.00	80.00	35.00	-0-	-0-
13	578	Petty Cash	67.30				40.00		10.00	
	579	Cash	40.00				40.00			
	600	National Office SWP	127.50	127.50						
	601	Militant	35.00					35.00		
15	602	Gas and Electric Company	27.75	255.00	28.00	10.00	10.00	35.00	10.00	-0-
	603	VOID								
20	604	Petty Cash	40.45				27.45			
	605	Cash	55.55				55.55			
	606	"Newspaper advertizing"	15.00						15.00	
	607	National Office SWP	127.50	127.50						
	608	Militant	35.00					35.00		
	609	"Soda Company"	17.50	582.50	28.00	10.00	24.00	10.00	25.00	-0-
27	610	Petty Cash	28.98				15.75			
	611	SWP - "Branch"	49.25						49.25	
	612	National Office SWP	227.50	127.50	65.00	30.00				
	613	Militant	35.00					35.00		
	614	"Phone Company"	72.85							
	615	"Office Supply Company"	22.00							
	616	Cash	64.25				64.25			
	617	Militant	163.85	510.00	73.00	40.00	520.00	175.00	74.25	-0-
30	618	Travel Fund	50.00							
		Bank Charges	3.25							
		totals	1727.62	510.00	93.00	40.00	320.00	175.00	74.25	-0-

### Expense Ledger

Expenses are posted from the checkbook and done basically the same way as income. Voided checks are listed the same as voided receipts.

The last posting in the above example is for bank charges that appear on the monthly bank statement and that are deducted from the checkbook balance.

### Checking Your Posting

Errors are a part of even the most professional bookkeeping, and professional methods and routines have been devised to deal with them.

Every time you post, you should check your posting. Regular checking can save a lot of time hunting down an error.

Rent	Phone	Mimeo	Coffee	Soda	Office Expenses	Utilities	H. Q. Mainten.	Travel Fund	Bank Charges
20000			299		1700				
20000	-0-	5600	299	-0-	1700	-0-	-0-	-0-	-0-
							1430		
20000	-0-	5600	299	-0-	1700	2975	1430	-0-	-0-
					1600				
20000	-0-	5600	323 323	1850 1850	3300	2975	1530 500	-0-	-0-
	7235				2200				
20000	7235	5600	1122	1850	5500	2975	1930	-0-	-0-
								5000	
20000	7235	5600	1122	1850	5500	2975	1930	5000	325 325

On the example Income ledger page, small figures are written below the amounts in line 8, 13, 17. These are the running totals after posting for the week. Your posting is correct if the *total* of the sums in columns 2 through 15 agree with the total in column 1.

If you make an error in posting to the categories from column 1 to columns 2 thru 15, you will immediately discover the error by using the above method.

However, an error can also be made when transferring a figure from the receipt book or checkbook to the ledgers. If an error is made in posting to column 1, and then repeated when doing the category breakdown from column 1, the columns will balance but the totals will not agree with the checkbook. Therefore, it is always a good idea to double-check your postings with the checkbook and receipt book as you go along.

**To Prove Your Checkbook Balance**

- If four checks are pre-numbered they are listed in the order in which you issued them. If not, sort checks numerically or by date issued.
- Mark each stub in your checkbook for which a paid check was returned.
- List in the Outstanding Checks Section (D) any checks issued by you that have not been paid by us.
- Deduct from your checkbook balance any service or other charge which you do not already have in your checkbook.
- Compare all deposits and other credit items on the statement with corresponding entries in your checkbook. Add to your checkbook balance any items that may not have been previously entered.
- Follow instructions below.

