

Revised September 2020 and approved by the Board of Directors November 2021

**FIDUCIARY POLICIES
AND FINANCIAL PROCEDURES**
of
The Society for the Scientific Study of Sexuality

A. THE ORGANIZATION

As approved by the Board of Directors (BOD) on November 18, 2021 this document serves as the financial operating policy for the Society for the Scientific Study of Sexuality (SSSS).

SSSS, founded in 1957, was incorporated as a 501(c)(3) organization in the state of New York in February 1966 and is committed to maintaining the highest standards of transparency and accountability in all financial transactions. SSSS's fiscal year runs from January 1 through December 31 each year. SSSS utilizes United States of America (USA) currency drawn from banks in the United States.

B. FINANCIAL ROLES & RESPONSIBILITIES

The fiscal responsibility of SSSS lies first and foremost with the BOD, who are responsible for ensuring SSSS funds are properly accounted for and spent. The Treasurer, in conjunction with the President, provides direct fiscal oversight and management. See **Appendix I** for detailed information on the role of the Treasurer.

In order to oversee SSSS financial matters and review and modify fiduciary policies, the Treasurer will chair a Finance Committee. The SSSS Finance Committee will consist of the Treasurer, the most recent past Treasurer, and at least 3 members appointed by the Treasurer in consultation with the President. If the most recent past Treasurer is unavailable to serve, any past Treasurer can take their place with preference given to those who served most recently. All appointed positions will serve a staggered two-year term. The past Treasurer is expected to serve for at least one year. The SSSS staff member in the Director position for the organization (e.g., Director of Operations, Executive Director, etc.) and President are ex-officio to the Finance Committee. Other SSSS staff involved in financial matters may also be invited to participate in the committee without voting rights. In the event of a vacancy in any Finance Committee position, the Treasurer, in consultation with the President may appoint a replacement committee member with BOD approval. Any modifications to the financial policies will be presented to the BOD for a vote. The Finance Committee will develop an annual budget for BOD approval, meet at least quarterly to review income and expense reports, and at a minimum, will establish a

budget for SSSS, review income and expense reports, review contracts to be executed, and review SSSS events (Annual Conference, symposia, etc.) financial transactions and balances. The responsibility for the establishment and the meetings of this committee falls on the Treasurer, and if it is not carried out, is a dereliction of responsibilities.

The SSSS staff member in the Director position for the organization oversees the implementation of the budget, makes decisions regarding expenditures, provides and oversees accountant coding, and ensures all fiscal-related documents are filed in a timely manner, among other responsibilities. The staff member in the Director position for the organization is also directly responsible for ensuring the timely filing of SSSS's yearly IRS FORM 990. The staff member in the Director position for the organization or BOD may decide to delegate some responsibilities in fiscal management to any SSSS Staff. The staff member in the Director position for the organization is expected to maintain fiscal responsibility and must consider budgetary concerns, including proper use of SSSS funds in all aspects of work, or reasonable actions will be taken.

As of November 2020, the Certified Public Accountants' (CPA) responsibilities include providing the organization with quarterly and yearly expenses reports after receiving coded expenses, paying all invoices and contracted employees, writing all reimbursement checks on behalf of the organization, and filing tax documents. The CPA also manages the employee SIMPLE IRA Plan contributions.

As of November 2020, the payroll service's responsibilities include ensuring that paid staff are receive biweekly paychecks and that payroll taxes, unemployment, social security, etc. are paid accordingly.

SSSS is registered to do business (as a foreign corporation) in the state of Pennsylvania. The organization has a corporate tax exemption, which means that SSSS does not pay income tax except in the case of unrelated business income. SSSS also has a sales tax exemption in the State of New York. In other states, as contracts are negotiated for meetings, the SSSS staff member in the Director position will apply for tax-exempt status from the state in which the meeting will be held. If the state denies tax-exempt status, SSSS must pay sales tax.

SSSS will maintain a standard Director and Officers Liability Insurance Policy and a Comprehensive General Liability Insurance Policy to ensure that BOD members and staff are protected from personal liability and SSSS is protected as an organization. The SSSS staff member in the Director position will be responsible for repurchasing this insurance yearly with Treasurer approval.

C. FISCAL MANAGEMENT

In November, 2008, the BOD voted to set a fiscal year of January 1 to December 31. The BOD may revisit this decision with the advice of the CPA serving the organization. Membership renewal begins in January and ends in December each year. Monies received in one fiscal year for subscriptions, membership, or any services to be delivered or performed in the years following, must be held out of the prior year accounting and accounted for in the next fiscal year.

