

FINANCES HANDBOOK

GlobeMed



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GlobeMed Vision, Mission, Theory of Change, Core Values

Vision

We envision a world in which health – the ability to not only survive but thrive – is possible for all people.

Theory of Change

GlobeMed was founded by a group of students who refused to accept the massive differences in health around the world. Today, despite much progress, people in the wealthiest countries still live twice as long as those in the poorest. All human life has equal value, yet health and survival continue to be determined by wealth and geography.

But change is possible. By 2035, we can close the gaps in health equity. This is the possibility that *our generation*, the leaders of tomorrow, is inheriting. How do we do it? **By building a movement of people working together for lasting change.** No one person or organization can tackle these challenges alone. Only by uniting our talent, passion, power and resources can we create a world where every human being has a chance to live a healthy life.

GlobeMed strengthens this movement for health equity by:

- **Developing Leaders for Global Health:** GlobeMed provides a platform for students to gain hands-on leadership experience in social change. Students develop the skills, commitment, and relationships to become lifelong leaders for global health.
- **Supporting High-Impact Grassroots Organizations:** All over the world, local changemakers are working to improve the health of their communities. In partnership, we walk together to realize their communities' vision for health and wellbeing.
- **Building a Global Network:** Collaboration is the core of social change. When we work and learn together, we move faster from challenge to solution, from idea to impact.

Mission

GlobeMed aims to strengthen the movement for global health equity by empowering students and communities to **work together** to improve the health of people living in poverty around the world.

Core Values

Dig Deep - To cultivate wisdom, we approach ourselves, our communities and the world with openness and curiosity.

See Possibility - In all people and situations, we see the ability to learn, connect, grow and contribute to positive change.

Grow Together - We accompany each other, cultivating a global community that inspires, challenges, and sustains us.

Be Bold - We put mission in front of ego and fear, doing what it takes to make the change the world needs.

Stay Authentic - We let ourselves be known, remaining grounded and humble even as we aim for the boldest vision.

Purpose

GlobeMed differs from other organizations for many reasons -- one of which is that each GlobeMed chapter essentially functions as a student-run non-profit on their respective campuses. Given our investment in our model and our peers, we take our work and our organization seriously.

Financial transparency and efficiency are vital to our goals. In order to fulfill our commitment to our partner and to reach our chapter's full potential, maintaining integrity and accountability with our finances is necessary. If we aim to create lasting, sustainable change by harnessing the passion and resources of university students to improve health around the world, then we must make the systems necessary to ensure that all of our efforts are being transferred to our partner organization. As Director of Finances, this means understanding the deep value of a dollar, being accountable for the cash flow, and ensuring that your partner organization receives the maximum of what your chapter can offer.

This manual has been designed to help you understand your role as Director of Finances, share advice and best practices from across the network, and provide knowledge about the financial and legal relationships between your chapter, your university, and the National Office.

Goals

1. Maintain accessible, transparent financial systems that track your chapter's financial flows.

By creating and maintaining financial systems, your chapter will better be able to track their progress over the year and encouraged by how much they can raise for your partner organization.

2. Share financial information with chapter members, your partner organization, the National Office, and other donors and supporters

Financial transparency will allow your chapter's partners and supporters to hold you accountable for the funds you raise. The more they know about how your funds are being raised and used, the more they will trust the work that you are doing.

Finances: Roles & Responsibilities

Director of Finances

As the Director of Finances you stand in one of the most pivotal roles of your chapter. Finances relates to virtually every aspect of a GlobeMed chapter. Your chapter and partner are relying on you to keep the finances under control (and that your procedures follow university policy) so that your chapter and its project have a successful year.

As Director of Community Building, you will be your chapter's:

- **Accountant** – Track when, where, and why the chapter is spending money on a Google spreadsheet that will be shared with the National Office and with your chapter. Depending on the policies of your university bank account, you may also be in charge of writing the checks to reimburse people for their GlobeMed-related expenses.
- **Financial Advisor** – You will be crucial in making sure that your chapter follows all financial policies and guidelines. Between this guide and whatever instructional materials you received from your university, this should be a piece of cake!
- **Budget Planner** – You will also be a major player in the creation of a budget as the Director of Finances. Working with your Presidents and Campaign teams, you will work to combine your health project's budget, the fundraising opportunities of your chapter, and other costs into a realistic financial plan for the school year.