(A) Closing Balance Shown On This Statement	827	50
(B) PLUS Deposits Made After Last Entry On This Statement	-0-	-
(C) Total (A Plus B)	827	50
(E) MINUS Total Outstanding Checks (D)	467	50
(F) (C Minus E) Your Checkbook Balance	359	80

(D) Outstanding Checks		
No. or Date	Amount	
440	25	00
469	50	00
488	50	00
612	222	50
613	35	00
618	35	00
619	50	00
Total (D)	467	50

In Account With  
Bank name

Account Number

Branch name and address

Amount	Debits	Number	Amount	Deposits	Number	Closing Date
1,460.12	24		1,735.17	6		03-31-78
Date Forwarded	02-28-78		Balance Forwarded	552.25		

Check	Amount	Debit	Amount	Deposit	Balance
01	25.00	50.00			477.25
04	200.00				277.25
07			363.00		640.25
08			62.87		703.12
10	99.99	165.50			437.63
12	56.00				402.63
13			465.65		346.63
14	64.30	40.00			812.28
15	127.50	35.00			707.98
19	29.75				545.48
20			378.20		515.73
21	40.45	55.55			893.93
23	15.00				797.93
25	127.50	35.00			782.93
26	18.50				620.43
27			385.45		601.93
28	28.98	49.25			987.38
	64.25				909.15
29	72.35	22.00			844.90
31	3.25 ac		80.00		750.55
					827.30

CC - Certified Check      IC - Int. Charge      MC - Master Charge      Last amount in this column is the closing balance of this statement. Please examine all items - the account will be considered correct if no report is received in ten days.

CL - Credit Card      IS - Int. Serv. Charge      PD - Payment Due     

CR - Credit      LI - Loan      SC - Service Charge     

DA - Debit Adjustment      LP - Loan Payment      SW - Automatic Savings     

DB - Debit Memorandum      LR - Loan Refund      TR - Trust Proceeds     

ES - Expense      PS - Payment     

BRANCH NAME AND ADDRESS

3/1 1978

PAY TO THE ORDER OF "Landlord" \$200.00

Two Hundred and 00/100 DOLLARS

Signature

#00000 20000#

PRINT-OUT NUMBER

**V. BALANCING THE CHECKBOOK WITH THE BANK STATEMENT AND THE INCOME AND EXPENSE LEDGERS**

The branch checkbook must balance with the bank statement. When it does, that means all receipts and expenditures, which should go through the checkbook, are accurately accounted for. In addition, the checkbook and bank statement should balance with the income and expense ledgers. That means all income and expenses are accurately posted in the records that are used to make up the financial report.

If the six points listed below are kept in mind while working on the branch financial books, balancing the bank statement should be easy.

1. Check the total cash and checks received against your receipts before making a deposit.

2. Enter deposits in the checkbook carefully.
3. Always enter bank charges in the checkbook as soon as they are received.
4. Double-check your balance in the checkbook whenever you write or make deposits.
5. Double-check your posting in both the income and expense ledgers by referring back to the receipt book and checkbook for both the total amount and category breakdown.
6. Use the print-out number on the returned checks when checking off checks returned with the bank statement. The print-out number in the lower right-hand corner (see above example) is the amount the bank paid. If you use it when checking the bank statement, you will find any error you might have made in completing either the checkbook stub or the check itself. Of course, the bank also may have made an error.

## Reconciling the Checkbook to the Bank Statement

It is best if the bank statement is dated from the first of the month to the last day of the month. Then the time period is the same as the one covered by the monthly branch financial report. If your bank does not normally do this, they may do so on request. However, if not, the methods described here still apply.

The example shows the front and back of a typical bank statement.

When you get your statement:

1. Deduct the service charges from your checkbook.
2. Put the returned checks in numerical order.
3. Get the list of outstanding checks as of the previous month's statement. Check off those outstanding checks that have been returned with the current statement. List any of the checks still outstanding from the previous statement on the back of the new statement.
4. Turn to the checkbook stub where the previous month's statement ended. In our example this would be check #593. Begin checking off the returned checks, using the computer print-out number described above. When you have verified the amount of the check, cross off the same item on the bank statement.

Since #593 has cleared the bank, put a mark next to the number on the checkbook stub, preferably in a color that stands out. If #593 had not been returned, you could put an "O" next to the number. Check off all returned checks in a similar manner. Any checks that are not returned would be listed as outstanding checks in the place provided on the statement.

5. Make sure all bank charges on the statement—for example, a bounced check—are recorded in the checkbook.

6. If any deposits were listed as outstanding on the last statement, make sure they have been recorded in the current statement. Then make sure every deposit in the checkbook is listed on the bank statement and vice versa.