All bank accounts, large fund transfers of \$15,000 or more, or changes in fiduciary policies will be approved by the Finance Committee and ratified by the Executive Committee (President, President-elect, Secretary, Treasurer, and Membership Chair as of November 2021). All checks, drafts, or other orders for the payment of money, notes, or other evidence of indebtedness issued in the name of SSSS will be signed by the President, the SSSS staff member in the Director position, or the Treasurer. Any amount higher than \$1,000 must be approved by an additional signer.

The BOD may authorize any officer or officers, agent or agents of SSSS, in addition to the officers so authorized by the bylaws to enter into any contract or execute and deliver any instrument in the name of and on behalf of SSSS, and such authority will be confined to specific instances and will be recorded in the minutes of the BOD meeting where authorization occurred.

All financial transactions, including but not limited to the opening or closing of accounts require approval of the Finance Committee and must be ratified by the Executive Committee or BOD, whichever is meeting next. The SSSS staff member in the Director position and Treasurer, in consultation with the Finance Committee, will manage the transfer of monies between the checking, savings, investment, and PayPal accounts. All such transfers will be reported to the CPA.

I. REVENUE

SSSS receives funds by check and electronic payments. Cash is not routinely processed except during conferences. In the event of cash payment, a record of all payments will be kept. SSSS staff is to keep all cash, and not reappropriate it to other uses at the conference, for immediate bank deposit. SSSS staff must make copies of all checks and send copies of bank deposit forms to the CPA. The CPA completes bank reconciliations.

II. EXPENSES

SSSS Funds are disbursed in the following ways:

- a. **Checks:** Checks are written by the CPAs on behalf of SSSS to pay various bills monthly or those related to SSSS events. Checks are also used to reimburse expenses. As of 2009,

check requests are posted to a monthly shared Google Spreadsheet by SSSS staff (either the SSSS staff member in the Director position or Office Manager). The SSSS staff member in the Director position may approve expenses attributable to a contract already approved by the BOD or that are below a threshold set periodically by the Finance Committee. The current threshold (as of November, 2011) is \$500. The Treasurer reviews the requests monthly and gives approval for payment of requests that exceed the \$500 threshold. The Treasurer reviews and gives approval for any check to the SSSS staff member in the Director position or other SSSS Staff. Any check requested for and written to the Treasurer must be approved by the President. Once all expenses are approved, the CPA then issues the checks, and notes the date and check number for each expense on the shared document. The President and members of the Finance committee may have 'viewing rights' of the shared document. The SSSS staff member in the Director position, Treasurer, and CPA have editing rights to the Google Spreadsheet.

- b. **Electronic payments:** Many electronic payments are handled in the same manner as checks; however, some are processed automatically through the checking account. These should be monitored by the Treasurer for accuracy on the monthly checking account expenses coding.
- c. **Payroll service:** SSSS will contract with a payroll service to manage payroll for SSSS employees. The current payroll service is PayChex. The SSSS staff member in the Director position authorizes payment to all SSSS staff, with direct oversight from the Treasurer. The SSSS staff member in the Director position and Treasurer may request that the payroll service send reports to the CPA to reconcile tax disbursements at the time of tax filing or an audit.
- d. **Debit Card:** From time to time, a debit card is required to conduct SSSS business. Upon the direction from the BOD, a debit card may be obtained and secured by the SSSS staff member in the Director position, Treasurer, President, and/or President-elect. Such a card requires the social security number of the individual and is issued with that individual's name and the name of SSSS. The SSSS staff member in the Director position is expected to save and scan all itemized receipts from debit card purchases for taxes and auditing purposes. Any one-time expense over \$500 or a recurrent charge must be approved in advance by the Treasurer and President. As the debit card will be connected to SSSS's checking account, which is coded monthly, the charges will be available for ongoing review by the CPA and Treasurer to ensure that all charges are accurately attributed. All charges on the debit card are to be attributed to an expense category in the SSSS budget, and are assigned the appropriate code by the SSSS staff member in the Director position. Please see **Appendix II** for more information on the coding process. It is the

responsibility of the Treasurer to bring any charges that appear to be outside of business purposes to the attention of the Executive Committee and Finance Committee.

- e. **Personal expenses:** SSSS staff, members of the BOD, and committee members are not to use SSSS funds or financial accounts for any personal expenses at any time. Should this occur, it is grounds for immediate termination of employment or membership and potential prosecution.