Director of Finances Responsibilities:

- Create and maintain **financial systems** that track when, where, and why the chapter is spending money // keep a detailed record of chapter and campaign finance
- Provide **strategic financial advice** to develop event-specific and overall budgets & projections
- Present financial status to e-board // chapter on a consistent basis; maintain **financial transparency**
- Create **financial documents** showcasing revenues, costs, and money sent to partner to send out to chapter donors and supporters
- Be in **contact with the National Office** for information on financial transparency, wiring guidelines and deadlines, and fund transfers
- **Utilize university resources and funding** for operational costs, chapter needs, and travel grants
- Stay up-to-date on the **financial policies** of the university, partner organization, and -National Office and ensure that the chapter follows them

Key Players

Co-Presidents – As the leader of the chapter, your Co-presidents will want updates on how your chapter is spending and earning money so they can guide your chapter.

Campaign Teams – These are the people raising the money. You will be working with them to plan budgets for events, pay for event expenses, add up your campaign total, and to thank donors.

Donors – Donors are essential to your campaign! They'll want to be kept up to date with the campaign's progress, and they'd especially appreciate some kind of thank you!

University – Because you are a student group, you will most likely have to follow your university's policies on many financial issues such as getting tax exempt donations, receiving and sending money, and many other tasks. Make sure you are familiar with all of your university's financial policies for student organizations.

Partner – Your partner is counting on your chapter to send the money raised through your events at the end of the year.

National Office – The National Office can provide you with resources to help your chapter's finances move along more smoothly. They also compile data about all of the chapters to show the overall success of the network, so don't forget to fill out your Annual Report!

The National Office also holds the status of a 501-c3 non-profit organization.

- To view GlobeMed's 990: [click here.](#)
- To view GlobeMed National Office's Tax Exempt letter: [click here.](#)

Key Ideas

Good financial systems:

- Are an important medium to measure chapter success
- Allow you to track unnecessary extra expenditures
- Allow you to budget in unusual circumstances
 - If you use more than an allocated amount for something, you can re-evaluate your projections
- Allow subsequent years to go more smoothly
 - If someone who becomes the new Dir. of Finance is not good at making projections, they have previous years to reference
 - If you want to take a risk with a new campaign, you can project leeway.
- Can be managed by anyone!
 - Don't be intimidated by the amount of numbers you see; recruit the right people and equip them with the right people

Stay on top of your systems:

- Do not allow procrastination when given money -- organize it immediately
 - When dealing with cash:
 - Buy your own cashbox
 - Count the money, initial/sign
 - Have a 2nd person count money, initial/sign
 - DATE everything
 - keep all of your receipts
- Make things easy for your team leaders
 - They may not be familiar with your system, so take some time to teach them. Transitioning is crucial.

Definitions

- Profit: the amount you will be sending to your partner
 - Revenues -- expenses = profit
- Revenue: the amount you make for the campaign
- Expense: the amount you spend for the campaign

Bank Account

Bank Account

Working with a bank account is another time when you will have to play your role as Financial Advisor. Similar to tax exemption policies, each university has a unique set of policies that may or may not be manageable. You may find that your university's bank is too slow and unresponsive to use and so you may wish to open a bank account with an independent bank.

Please note that opening an independent bank account may prevent you from receiving tax exemption from your university or might even prevent you from being an official student group entirely.

How are independent banks different than university banks?

University		Independent	
<p>Pros:</p> <ul style="list-style-type: none"> -On campus -Connected to all other services your university provides for Student Groups (funding, meeting space, printing, etc.) -Familiar with student groups' needs (transition, low balance, etc.) 	<p>Cons:</p> <ul style="list-style-type: none"> -Potentially overcome with bureaucracy -Sometimes don't offer key services (like wire transfers) -May be difficult to determine how much money you have 	<p>Pros</p> <ul style="list-style-type: none"> -Less bureaucracy -Easier to determine which services are provided -More likely to provide services like wire transfers 	<p>Cons</p> <ul style="list-style-type: none"> -May lose benefits from university -Don't have special help for transitioning -May not be used to working with student groups -May charge more fees

How do I open a Bank Account?