7. If the last deposit or deposits you made as of the date the bank statement closed are not listed on the statement, list them in the appropriate place on the back of the statement.

8. Now you are ready to see if the bank statement and your checkbook agree. In the space provided on the statement, add the outstanding deposits to the bank's month-ending balance. Then, subtract the total outstanding checks. The difference should agree with the checkbook balance.

What if it doesn't?

Make sure your totals on the reconciliation are correct and all outstanding items are listed. If they are, figure the amount of the difference between the statement reconcilia-

tion (the "F" figure of \$359.80 in the example) and your checkbook balance. This can help you pinpoint an error. For example, if an outstanding check was not listed, or the bank charges were not deducted from the checkbook, those amounts will coincide with the difference.

If the bank has made an error, *document it for them.*

## Reconciling the Checkbook with the Ledgers

The main purpose of this procedure is to see that all income and expenses have been accurately recorded on the income and expense ledgers.

To balance your statement with the income and expense ledgers, do the following:

First, take your checkbook balance at the beginning of the month from the checkbook stub. In our example on page 11, the balance before the first check of the month (#593) is \$352.25. Then (1) add your total income (from the income ledger); (2) subtract your total expenses (from the expense ledger). (Don't forget to post any bank charges to the expense ledger.) The final total should equal the cash on hand in the checkbook at the end of the month.

Beginning balance .....	\$352.25
March Income .....	1,735.17
Subtotal .....	2,087.42
March Expenses .....	1,727.62
Ending Balance .....	359.80
Checkbook [& Bank Statement Reconciliation (Figure F in example)] .....	359.80
Difference .....	-0-

If the Ending Balance and checkbook figures are not the same, check all your entries in the ledgers with the receipt book and checkbook.

## If the Bank Statement's Time Period Does Not Coincide With the Calendar Month

If you are unable to get a statement from the bank that has a closing date as of the last day of the month, use the following procedure:

1. At the end of the calendar month, reconcile the income and expense ledgers directly with your checkbook balance, using the methods described above.

2. When the bank statement comes, reconcile it directly with the checkbook. If the statement agrees with the checkbook, it will also agree with the ledgers, since the ledger has already been balanced with the checkbook.

MILITANT SALES SHEET

ISSUE # \_\_\_\_\_

BUNDLE SIZE \_\_\_\_\_

DATE RECEIVED \_\_\_\_\_

BREAK EVEN \_\_\_\_\_

DATE TAKEN	NAME	# TAKEN	SALES LOCATION	# SOLD	# RETURNED	AMOUNT TURNED IN
TOTALS						

VI. OTHER BRANCH RECORDS

It is essential for the branch to have a permanent and accurate record of *Militant* sales, week by week, in order to help evaluate performance effectively and make projections for the future.

Forum records are necessary for the same reason.

The sales committee/director and the forum committee/director should each take responsibility for maintaining such records.

Below are some examples of forms that branches might find helpful in keeping track of the information needed.

Sales Sheet

The sample *Militant* sales sheet shown is designed to be filled out by comrades as they take *Militants* to sell and when they return from sales. Since the sales director cannot be in the headquarters at all times, a place is needed, which all comrades know, to store money safely when it is turned in. To aid in accuracy, many branches have available small envelopes in which sales people put

money. Spaces are provided on the face of the envelope where sellers can write their name, the issue number, the date sold, and the number sold. The sales director collects and processes the money frequently so that no substantial sums accumulate. An essential part of the procedure for the sales director is to check the entries on the envelope against the entries on the Sales Sheet.

Sales Summary Sheet by Week

The entries on this Summary Sheet are basically the same as on the Sales Sheet. However, the Sales Sheet is used by many people and, therefore, not in good enough shape to act as a permanent record.

Sales Summary by Issue

This record shows at a glance what is owed for an issue, what was paid, how much was received, and the amount of profit or loss.

Similar, but separate, records are needed for *Perspectiva Mundial*.