D. ACCOUNTING

SSSS will retain the services of a CPA licensed to practice in the state where the CPA's office is located and who is a member in good standing of the American Institute of Certified Public Accountants.

SSSS will use a chart of accounts based on the chart promulgated by the National Center for Charitable Statistics (<https://nccs.urban.org/>). The chart may be modified under the recommendation of SSSS's CPA, currently KSM Group, CPAs, LLC (as of August 2020), or the recommendation of the Finance Committee, to meet specific needs that may arise during a fiscal year.

The CPA will maintain a fund accounting system, with specific segregated funds defined with the SSSS staff member in the Director position or Treasurer as necessary to maintain the work of SSSS. The Treasurer and SSSS staff member in the Director position will work with the CPA to develop procedures to manage revenue and expenses that meet the highest possible professional accounting standards for internal controls. All revenue and expenses will be coded to the appropriate code from the chart. SSSS staff will code and enter all income and expenses by the 15th of the following month. Current procedures (August 2020) are attached as **Appendix II**.

Quarterly financial reports will be developed by the CPA within 4 weeks of the end of each fiscal quarter. The SSSS staff member in the Director position will analyze the reports, add clarifying notes explaining variances between the budgeted and the actual amounts, and present this report to the Finance Committee at a meeting/teleconference held within 6 weeks of the end of each quarter.

E. BUDGET DEVELOPMENT

The SSSS budget for a given year will be developed by the Treasurer and SSSS staff member in the Director position in conjunction with the Finance Committee. The budget is then circulated to the President for review and input. This revised document, based on the recommendations of the Finance Committee, is presented to the Executive Committee for their review and

recommendation. It is then to be presented to the BOD for approval by the Fall Board Meeting (each year). The SSSS staff member in the Director position, with oversight from the Treasurer, is charged with administering the budget. Every BOD member is responsible for ensuring that a yearly budget has been presented and is accurate.

In the event that any significant non-budgeted expenditures (greater than \$1,000 or spanning more than one fiscal year) are requested for the management of SSSS or related functions (i.e., events and symposia), a proposal must be presented to the Treasurer who will then seek approval from the Finance Committee. The Executive Committee will then vote to approve the expenditure.

The Treasurer, in consultation with the SSSS staff member in the Director position and CPA, will prepare and present to the Executive Committee and BOD quarterly updates comparing the budget to actual revenue and expenses. Any desires to address budgetary concerns will be presented to the Finance Committee for consideration.

F. TAX REPORTING AND INDEPENDENT REVIEW

SSSS's 990 form will be filed with the IRS due on the 15th day of the 5th month after the end of the organization's taxable (fiscal) year. As of August 2020, this date is May 15th. The SSSS staff member in the Director position and Treasurer, with consultation from the CPA, must arrange for all tax reporting to local, state and federal governments yearly. Any requests of necessary information (i.e., 1099s, account statements) from the CPA will be met in a timely manner so as to not cause a delay in filing. For the tax preparation of the organization, reports should include a summary, by category, of all expenses and income, beginning balance, and ending assets. The report should be notated and a written summary of the significant items for examination included. The year-end summary report should include line-item accounting of expenses and income related to memberships, meetings, travel, reimbursements, publications, SSSS office overhead, staff payroll and benefits, or other details as specified by the BOD through the Finance Committee. The responsibility for the timely filing of the 1099 form falls on the SSSS staff member in the Director position.

The BOD will periodically determine whether or not an independent review or audit of SSSS's financial records is warranted in order to maintain compliance with specific state or IRS regulations.

G. EXPENSE REIMBURSEMENT

Members of the BOD may apply for travel reimbursement (flight; rooms within the room block of the conference hotel; ground transportation, and per diem) up to \$500 for BOD meeting

attendance, as the SSSS budget allows. BOD members may request support for each of the two BOD meetings scheduled if they occur in person and if they have financial need; those BOD members whose travel is fully reimbursement from other sources (i.e., universities, grants, etc.), will not be eligible for SSSS travel reimbursement. Travel reimbursement will be for BOD responsibilities only, not conference attendance, though conference attendance is encouraged. Actual reimbursement will depend on the financial assets available to SSSS. The Finance Committee may choose to hold all requests until the end of the fiscal year and make disbursements proportionally based on available funds.