If you decide to open an independent bank account, be sure to explain your situation and needs (low minimum balance, yearly transitions, international wire transfers, etc.).

Stuff you'll need to open an account at most banks:

- **Two forms of Identification** – Drivers License and a Credit Card or ATM card (even from another bank) or a student ID usually work.
- **Your EIN number** – This is a government issued identification number you should have received when you applied for the Group Tax Exemption through the National Office. Ask your chapter's Co-president if you don't know yours. [Apply here](#) if you don't have an EIN.
- **Opening Balance** – This can be money from your university account, member dues, a Launch Grant you received from the National Office, or any other money your chapter is starting with. Ask the bank what the minimum amount to open a bank account is!
- You should make a preliminary meeting with the bank to find out if there is anything else!

National Office Procedures

As Director of Finances, you will work closely with the National Office to ensure that all of your funds are being allocated to the right accounts.

Currently (as of 8/2013), most chapters are on the Global Giving or Razoo online platforms. Funds from these sites are sent to the National Office, which then organizes the funds and then reallocates them to chapters. Take note that the financial transfer from the donor's hands to the chapter's hands takes over one month.

For any questions, contact olivia@globemed.org.



Global Giving

GlobalGiving is an online marketplace that connects donors with grassroots projects in the developing world. In order to get a page on the platform, chapters must join the Global Giving challenge and raise \$5000 from 40 unique donors over the course of one month.

- **Pros:** Global Giving acts much like a crowd-sourcing site, in which random donors or corporations can see your page and donate to your project, opening doors to a new community of online donors. Global Giving also has a sophisticated system for tracking donations.
- **Cons:** Global Giving has a hefty 15% fee for every donation.



Razoo

Razoo is an online platform that allows users to set up a fundraiser for a non-profit of their choice.

- **Pros:** 4.9% fee on each donation; much lower than that of Global Giving.
- **Cons:** Since Razoo must be run through the National Office, chapters must request to make changes to their page and to see information on their donors from the National Office.

Budgeting

Together with your co-Presidents and Campaign Coordinator, you'll be able to sit down and make a budget that predicts when and how your chapter will spend money for the year as well as how money is spent for an event.

In a GlobeMed chapter, there are two separate kinds of money that your chapter wants to distinguish between. Since you are not spending campaign revenue for things other than your project, make sure to keep the two types of money separate when you are budgeting!

- **Campaign money** – Money that you are raising for your partner through all campaigns run by your chapter. This category includes the expenses for campaign events (program costs) as well as the money that they bring in (program revenue).
- **Other money** – Money spent on globalhealthU events, chapter t-shirts, pizza for meetings, or other things. This money should come from university funding, or other incomes, not from the money you raise from your campaign.

Budgeting for the year

When you make a budget for the whole year, you need to check whether your chapter can raise enough for your project based on the events you are planning. Also, remember to balance out the money for globalhealthU events and operational expenses

Some pointers to keep in mind when budgeting for the year:

- **Be realistic!** – While you can't know for sure what your fundraisers will raise, you'll probably want to stay on the conservative side when estimating. Otherwise your chapter will get discouraged when events don't meet their targets.
- **Remember to plan for next year!** – It's a good idea to have \$300-\$500 leftover at the end of the year after sending money to your partner, so that you can start the next year off right. If you have less than that then it'll be tough to plan fundraisers!
- **Don't panic if you weren't 100% right!** – Though you are doing your best to plan for the year, it's impossible to get it absolutely perfect. Compare your actual numbers with your budget's predictions, and you'll know if your chapter should plan an extra event, or make an extra push.

Budgeting

Budgeting for an event

You should budget for an event in the early stages of planning the event, usually around two months before the event date.

A lot of the pointers for budgeting for an event are the same as for the year:

- **Be realistic!** – While you can't know for sure what your fundraisers will raise, you'll probably want to stay on the conservative side when estimating. Otherwise your chapter will get discouraged when events don't meet their targets.
- **Think of places where you can get donations or discounts!** – Your chapter may be able to get donations from local business, like free food, free space, or a free performance.