MILITANT - SALES SUMMARY SHEET, BY WEEK  
 ISSUE # 14 ISSUE DATE 3/3/79

BUNDLE ORDER 100  
 SALES GOAL 90

1	2	3	4	5	6	7	8
DATE	NAME	SALES LOCATION	# SOLD	MONEY TURNED IN	AMT GIVEN TO F.D.	RECEIPT #	
2/26	"name"	"Black Community"	10	500			
2/26	"name"	"Super Market"	12	600			
2/27	"name"	"Street Corner"	6	300			
2/27	"name"	"Plant Gate"	5	250			
3/1	"name"	"Movement Mt."	13	650			
3/3	"name"	"Forum"	4	200			
3/3	"name"	"Workplace"	7	350			
3/4	"name"	"Saturday Sale"	10	500			
3/4	"name"	"Saturday Sale"	10	500			
3/4	"name"	" "	7	350			
3/4	"name"	" "	6	300			
Total			90	4500	4500	2005	
Recap							
		"Black Community"	32				
		"Movement Mt."	13				
		"Plant Gates"	34				
		"Forum"	4				
		"General"	7				
			90				

MILITANT - SALES SUMMARY SHEET, BY ISSUE

1	2	3	4	5	6	7	8		
ISSUE #	DATE	BUNDLE SIZE	AMOUNT BILL	AMOUNT PAID	DATE PAID	CK #	MONEY REC'D	PROFIT OR LOSS	NUMBER SOLD
14	3/3	100	3500	3500	3/7	596	4500	+1000	90





Forum Report Form

Topic \_\_\_\_\_

Forum Date \_\_\_\_\_ Speakers \_\_\_\_\_

Total Attendance \_\_\_\_\_ (SWP \_\_\_\_\_ YSA \_\_\_\_\_ Guests \_\_\_\_\_ )

Income

From Door \_\_\_\_\_ Other \_\_\_\_\_ Total \_\_\_\_\_

Expenses

<u>Item</u>	<u>Qty.</u>	<u>Cost</u>
Stamps	_____	_____
Envelopes	_____	_____
Wax Stencils	_____	_____
Electro Stencils	_____	_____
Leaflet Mock-ups	_____	_____
Leaflets (reams)	_____	_____
Complimentary Subs to Speakers	_____	_____
Rental Items (special hall, chairs etc.)	_____	_____
Paid Advertisements	_____	_____
Film Rental and Shipping Costs	_____	_____
Travel	_____	_____
Phone*	_____	_____
Misc. _____	_____	_____
Misc. _____	_____	_____
Misc. _____	_____	_____
*Estimate if bill not received yet.		
Total Expenses		_____
Total Profit or Loss		_____
Projected Profit or Loss		_____

Comments:

**Forum Records**

Advance forum planning allows the branch time to maximize publicity and minimize expenses. Keeping past projections and comparing them with actual experience will make future budget projections more and more accurate.

The examples on these pages show a format for keeping a record of the projected forum budget for the month and a format for keeping a record of the performance of each forum.

**Branch Billing**

This is a simple way of making sure all forum expenses are reflected in the branch books as forum expenses and not included under other categories. By this means the

branch can keep on top of exactly how much of the phone, mimeo, and office supply expenses are for forums and not part of the normal operating budget. This is important because forum expenses in these categories can vary quite widely from month to month.

The financial director, at least monthly, works up a list of the forum expenses. This is done in the form of an invoice, or bill, as in the example above. Then a branch check is made out to the branch and deposited in the branch account. The expense is posted to forum expenses, and the income in the general receipt book is broken down by category. In the example: \$5.25 phone, \$30.00 mimeo, and \$14.00 office supplies. That way the net figure for these categories in the monthly financial report will reflect the branch operating costs.

A similar type of invoice can be used for any billing to other organizations.

**INTERNAL BULLETIN STANDING ORDER CHECK LIST\***

	ALL	IIB	IIIB	IIDB	DB	PO
" NAME "						
" "						
" "						
" "						
" "						
" "						
" "						
" "						
" "						
" "						
" "						
" "						
" "						
<b>TOTAL</b>						

\* PLEASE CHECK THE BULLETINS YOU WANT ORDERED.