All travel-related expense reimbursement will be decided as part of the annual budget review process, reflecting concern for the goals and objectives of SSSS. The expenses of the BOD, the SSSS staff member in the Director position, SSSS staff, and volunteers will be reviewed by the Finance Committee and Executive Committee as part of the yearly budget.

If on-site participation of the SSSS staff or others is determined to be required by the Executive Committee, reimbursement for their travel expenses will be included in the event budget. Expense reimbursement for the President, or a designee, to attend events hosted by other organizations approved by the BOD will be paid from SSSS accounts.

For SSSS staff member in the Director position and staff travel, economy airfare, ground transportation, meals, and hotel room costs will be reimbursed at levels in line with federal guidelines as posted at www.gsa.gov/perdiem.

All those requesting reimbursement, including SSSS staff, must attach their itemized receipts to the SSSS Expense Report form. This form is to be emailed prior to a meeting requiring travel, can be found on OneDrive, or is available through request from the SSSS office. All reimbursement SSSS Expense Reports will remain on file with the SSSS staff member in the Director position and CPA. Reimbursement requests must be submitted within 60 days of the event in order for payments to be processed or by the date specified by SSSS staff, whichever comes first, in order for payments to be processed.

H. ANNUAL CONFERENCE

The SSSS Annual Conference is one of the major income producing mechanisms of SSSS and is expected to be executed each year, except under extenuating circumstances. This should be a consideration of the SSSS staff member in the Director position, the Program Chair(s), the President, Treasurer and Finance Committee as the budget for the Annual Conference is developed and implemented. Revenue from the Annual Conference goes directly to support the work of SSSS.

Accounting for the Annual Conference will appear on the financial statement for the year in which the meeting was held and will be consistent with the current version of the **SSSS Event Guidelines**.

I. CONTINUING EDUCATION

The Continuing Education Chair(s) coordinate(s) the distribution of Continuing Education (CE) attendance documents to those who successfully meet the CE requirements of designated sessions at SSSS meetings and events. SSSS pays an annual fee, determined by each professional organization, in order to be able to grant CE credits.

Separate fees are charged for pre and post-conference workshops at the Annual Conference. Attendees will be charged a CE credit fee to earn CE credits during the meetings. SSSS provides a Certificate of Attendance at no cost to all individuals who attend the Annual Conference.

The costs associated with CE workshops will be recommended by the SSSS staff member in the Director position and Annual Conference Program Chair(s), in consultation with the President, Treasurer, and Chair(s) of the Continuing Education Committee.

J. ADDITIONAL REVENUE SOURCES FOR SSSS

Outside of the SSSS Annual Conference and events, these are additional sources of revenue for the organization:

I. MEMBERSHIPS

Membership in SSSS is the other major revenue producing mechanism of the organization. The Membership Committee recommends the categories of membership to the membership for approval. Membership fees based upon these categories are recommended to the BOD for approval through a consultative process of the SSSS staff member in the Director position, President, Treasurer and Finance Committee.

The term of membership runs annually from January 1st to December 31st. Thus, membership dues must be collected by the beginning of each year to maintain an active membership in the organization. The Membership Committee, in consultation with the Finance Committee, may make recommendations for incentives and discounts on an annual basis. These incentives and discounts must be approved by the BOD.

II. PUBLICATIONS

The major publication of SSSS is the *Journal of Sex Research (JSR)*. SSSS enters into a contractual agreement with Taylor and Francis Publishing to provide *JSR* to SSSS members, professionals, and institutions worldwide. The contracts are renewed every 5 years and contain parameters related to profit sharing, annual editorial stipends, and distribution. The SSSS staff member in the Director position, President, and Treasurer review the contracts. All SSSS members, with journal privileges, will receive *JSR* in electronic format, with the option to also get it in print.

SSSS owns the journal and is responsible for all journal content through the Editor it appoints. Taylor and Francis are responsible for all production, marketing, warehousing, distribution, and fulfillment activities for the journal in hardcopy and electronic formats, the costs of which will be borne solely by Taylor and Francis. Quarterly, Taylor and Francis Publishing provides a stipend to JSR editorial staff.

A Publications Committee will be established by the BOD when it is time to renew our relationship with the journal Editor or to appoint a new one. The Publications Committee of SSSS identifies a Journal Editor to serve for five years; the Journal Editor will enter into a formal agreement with SSSS, the content of which is approved by the Publications Committee.

From time to time, SSSS will set a charge for rights to reproduce intellectual material owned by SSSS. The charge will be based on the potential distribution of the materials. See **Appendix III** for more information.