[Check out the sample campaign budget form here.](#) **NOTE:** While this sample Google form is useful, you must make your own. The replies to this sample form will not be accessible to you. Use this as a template rather than a form.

Hosting speakers

GlobeMed encourages chapters to invite speakers to their events -- this is a great way to engage the community and to gain expert opinions on health related topics. There are certain suggestions, however, on how to get speakers to your events without taking a toll on your budget!

- No honorariums
- Chapters should try to get their universities to pay for speaker travel, lodging, etc. To secure university funding, seek out departments and schools that are related to the event that you are hosting. Speak with related student groups that would be willing to partner with your GlobeMed chapter.
- Chapters should not be using money from the campaign to pay for any events. All money from fundraising should go directly to projects!

Projections

Financial projections allow chapters to predict potential profit from campaign events and to track their progress towards their Memorandum of Understanding fundraising goal.

Projections are key to any organization -- they allow you to translate your company's goals into tangible targets, provide a numeric feedback tool, and forewarn potential problems.

In making projections, you, your Co-Presidents, and your Campaign Coordinators are creating a financial timeline for the year. When events are over, you can compare the predicted profit to actual profit. If you have a higher profit than expected, you are well on your way to achieving your MOU goal. If you have a lower profit than expected, you must figure out how to reroute your plans in order to make your goal.

Make projects by considering audience/demand, revenue, and expenses. You can base your predictions off of data from the last year's event or can make educated estimates based on Facebook interest.

Use the spreadsheet below as a template on how to track projections.

Campaign Projections Spreadsheet

Campaign Name	Projected Profit	Per Year or Semester	Budget	Financial Efficiency (Profit / Revenue)	Met financial goal?	If not, why and how can you improve?
TOTAL						

[Check out the Google spreadsheet sample of this and an example table of how to track grants on the *second* tab of this spreadsheet.](#)

Financial Transparency

Financial Transparency

Transparency allows donors to hold organizations accountable for their funds.

Financial transparency is important for non-profit organizations because it offers donors the trust and confidence that their money is going to the right location. Transparency breeds collaboration, as openness about finances allows staff, donors, and supporters to fulfill the chapter's commitments and increase giving.

Presenting information to donors and supporters

In order to maintain transparency, Directors of Finance should keep members, donors, and supporters up to date with the financial status of their chapters. This includes providing financial documents, summaries, or reports every quarter that include:

- An explanation of GlobeMed's mission and the chapter's partnership
- An explanation of how individuals can learn more about the chapter's activities/events
- Financial information, including a summary of the chapter's accounting practices
- A diagram of the chapter's progress towards their fundraising goal

Check out GlobeMed at Columbia University's [quarterly report](#) or Charity Water's [annual report](#) for an idea on how to present financial information to donors. Every chapter's annual report should also help maintain financial transparency.

Presenting information to chapter

As the chapter's main supporters, staff members should be informed of the chapter's financial progress on a regular basis. *Every month*, the Director of Finances should present a financial report to the chapter detailing how much each event has made during the year, the chapter's total fundraising amount, and the amount needed to reach the MOU goal.

Campaign	\$\$\$
Bags and Beads	194.5
TV Taping	180
Achy Breaky Heart	1218
Private Donation	50
SPRINKLES Cupcakes	488
Razoo Online Website	213
BE THE CHANGE	107.32
Total	2450.82

Use tools such as a [fundraising thermometer](#) or a finance table to keep your chapter up to date!

Sample Timeline

April/May – Co-Presidents should meet with your new Dir. of Finance

- Give them new improvements, things you wish you did, challenges that year

June/July – Establish financial systems for the upcoming year

- Make new documents, missions/goals, set up the Accounts you don't have
- Transfer accounts into new Dir. of Finance's name

Early August – Make new projections and plan for the new school year

- Work with Co-Presidents and Campaign Coordinators to plan out the events for the year and financial milestones to keep track of
- Show Co-Presidents your financial spread sheets and walk them through how you will keep them up to date
- Discuss how often you want to send out the financial report to eboard
 - i.e. GlobeMed at CU-Boulder will send bi-weekly updates on financial situation to eboard and include a monthly update in the PPT during staff meetings

1st eboard meeting – Inform eboard of your vision and what you'll need from them

Between 2nd staff meeting and first campaign event – teach everyone how to use Square Up

Winter Break – RE-EVALUATION of your Projected Expenses and Revenues

- This is a period where you see if you did project correctly or need new adjustments for the Spring semester

March 15th – Confirm process with bank/partner regarding sending money to grassroots partner—set calendar steps for how this will be accomplished and by what dates they will have money.