IIB - INTERNAL INFORMATION BULLETIN  
 IIIB - INTERNATIONAL INTERNAL INFORMATION BULLETIN  
 IIDB - INTERNATIONAL INFORMATION DISCUSSION BULLETIN  
 DB - DISCUSSION BULLETIN  
 PO - PARTY ORGANIZER

**Mimeo, Phone, and Internal Bulletins**

Some type of record keeping should be set up for any area of regular branch activity that directly relates to the branch budget in an important way.

Above are examples of typical forms used by branches. The prices listed on the above mimeo bill are purely

arbitrary. A pricing schedule should result from a thorough analysis of all mimeo costs.

To help determine the branch bulletin standing order, an individual standing order form (see above) can be circulated among comrades.

From time to time other records will be needed and should be worked out by the branches.

MIMEO BILLING SHEET

DEPARTMENT Forums DATE 3/13/78

PAPER

8 1/2 X 11 WHITE # REAMS \_\_\_\_\_ @ \$3.50 EA = \$ \_\_\_\_\_  
 8 1/2 X 11 COLORED # REAMS 1 @ \$3.75 EA = \$ 3.75  
 8 1/2 X 14 WHITE # REAMS \_\_\_\_\_ @ \$4.25 EA = \$ \_\_\_\_\_  
 8 1/2 X 14 COLORED # REAMS \_\_\_\_\_ @ \$4.75 EA = \$ \_\_\_\_\_

USE OF MACHINE # REAMS 1 @ \$1.00 EA = \$ 1.00

STENCILS # 1 @ \$ .50 EA = \$ .50

MOCK UP # 1 @ \$1.50 EA = \$ 1.50

TOTAL \$ 6.75

*Paid part of CK# 611  
3/27/78*

LONG DISTANCE PHONE LOG March  
MONTH

CALLER	DATE	DEPT.	LONG DISTANCE #	AMOUNT FROM BILL
"name"	3/5	Forums	357-604-1143	\$1.50 + tax = \$1.57
"name"	3/6	SWP	202-741-0035	
"name"	3/9	YSA	276-358-1145	\$2.50 + tax = \$2.65
"	3/12	Forums	314-745-3333	\$2.00 + tax = \$2.11
"	3/14	SWP	202-337-1149	
"	3/15	SWP	415-742-9989	
"	3/18	Campaign	314-765-4725	\$6.75 + tax = \$7.11
"	3/18	Campaign	314-765-4725	\$3.50 + tax = \$3.68
"	3/24	Forums	735-592-9741	\$1.50 + tax = \$1.57
"	3/27	SWP	435-692-4931	
"	3/28	SWP	765-345-1914	

Forums = \$ 5.25  
 Campaign = 10.79  
 YSA = 2.65

**"Branch Name" - Projected Budget**

March 1978

Income

Sustainer	1,020.00
Dues	58.00
"Over 40"	40.00
Donation	30.00
Militant (5 wk)	225.00
Forum (5 wk)	130.00
Bulletins	10.00
Rent	25.00
Phone	20.00
Mimeo	40.00
Coffee	21.00
Soda	25.00
Office Supplies	25.00
Social	40.00

Totals 1,709.00

Expenses

Sustainer	510.00
Dues	58.00
"Over 40"	40.00
Organizing	320.00
Militant (5 wk)	175.00
Forum (5 wk)	80.00
Bulletins	10.00
Rent	200.00
Phone	75.00
Mimeo	50.00
Coffee	15.00
Soda	20.00
Office Supplies	50.00
Utilities	25.00
Headquarters	15.00
Bank Charges	3.50
Travel Fund	50.00

1,696.50

Assets 2/28

Sust. arrears	61.00
Travel Fund	100.00
Cash on hand	<u>352.25</u>
	513.25

Liabilities

Feb. dues	28.00
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Cash on hand 2/28	352.25
Proj. Income	<u>1,709.00</u>
	2,061.25
Proj. Expenses	<u>1,696.50</u>
Proj. COH 3/31	364.75

Projected Assets 3/31/78

Travel Fund	150.00
Proj. Cash on Hand	<u>364.75</u>
	514.75

**VII. BUDGETS AND MONTHLY FINANCIAL REPORTS**

A projected budget is the financial reflection of the branch's political tasks. When the branch votes on a budget, the members decide both the income goals and the basic priorities for expenses.

