



Policy Number:	09
Policy Title:	Financial Guidelines
Original date:	September 2012
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**Purpose:**

The Board of Directors has a fiduciary responsibility for the financial planning and monitoring of performance for NCAHQ. This is achieved through participation in the budgeting process and in review of the association's financial performance. A Treasurer is elected to be responsible for working with the NCAHQ Board to address any areas of concern or question and to ensure transparency.

**Policy/Procedure:**

**1. Financial Policies**

- 1.1. The fiscal year for NCAHQ runs from July 1 to June 30 or as determined by the Board of Directors.
- 1.2. The Treasurer and President are authorized by the Board to sign checks and transfer funds for NCAHQ.
- 1.3. An annual compilation, review or audit is conducted by an accountant selected by the Board. The Treasurer will submit findings to the Board of Directors. Financial information shall be presented to the membership at least annually.
- 1.4. Checking accounts will be retained in an FDIC-insured bank.
- 1.5. Any funds that are not needed to cover obligations within a given period may be invested in money market mutual funds, federally insured certificates of deposit, obligations of the U.S. government or its agencies, and stock and bond mutual funds. Investments are to be made in such a way as to minimize risk and maximize return. At any given time, no more than 30% of the total portfolio should be allocated to common stocks. The organization's CPA will be an advisor on this decision.
- 1.6. The Treasurer shall recommend specific investment decisions within these guidelines under the supervision of the board of directors.
- 1.7. Newly installed officers' signatures will be attached to all accounts within 60 days after taking office.
- 1.8. Tax returns shall be filed every year as required by law. These returns shall be prepared using the services of an accountant.

**2. Budget Process**

- 2.1. Budget should be drafted for the following fiscal year beginning in the third quarter of the

prior fiscal year. The budget is based on:

- Ongoing projects and anticipated changes to those projects;
- Assumptions for sales, registrations, and memberships based on prior years' experience;
- New programs or projects initiated through the strategic planning process;
- Contract information for conferences and other programs that are known.

2.2. The budget should be drafted by the Treasurer for board approval, following input from the various teams and board members.

### **3. Financial Monitoring**

3.1. The financial reports should be drafted by the Treasurer on a monthly basis and reviewed by all officers for accuracy and completeness at each board meeting; checking, savings, and any other income statements, balance sheets, and comparisons of actual income/expenses to budget should be reported.

3.2. The monthly financial reports include balance statements for all association accounts with comparisons to the month.

3.3. Control mechanisms shall be put in place to prevent fraud.

### **4. Travel Expenses**

4.1. All expenses must be reported on an Expense Report and submitted to the Treasurer within 30 days of the incurred expense.

4.2. Receipts must be attached to the expense report. All expenditures must have a receipt to claim reimbursement.

4.3. Whenever practical, the most economical class and most direct route will be used for travel. Reservations for air travel must be made 30 days in advance of travel, when possible. Reimbursement when traveling by private car will be at the rate paid in accordance with current federal guidelines.

4.4. Meals will be reimbursed at a rate set by the board, to be reviewed annually.

4.5. The costs of one year of NAHQ membership and attendance of the NAHQ annual conference (virtual or in person) will be reimbursed for the President.

### **5. Operating Expenses**

5.1. The Treasurer has authority to receive all monies and pay all bills incurred on behalf of the association with the following clarifications:

- Expenditures that significantly exceed the guidelines of the current budget must have board approval prior to commitment and/or payment.

- Expenditures associated with projects or activities not included in the current budget, but approved by the board through official action, are considered approved.
  - Any projects or activities not explicitly or typically associated with planned projects or normal business practices must be approved by the board prior to incurring the expense.
- 5.2. This policy applies to the staff, committees, and members of the board of directors. The Treasurer also has authority to pay all expenses approved in the budget.
- 5.3. The Treasurer and President of the association will be bonded and insured for protection from financial loss.

## **6. Check Signing**

- 6.1. The Treasurer and President are authorized to sign checks on the association's behalf without countersignature, provided the expenses are approved by voucher as noted above.

## **7. Credit/Debit Cards**

- 7.1. Use of debit cards shall be by approved officers only (Treasurer and President).
- 7.2. Officers approved for use of an association debit card shall be bonded.
- 7.3. Use of the cards is limited to approved official association business. Notification of use shall be made to the Treasurer and a completed expense sheet with receipts for those purchases shall be sent to the Treasurer within 30 days of use for documentation purposes.
- 7.4. A listing of such expenditures will be maintained by the Treasurer and reported in the financial report to the board.

## **8. Contracts**

- 8.1. Contracts on behalf of the association, or any of its other teams or task teams, must have authorized approval by the Board of Directors and be signed by the president or by the board's authorized designee for that contract.