III. DONATIONS AND GIFTS

The SSSS staff member in the Director position will provide a letter to all donors. A standard paragraph in the thank you letter will state that donors may consider donations as federally tax-deductible and that nothing of value was received by the donor in return.

A donation of stock will be evaluated pending sale and may be sold immediately and deposited in the Reserve Fund.

IV. RESERVE AND INVESTMENT FUNDS

SSSS's goal is to maintain a minimum of \$50,000 in an operating account, one year's worth of the total operating budget each year in a reserve fund account (approximately \$150,000), and invest additional funds conservatively. All funds will be held in the appropriate investment vehicles as recommended by the Finance Committee and SSSS staff member in the Director position and approved by the BOD.

APPENDIX I

Society for the Scientific Study of Sexuality Treasurer, Board of Directors Position Description

Title(s): Treasurer, Executive Committee Officer, and Chairperson of the Finance Committee

Term(s): Elected position, serves a 2-year term (may serve an additional 2-year term if elected again by membership); continues serving on the Finance Committee in the role as Past Treasurer for at least 1 year after Treasurer term ends.

Reports to: Board of Directors and Executive Committee, Society for the Scientific Study of Sexuality (SSSS)

Position Accountabilities & Essential Functions:

The SSSS Treasurer is responsible for financial oversight of the organization. Specific functions include:

- Overseeing the management of all SSSS income and expenditures in conjunction with the President, SSSS staff member in the Director position, Office Manager, and Certified Public Accountant (CPA)
- Overseeing the management of all SSSS bank and brokerage accounts in conjunction with the SSSS staff member in the Director position, and CPA (as of 2020), there are 5 accounts: SSSS Wells Fargo Checking; SSSS Wells Fargo Savings; Wells Fargo Brokerage; Morgan Stanley Brokerage; BYN Mellon (previously Dreyfus))
- Overseeing all SSSS additional financial systems including PayChex (for payroll), PayPal, Mutual of America (for IRAs)
- Overseeing the rectifying of expenses through the Google docs tracking system with the SSSS staff member in the Director position, Office Manager, and CPA
- Generating an annual budget with the Finance Committee for review and approval by the Executive Committee (EC) and Board of Directors (BOD)
- Chairing the Finance Committee and ensuring the SSSS Fiduciary Policy is followed
- Attending the EC and BOD meetings and providing financial reports
- Assisting with the review of all SSSS financial contracts
- Helping to maintain the overall financial health of SSSS, including approving/denying expenditures

Qualifications: SSSS member in good standing; preference given to those with experience managing complex budgets.

Compensation: This is a voluntary position. Attendance is expected at the BOD meetings. In the event that there is financial need, BOD members may receive up to \$500 for travel support in the form of reimbursement (transportation, lodging, parking, etc.) to attend each of the BOD meetings and half off of the Annual Conference registration, depending on the availability of SSSS financial assets.

APPENDIX II

Standard Chart of Accounts and Coding Processes

The Standard Chart of Accounts is reviewed by the Certified Public Accountant (CPA) and Finance Committee on a periodic basis and provided to SSSS. The document is available to the Board of Director and Finance Committee members upon request.

As of November 2020, the coding process is as follows:

The Treasurer enters all Wells Fargo deposits and expenses for each month into a Google Spreadsheet by the end of that given month. The SSSS staff member in the Director position, CPA, and President all have editing privileges to the spreadsheet. The Google Spreadsheet lists: date of expense/deposit, item, amount, expense year, check number (if applicable), who the check was written to (if applicable), purchaser/signer, code, class code, date of invoice (for expenses with bills) and any notes. The SSSS Office Manager then provides accounting codes for each line item to the CPA by the 15th of the following month. These codes are to be monitored and approved by the SSSS staff member in the Director position for accuracy. This specific system is in place to provide checks and balances to the process so that no one person is solely responsible for entering and coding their own expenses. Also, as of August 2020, the Office Manager pulls the PayPal reports and codes them for the CPA.

The CPA is expected to have actuals and to rectify any mistakes of entries within a month of receiving the codes. The CPA sends quarterly reported are sent to the SSSS office.

This process can be modified with discretion and approval of the President and Treasurer.

APPENDIX III

Sale of Rights to Reproduce Intellectual Materials

Any requests to sell or reproduce SSSS products must first be taken to the Executive Committee for review. Any amount in the excess of \$1,000 will be reviewed by the Finance Committee and require BOD approval for a final decision.