



Guide to a smooth
Treasurer Transition



You've just been elected treasurer.
Now what?

Guide to a smooth treasurer transition

Board transitions are inevitable.

Planning for them can be not only empowering, but a great time saver as well. Passing on knowledge and information saves volunteers from reinventing the wheel, minimizes confusion, helps groups maintain momentum, and provides closure for outgoing leaders.

While this guide focuses on the role of Treasurer, all roles benefit from an orderly transition. Just as relay racers hand off a baton, outgoing officers and committee managers must officially hand-off responsibilities to their successors. We recommend that the last meeting of the outgoing Executive Board be a joint meeting with the incoming board.

Following are our suggestions for making your treasurer transition seamless.



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Transitioning into the role of the Treasurer

New treasurers should request the following:

- A list of all tasks the officer must do.
- The procedures for performing the tasks (even if just in note form).
- Tips and techniques for making the job easier (“If I knew then what I know now”).
- Commitments that the outgoing officer made and that the incoming officer is expected to keep.
- Documentation (procedures, keys, old files, etc.).



Particularly useful are written procedures for each task that the officer is responsible for. For example, the Treasurer might

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receive procedures for changing the signers on the bank account, reconciling the bank statement, renewing a CD, etc.

Transitioning out of the role of the Treasurer

At some point your term as Treasurer will end and you will get to hand everything off to your successor. We are hopeful that your goal will be to hand everything over in an even more organized way than when you received it.

The first step in the transition process is to create order (if it's not already there) with your paperwork, tasks, and procedures so that the new treasurer can find everything they need quickly and easily.



Please make sure that you are passing on useful documentation and not a pile of stuff that you didn't take the time to sort through.

"Make sure that you are passing on useful documentation and not a pile of stuff."

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Perhaps you inherited a pile of stuff that someone else didn't take the time to sort through. If so, let the buck stop with you.

Next, schedule a meeting with the incoming Treasurer so that you can begin the handoff. Since there is so much detail in the role, you might consider breaking the "training" up in pieces. Perhaps the first time you meet you will acquaint her with your organizational system. The second time might be a discussion on the bank accounts and how your software system works in tandem with it. The third meeting might be a discussion about routine tasks.



Small steps make it easier to remember all of the details and help reduce the sense of overwhelm that new treasurers often feel.

"Consider breaking the training up in pieces."



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Treasurer's Year-End Checklist

When it's time to hand off the baton to the next treasurer, the following checklist will ensure that nothing is forgotten:

- o Schedule the annual audit; and be available to answer any questions that might arise
- o Make sure all transactions are entered and your bank reconciliations are up-to-date for the entire year
- o Check that your Daily Operations binder is up-to-date and well organized
- o Make plans to complete the 990/990EZ/990N, if applicable – after all, who better to fill this out than you!
- o Ensure that all banking supplies are stocked and on hand (checks, deposit slips, endorsement stamp, etc.)
- o Note any items that the next treasurer needs to address that might be out of the norm (ie outstanding NSF checks, etc.)
- o Change authorized banking signatures (or at least get the process started)



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- o Pay any outstanding bills (if appropriate)
- o Make a list of important occasions/deadlines: insurance renewal, MoneyMinder renewal, 990/EZ deadline, etc.
- o Review the (hopefully already approved) budget with the incoming treasurer
- o Train the incoming treasurer to do as great a job as you just did!

Organizational Suggestions

We mentioned earlier that the first step in the transition process is to create order (if it's not already there). Make sure you pass on useful & organized documentation to the next treasurer. The following pages include our recommendations.

Meet with your group as early as a couple weeks after your transition to get the group thinking about how effectively your transitions went and what can be improved for next year. Take notes during this time - these notes can help guide your group as you prepare to welcome incoming officers. Start filing and organizing information as soon as new officers are elected. Allow for at least one month overlap for

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new officers to work closely with outgoing officers to have the most effective transition possible.

Treasurer's Bin Checklist

Part of making your treasurer duties easier is making sure that you have the tools for the job and that they are handy. Most seasoned treasurers find that a bin of some sort is invaluable – this is the perfect place to store this year's information and if the bin has rollers on its bottom you will have a free hand for opening doors or holding a latte on the way to the meeting.



Here are some suggestions for stocking your bin:

Binders & Forms

- o Contact details for board members
- o Location of prior year's records
- o Daily operations binder

"The most common designation received is the 501(c)3."

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- Critical documents binder
- Check request forms
- Request for funds forms Banking
- Checkbook
- Deposit book
- Receipt book
- Bank stamp
- Cash count worksheet

Office Supplies

- Calculator
- Paper clips
- 3-hole punch
- Pens
- Red pens
- Ruler
- Envelopes
- Postage stamps
- Address stamp
- Rubber bands
- Post-it Notes



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Note: Unless the number of your transactions is minimal, we recommend keeping prior years' records somewhere other than your bin – somewhere safe, dry and reasonably accessible.

Critical Documents Binder Checklist

What are critical documents? They are documents that are critical to the operation of your group that you will want to be able to access at a moment's notice.

You might store the original copy in a Critical Documents Organizer that the Secretary or Treasurer maintains, and scan a copy to store in your MoneyMinder > Documents folder.



These are not documents that you want to hunt through a shoe box for, or phone the previous treasurer for, or write the government or your governing body in the hopes that you can get a copy of their copy.



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Make a resolution now that you will locate the documents critical to your organization and store them in a secure manner.

Examples of these would be:

- o A list of the current board of directors
- o A Schedule of Events for the year
- o Your budget as approved by the membership
- o Proof of insurance
- o Articles of Incorporation and IRS correspondence regarding this
- o Standing rules
- o Charitable Solicitations Report (state)
- o Audit report o Annual Report (IRS)
- o 990/EZ/N returns
- o Bank correspondence
- o W9 / 1099 / 1096 (IRS forms and reports for people you pay but do not withhold tax from)



"Locate the documents critical to your organization now and store them in a secure manner."

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Daily Operations Binder Checklist

What you'll need for the job:

- o Good quality, BIG 3 hole binder
- o 12 Month dividers. (You can get these pre-labeled or you can label your own.)
- o 12 sheet protectors - one for each month (for receipts, etc.) Things that you'll store for each month include:
 - o Check Request forms
 - o Voided checks
 - o Treasurer's report
 - o Bank statements
 - o Bank reconciliation reports
 - o Receipts





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