Two weeks after sending money – Send follow-up email asking if they received the check

April/May – Start putting together your documents for the new Dir. of Finance

- Don't forget to plan a day for training!

July 1st – Send final financial documents/numbers to the National Office for the Annual Report

- Make sure you check ALL of the sections that ask about finances

Resources: Square



Square

Each Director of Finances and Campaigns Coordinator should have a Square reader.

The Square is a handy, practical debit and credit card reader that allows users to accept money on their iOS or Android smartphones or tablet computers. The application includes a free Square Reader, a small plastic device that plugs into the phone's audio jack, supports the manual entry of card details, and direct deposits all funds into your bank account. This can be especially useful for campaigns, as it allows users to pay via debit and/or credit card and provides a list of all of the transactions swiped.

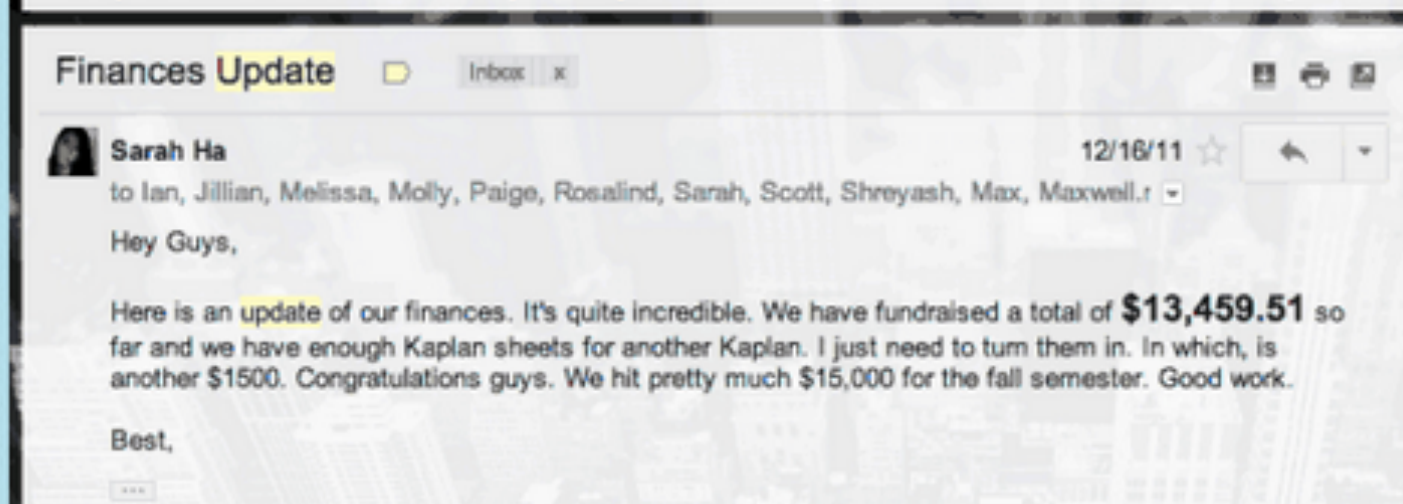
Teach the whole chapter how to use the reader and the app -- errors here are particularly hard for the Director of Finances to fix.