The bookkeeping methods presented in this handbook will give all the accurate information necessary to make informed budget decisions.

Both the *Party Organizer* and the *Monthly Financial Notes* regularly include concrete budget experiences and considerations which may prove helpful to the branches. The following are some general ideas to keep in mind:

1. Each branch should operate on a projected monthly budget. In addition, it is helpful to operate within the framework of a three-month budget projection, which can be reviewed with every monthly financial performance

report. This helps a branch get a clearer picture of its long-term needs and progress.

2. Also, when launching any financial campaign—raising the national office sustainer, raising the per capita pledged to the branch, getting a new headquarters, etc.—projecting a budget for the campaign period can help give the branch a clear picture of how the campaign can be successfully completed.

3. The budget should be a combination of evaluation of past experience, the result of consultation with comrades working on sales and forums and other areas, and taking into account what is going to be new.

4. Once the budget is set, it becomes a tool in the day-to-day life of the branch. You can use it almost day by day to find out if you're O.K. or if you're off. If you make up quite a precise budget but put it in the files and don't look at it until the budget period is over, then it is not really the tool that it's designed to be.

## "Branch Name" Financial Report

March 1978

<u>Income</u>	<u>Proj.</u>	<u>Actual</u>	<u>Expenses</u>	<u>Proj.</u>	<u>Actual</u>
Sustainer	1,020.00	1,014.00	Sustainer	510.00	510.00
Dues	58.00	65.00	Dues	58.00	93.00
"Over 40"	40.00	40.00	"Over 40"	40.00	40.00
Donation	30.00	30.00	Organizing	320.00	320.00
Militant (5 wk)	225.00	239.00	Militant (5 wk)	175.00	175.00
Forum (5 wk)	130.00	136.00	Forum (5 wk)	80.00	74.25
Bulletins	10.00	18.00	Bulletins	10.00	-0-
Rent	25.00	25.00	Rent	200.00	200.00
Phone	20.00	17.25	Phone	75.00	72.35
Mimeo	40.00	43.00	Mimeo	50.00	56.00
Coffee	21.00	17.35	Coffee	15.00	11.22
Soda	25.00	24.60	Soda	20.00	18.50
Office Supplies	25.00	14.00	Office Supplies	50.00	55.00
Social	40.00	51.97	Utilities	25.00	29.75
			Headquarters	15.00	19.30
			Bank Charges	3.50	3.25
			Travel Fund	50.00	50.00
<b>Totals</b>	<b>1,709.00</b>	<b>1,735.17</b>		<b>1,696.50</b>	<b>1,727.62</b>

### Assets

Sust. arrears	67.00
Travel Fund	150.00
Cash on Hand	<u>359.80</u>
	576.80

### Liabilities

Cash on Hand 3/1	352.25
Income	<u>1,735.17</u>
	2,087.42
Expenses	<u>1,727.62</u>
Cash on Hand 3/31	359.80

## Budget Report Format

The branch needs all the basic facts to make an informed decision. The sample budget shown is one way of presenting the statistics. Of course, the oral report will need to be more than a category-by-category explanation of these figures. It will focus on the points that need to be emphasized. It can be helpful to use supplementary charts to further under-score them.

## Keeping Current

Branches can play a very important role in helping to provide a reliable basis for national planning by projecting their budgets around keeping current in their payments to national departments.

To be current with the national financial office, the branch must pay the equivalent of one month's sustainer in any given month, and the payment must be received by

the fifth day of the following month. For all other payments to the national office and other departments, payments must be received by the last day of the month after the order was received.

## Monthly Financial Report

Each month the branch should have a financial report that compares the projected with the actual performance. The above example is one way of presenting all the basic statistics.

Budgets and performance reports are also very helpful in keeping the national office and the field organizers informed about what is happening in the branches. Copies should be sent to the financial office with the last weekly sustainer sheet, as well as copies attached to the minutes, and to the field organizers.

Reports handed out at branch meetings should be numbered and collected at the end of the report.