

# How To Serve As Route Treasurer (679)

The Route Treasurer is the custodian of route property and controls the route finances. The Treasurer is responsible for the transparent management of these assets.

This Guide covers the Treasurer's responsibilities. It is essential for the route Treasurer to familiarise himself or herself with this Guide in order to fill the position as an effective leader. The Guide will also help other route leaders and members, since it will give them a good understanding of what the Treasurer's role should be and what support they could be offering the route Treasurer.

This Guide should be read together with other Guides covering the various leadership positions.

## Why is the Treasurer's role important?

Since the Treasurer is the assigned person in charge of the route finances, it is very important that a person who is widely trusted is appointed or elected to this position.

The Treasurer's role is mainly to apply appropriate control of route assets and to keep record of the route finances. In the absence of the Chairperson (and Vice-Chairperson if there is such a position for the route), the Treasurer will be expected to act as Chairperson.

As a leader serving on the Route Forum, the Treasurer should, along with the other Route Forum members, provide the leadership needed for the route to grow and function effectively. This does not imply that the route cannot rely on the Open Africa head office to offer help! But it does imply

that the route leaders and Treasurer should seek such help when it is needed.

The various route members are coming together to achieve common objectives with building and promoting a destination route that will bring more economic activity to your area, which will lead to growing local tourism businesses and the improvement in the quality of life of your local communities. While the Treasurer may focus mostly on the assets and financial aspects of leading the route, it is the task of the leaders, including the Treasurer, to ensure that the bigger intentions are reflected in the route's activities and that these activities lead to positive results.

## **What are the duties of the Treasurer?**

The route's founding document (constitution, memorandum of association or trust deed) may specify what obligations the Treasurer has, but in many instances it will not. Whether defined in the documents or not, the Treasurer's duties will have bearing on the route complying to the applicable stipulations and, as such, it is important for the Treasurer to study the founding document carefully, with the aim to understand the intentions of the document in general, and the specific tasks and/or responsibilities assigned to the Treasurer.

In addition, the Treasurer should be aware of all the provisions of the founding document, so that the specifications and rules are correctly applied, especially concerning the management of resources and funds, as well as the required reporting on these.

In addition to the formal or legal requirements, the Treasurer is also responsible for ensuring that the Route Forum is informed of the route's financial position and that the route

property, if any, is adequately controlled and protected.

There are three areas of responsibility for the Treasurer:

- Control of route property.
- Management of the route finances, financial records and keeping of up-to-date accounts.
- Legal and organisational compliance for financial reporting.

The systems used by the Treasurer may vary in level of sophistication, depending on the route's requirements. For instance, in one route, a simple paper-based bookkeeping system may be adequate, while in another route, a comprehensive accounting system may be needed.

There are specific aspects of the route's functioning where the Treasurer plays a central role, which we can turn to now.

## **Control of route property**

When a route starts out, it will not have any property, but over time it may grow into an organisation with assets such as equipment, media items, or even products that are sold.

The Treasurer is responsible for setting up a system of control to ensure that these assets are kept safely and used responsibly. It is not necessarily the job of the Treasurer to police every aspect of the use of route assets, but he or she must take full charge of the system of control. This implies that the Treasurer should design policies and introduce mechanisms appropriate to the situation the route is in, and to ensure that these policies and mechanisms are implemented.

## **Financial systems**

A key element of the Treasurer's responsibilities relates to the control of money. All income, including membership fees, should be received and accurately recorded. In a smaller route

or when the route starts out, the Treasurer is likely to do most of this himself or herself, but it is not a requirement that it is the Treasurer who actually does the work. However, it is the Treasurer's responsibility to ensure that the financial system is functional and that funds are adequately controlled.

For most routes, the following will form part of their financial system, and will therefore fall under the Treasurer's control:

- Compilation of a route budget and comparing the budget to actual income and expenditure.
- Receiving of income and recording such income, including membership fees.
- Approval of route expenditure against budget items and payment of suppliers.
- Management of route banking facilities.
- Record-keeping and filing of financial documents.
- Compilation of accounts and submission of these accounts to the Route Forum.

As noted, the Treasurer's task is to ensure that this system is functioning well and not necessarily to be responsible for all the time-consuming elements of maintaining accurate financial records. When the route grows, it is likely to become an involved area of work, which may be best outsourced to a service provider. However, when a service provider does some of the work, it does not remove the duty from the Treasurer to remain in control of the system.

## **Compliance with financial reporting**

The Treasurer is responsible for meeting the reporting obligations specified by law and/or in the route's founding document. In some instances, this may imply an audit of financial records and receiving a set of audited financial statements, while in others, the compilation of a set of

accounts by a certified accounting officer may be needed. The Treasurer is responsible for seeing to the process of completing such reports and for submitting these reports to the appropriate authorities or internal structures.

New routes and many voluntary associations may not require any of these, but this does not imply that the duty of controlling route assets should be viewed as of lesser importance.

## Use of this Guide

This Guide will help you understand the role of Treasurer in the route. It does not provide you with detailed instructions on the requirements of your founding document – this is why it is important to read this Guide along with the route's founding document (constitution, memorandum of association or trust deed).

## Other Guides, Examples and Resources

Other Guides and Case Studies in the Open Africa Route Toolkit will be of use:

- Guide: [How To Lead Your Route](#)
- Guide: [How To Have Effective Meetings](#)
- Guide: [How To Serve As Route Chairperson](#)
- Guide: [How To Serve As Route Secretary](#)
- Guide: [How To Elect Your Route Leadership And Appoint Them To The Best Positions](#)
- Resource: [Video: Ken Blanchard On Situational Leadership](#)

## Other resources to use

- Robert's Rules of Order – <http://www.robertsrules.org>