1. Create an account under your chapter's name: <https://squareup.com/>
2. Use your chapter's information to make transitioning easy.
3. Get the square reader
 - a. ALWAYS important to order a few (I suggest 3-5 depending on your chapter size)
4. Stipulations of this account
 - a. Swipe cards: Cost 2.75% of amount
 - b. Manually-entered cards: Cost is 3.5% + 15¢ per transaction
5. Privacy Issues
 - a. Due to new privacy laws, Square Up does not give you any of the information of the people you swipe
 - b. SOLUTION: When you put down the amount, they have a description
 - i. Put down the person's name and email address so you can send THANK YOU's if it is a large donor
 - ii. Put down transaction event so that the Dir. of Finance has an idea of where the money is coming from
6. Recommendation: Have your Dir. of Finance to have a swipe reader at ALL TIMES.
7. **Bring Square Readers to every campaigns or fundraising event.**

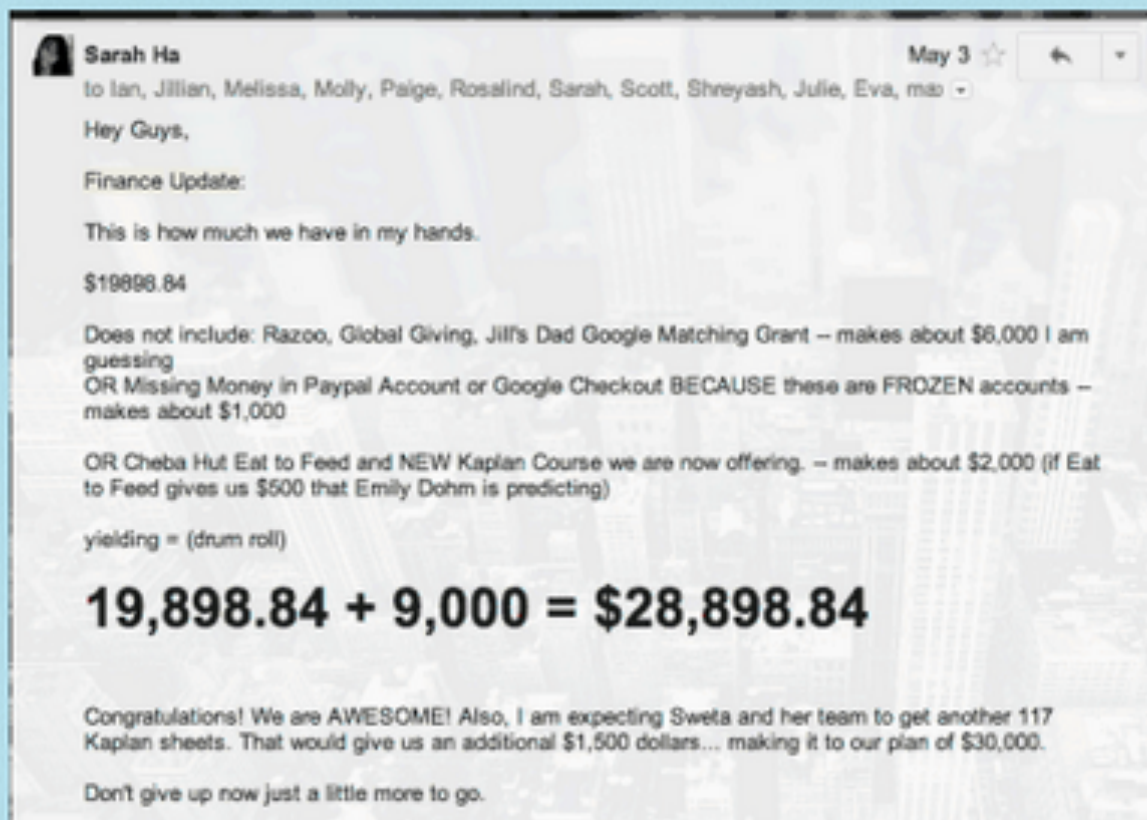
Resources: Sample Finance Emails

SAMPLE EMAIL TO STAFF

Frickey Law 303.237.7373 - www.frickey.com/urgentcare - Get Urgent Care and Medical Help Then an Agressive In



SAMPLE EMAIL TO E - BOARD



Resources: Spreadsheet Templates

Campaign Events

Campaign Name	Expense	Revenue	Net Profit (Rev - Exp)	Financial Efficiency (Profit/Rev)	Notes
TOTAL					

Bank Account

Date	Account Name	Amount in Account	Notes about Account
			*Amount that is required to be present in the account at all times.
TOTAL			

Transfers to Partner

Semester	Date Sent	Date Received	Method	Amount	Received
		**Check Online or by the 2 week follow-up email			*YES/NO
TOTAL					

Find sample Google spreadsheets [here](#).